

LOCAL CODE OF CORPORATE GOVERNANCE

Meeting	Governance and Audit Committee
Date	9 March 2022
Report Author	Estelle Culligan (Director of Law and Democracy)
Portfolio Holder	Cllr Ashbee, Leader and Portfolio Holder for Governance
Status	For Decision
Classification:	Unrestricted
Ward:	All

Executive Summary:

This report recommends the adoption of a revised Local Code of Corporate Governance which has been updated and sits alongside the Annual Governance Statement.

Recommendation(s):

That the Committee adopts the revised Local Code of Corporate Governance for 2021.

Corporate Implications

Financial and Value for Money

There are no direct financial implications from the adoption of this revised Code.

Legal

The Accounts and Audit Regulations 2015 require the Council to conduct a review of the effectiveness of the system of internal control every year and prepare an Annual Governance Statement. Part of that process involves reviewing and updating the Council's Local Code of Corporate Governance. This report and document reflect the CIPFA/SOLACE Good Governance Framework for Local Government 2016

Corporate

This report relates to a statutory and audit requirement and supports the development of an effective and efficient council.

Equality Act 2010 & Public Sector Equality Duty

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment,

victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

This report relates to the following aim of the equality duty: -

- To eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
- To advance equality of opportunity between people who share a protected characteristic and people who do not share it
- To foster good relations between people who share a protected characteristic and people who do not share it.

Engaging local communities including those with protected characteristics meets a core principle of the CIPFA/ SOLACE guidance.

Corporate Priorities

This report relates to the following corporate priorities: -

- Communities

1.0 Introduction and Background

1.1 Governance is about our organisational frameworks, responsibilities, systems, processes, culture and values.

1.2 The Council is required to publish its Annual Governance Statement (AGS) annually, at or before the publication of its audited annual accounts. The AGS for 2020 - 21 was approved by the Audit and Governance Committee on 1 December 2021, signed by the Leader and Chief Executive and has been published on the website, link here: <https://www.thanet.gov.uk/info-pages/council-governance/>

2.0 The Current Situation

2.1 The Council's Local Code of Corporate Governance is referred to in the AGS. It sets out the governance principles which we are committed to and within which we conduct our business and affairs. The Code forms part of our overall governance framework which brings together legislative requirements, governance principles and management processes. This ensures that the way the Council operates is based on sound decision making with an effective process to support it.

2.2 The Code is based on the principles of good governance A - G described in the document: "Delivering Good Governance in Local Government" (April 2016), published by CIPFA and sets out how the Council evidences compliance with those principles.

- 2.3 The Code should be reviewed and updated regularly. It was previously approved by this committee in 2019. The Code sits alongside the Annual Governance Statement (AGS) and is referred to in that document. With the adoption of the AGS for 2020 - 21, it is appropriate to provide an updated Local Code of Corporate Governance.
- 2.4 The Local Code has not fundamentally changed but it has been refreshed and updated. References to out of date policies have been removed and references to correct up to date policies have been inserted. Current governance practices and issues are reflected, for example, reference is made to the statutory recommendations issued by the external auditor.
- 2.5 Despite these changes, the Local Code of Corporate Governance still provides good evidence of the many governance controls and systems which the Council has in place and are working effectively.

3.0 Next Steps

- 3.1 The approved AGS for 2020-21 is already published. If approved, the updated Local Code of Corporate Governance will also be published on the website and a link provided within the AGS.

Contact Officer: *Estelle Culligan (Director of Law and Democracy)*

Reporting to: *Madeline Homer (Chief Executive)*

Annex List

Annex 1: Revised Local Code of Corporate Governance

Background Papers

None

Corporate Consultation

Finance: *Chris Blundell (Director of Finance)*

Legal: *N/A*