

Cherwell District Council

Accounts, Audit and Risk Committee

25 May 2022

Local Code of Corporate Governance

Report of Interim Monitoring Officer

This report is public

Purpose of report

To provide an opportunity for the review of the Local Code of Corporate Governance

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve the Local Code of Corporate Governance (Appendix 1).

2.0 Introduction

- 2.1 In 2016 the Chartered Institute of Public Finance and Accountancy (CIPFA) & Society of Local Authority Chief Executives (SOLACE) produced an updated guidance and framework with the identified principles that should underpin the governance of each local authority, and a structured approach to assist individual authorities to achieve good governance, "Delivering Good Governance in Local Government: Framework 2016 Edition." The Code of Corporate Governance attached at Appendix 1 is based upon this guidance.
- 2.2 The Framework urges local authorities to test their structures against seven core principles by:
 - Reviewing their existing governance arrangements against the Framework
 - Developing and maintaining an up-to-date local code of governance including arrangements for ensuring its ongoing application and effectiveness
 - Preparing an Annual Governance Statement in order to report publicly on the extent to which they comply with their own code, including how they have monitored the effectiveness of their governance arrangements in the year, and on any planned changes for the coming period.

- 2.3 The Corporate Governance Assurance Group has reviewed and updated Cherwell District Council's Local Code of Corporate Governance, and this will be subject to an annual review. The next review date is March 2023.

3.0 Report Details

- 3.1 Unlike the Annual Governance Statement, there is no statutory requirement for a Local Code of Corporate Governance. Rather, the Code complements and underpins the Annual Governance Statement by demonstrating, with evidence, how the Council meets the good governance principles set out in the Good Governance Framework published by the Chartered Institute of Finance and Accountancy.
- 3.2 The Local Code of Corporate Governance has been drafted with the oversight of the Corporate Governance Assurance Group (CGAG) and with input from ELT representatives.

Format of the Local Code of Governance

- 3.3 The Local Code of Corporate Governance sets out how Cherwell District Council complies with the requirements of the Code and identifies key documents, which provide detailed information as to how the Council ensures the Corporate Governance principles are adhered to.
- 3.3 Appendix A of the Local Code of Governance details the actions and behaviours taken by the Council that demonstrate good governance; as taken from 2016 CIPFA & SOLACE: "Delivering Good Governance in Local Government: Framework 2016 Edition"
- 3.4 Appendix B of the Local Code of Corporate Governance identifies evidence that demonstrates that the Council is delivering good governance

4.0 Conclusion and Reasons for Recommendations

- 4.1 The Local Code of Corporate Governance provides a simple and transparent way to communicate to the Council's stakeholders how it is meeting the requirements of the CIPFA/SOLACE Framework and provide a reference point in the Annual Governance Statement.

5.0 Consultation

None in the preparation of this report.
The Corporate Leadership Team and Extended Leadership Team were involved in the drafting and review of the Local Code of Corporate Governance.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to approve the Local Code of Corporate Governance. This is not recommended as the Code demonstrates how the Council meets the good governance principles set out in the CIPFA Good Governance Framework.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no finance implications arising directly from this report.

Comments checked by:

Michael Furness, Assistant Director of Finance, 01295 221845
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Legal Implications

- 7.2 There are no legal implications arising directly from this report.

Comments checked by:

Shahin Ismail, Assistant Director Law, Governance & Democratic Services & Monitoring Officer, Shahin.ismail@cherwell-dc.gov.uk

Risk Implications

- 7.3 There are no risk implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Interim Assistant Director – Customer Focus, 01295 221556
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Equalities and Inclusion Implications

- 7.4 There are no equalities implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Interim Assistant Director – Customer Focus, 01295 221556
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8.0 Decision Information

Key Decision

Financial Threshold Met: N/A

Community Impact Threshold Met: N/A

Wards Affected

All

Links to Corporate Plan and Policy Framework

N/A. This report is supported by the CIPLA/SOLACE framework document "Corporate Governance in Local Government"

Lead Councillor

None

Document Information**Appendix number and title**

- Appendix 1 – Local Code of Corporate Governance

Background papers

None

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