

Report to Audit Committee

Subject: The Local Code of Corporate Governance 2024/25

Date: 19 March 2024

Author: Monitoring Officer

Purpose

To seek approval for the updated Local Code of Corporate Governance 2024/25.

Recommendation

THAT:

The Local Code of Corporate Governance for 2024/25 be approved.

1 Background

- 1.1 Corporate governance is the system by which organisations are directed and controlled and it became an important concept following the Cadbury Committee's report in 1992 on financial aspects of corporate governance. As a consequence, all local authorities have sought to demonstrate compliance with best practice by drawing up a Local Code of Corporate Governance, based on CIPFA/SOLACE Guidance first published in 2007.

- 1.2 In April 2016, CIPFA and SOLACE published the publication "Delivering Good Governance in Local Government: Framework" which is in essence an updated version of the original 2007 publication. However, amendments to the framework include an update to the Core Principles and sub principles to ensure organisations demonstrate good governance by "Achieving the Intended Outcomes While Acting in the Public Interest at all Times". The Framework makes it clear that it is up to each local authority to:

- Set out its commitment to the principles of good governance;
 - Determine its own governance structures and local Code; and
 - Ensure that it operates effectively in practice.
- 1.3 The Local Code of Corporate Governance should set out the governance structures the Council has in place to demonstrate how it complies with the Core principles and sub-principles. It is a 'living document' in that it must be periodically reviewed and amended to ensure that it satisfies the changing financial and corporate environment.
- 1.4 Members of the Committee will recall that on 12 September 2017 it was agreed that the process of review of the Code should be as follows:-
- Senior Leadership Team
- The Senior Leadership Team (SLT) will review the Council's governance and risk management arrangements and identify a work programme for ensuring these arrangements remain robust and up-to-date as and when necessary. SLT will also proactively review issues which may arise during the course of the Council's day to day business and take steps to address them. SLT will report directly to the Audit Committee as and when necessary.
- The Audit Committee
- The Audit Committee has overall responsibility for the Council's governance and risk management arrangements, and will be the main Member review of those arrangements. The Committee will approve any amendments to the Local Code.
- 1.5 The Council's "Annual Governance Statement", reports on the extent that the Council complies with its own Code of Corporate Governance and whether those arrangements are adequate and operating effectively. The Annual Governance Statement will accompany the Statement of Accounts report.

2 Proposal

- 2.1 In accordance with the agreed process, Senior Leadership Team has reviewed the Local Code on Corporate Governance in consultation with Heads of Service and has made a number of amendments to ensure that it remains up to date and fit for purpose. For ease of reference the amendments are shown in strikethrough and italics. Members will note that there has been a number of additions to the Code of Governance

reflecting the work undertaken in 2023/24 including:

- New style Gedling Plan approved for 2023-27
- New Member Code of Conduct adopted following consultation
- Establishment of Member Development Working Group
- Reviewed and updated the Code of Practice for Gifts and Hospitality
- Suite of Member training post -election
- Creation of a Digital, Data and ICT Strategy
- Creation of a new Risk Management strategy
- Consultation and review of the Equality and Diversity framework and Action Plan
- Established a staff inclusion group to support equality and diversity in the workplace
- Review of information security policy
- Review of Business Continuity plans
- Officer Training delivered on report writing and decision making
- Reviewed Council's Procedure Rules
- Delivered a staff briefing on Modern Slavery
- Expanded Community hubs to Bestwood
- Introduced webchat
- Developed a carbon impact assessment for use in decision making to demonstrate carbon impacts
- Progressed a restructure of the organisation at management level
- Reviewed the Council's workforce strategy
- Developed a spreadsheet of all policies, plans and strategies to ensure regular review.

The Code also identifies work to be undertaken next year including review of the Arrangements for Dealing with complaints under the Member's Code of Conduct, preparation of a Procurement Strategy, Fees and Charges Strategy, review of the Council's Counter Fraud and Corruption Strategy, review of the External Funding Guidance, creation of a corporate consultation process, as well as delivering training on Code of Conduct and Risk management and implementing the Digital, data and ICT Strategy..

2.2 It is proposed that members approve the Code of Governance for 2024/25.

3 Alternative Options

3.1 Not to approve the Local Code of Governance or propose different amendments to the Code. As highlighted however, the requirement to

have a Code is best practice as indicated by CIPFA/SOLACE guidance and supports the Annual Governance Statement required by statute by setting out clearly the Council's approach to governance across the organisation. The review undertaken for 2023/24 by SLT has been undertaken in consultation with Heads of Service and reflects all required amendments.

4 Financial Implications

4.1 None directly arising from this report.

5 Legal Implications

5.1 The Code has been drawn up to demonstrate compliance with best practice as set out by CIPFA/SOLACE and supports the Annual Governance Statement which is required as part of the accounts process as required by statute and in particular the Accounts and Audit Regulations 2015.

6 Equalities Implications

6.1 None directly arising from this report, however it should be noted from the Code, that the Council has undertaken a consultation on the Equality and Diversity policy.

7 Carbon Reduction/Environmental Sustainability Implications

7.1 None directly arising from this report.

8 Appendices

8.1 Appendix 1 – Local Code of Corporate Governance for 2024/25.

9 Background Papers

9.1 None identified.

Statutory Officer approval

Approved by:

Date:

On behalf of the Chief Financial Officer

Approved by:

Date:

On behalf of the Monitoring Officer