

# **Cherwell District Council**

## **Accounts Audit and Risk Committee**

**15 November 2023**

### **Local Code of Corporate Governance**

#### **Report of the Assistant Director of Law and Governance**

This report is public

#### **Purpose of report**

To review the Local Code of Corporate Governance. The code is part of the overall system of internal control at the Council and supports the provision of the Annual Governance Statement (AGS) which is approved annually by the Accounts, Audit and Risk Committee.

#### **1.0 Recommendations**

The meeting is recommended:

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

#### **2.0 Introduction**

- 2.1 Governance is about how the Council ensures it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. It comprises systems, processes, cultures and values by which the Council is directed and controlled and through which it accounts to, engages with and, where appropriate leads the community. The Leader of the Council and Chief Executive have a special role as custodians of the Council's governance arrangements, but good governance is also the responsibility of all Members and Officers.
- 2.2 The Chartered Institute of Public Finance and Accountancy, ("CIPFA") and the Society of Local Authority Chief Executives ("SOLACE") published a framework document for Corporate Governance in Local Government in April 2016. The Council is committed to the principles of good corporate governance through the adoption and maintenance of a Local Code of Corporate Governance, as recommended by the CIPFA/SOLACE Framework.
- 2.3 This Local Code of Corporate Governance therefore sets out and describes the Council's commitment to corporate governance and identifies arrangements that will ensure its effective implementation and application in all aspects of the Council's work. This Local Code of Corporate Governance will be reviewed by the Statutory Officers through the Corporate Oversight & Governance Group regularly and at

least annually as part of the preparation of the Annual Governance Statement.

### **3.0 Report Details**

- 3.1 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.
- 3.2 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.
- 3.3 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.
- 3.4. 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.
- 3.5 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”
- 3.6 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**

Corporate Leadership Team

## **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:

Shiraz Sheikh, Assistant Director Law & Governance, 01295 221651

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### **Risk Implications**

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

Comments checked by:

Celia Prado-Teeling, Performance & Insight Team Leader, 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, Performance & Insight Team Leader, 01295 221556

[Celia.Prado-Teeling@cherwell-dc.gov.uk](mailto:Celia.Prado-Teeling@cherwell-dc.gov.uk)

## 8.0 Decision Information

**Key Decision** N/A

**Financial Threshold Met:** N/A

**Community Impact Threshold Met:** N/A

### **Wards Affected**

All wards are affected

### **Links to Corporate Plan and Policy Framework**

All corporate plan themes.

### **Lead Councillor**

Cllr Dallimore - Portfolio Holder for Corporate Services

### **Document Information**

#### **Appendix number and title**

- Appendix 1 – Local Code of Corporate Governance

### **Background papers**

None

### **Report Author and contact details**

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