

Wiltshire Council

Cabinet

11 June 2019

Subject: Local Code of Corporate Governance

Cabinet Member: Cllr Richard Clewer – Cabinet Member for Housing, Corporate Services, Arts, Heritage and Tourism

Key Decision: Non-Key

Executive Summary

Attached as Appendix 1 is a revised draft of the Local Code of Corporate Governance (the current draft is protocol 10 of the constitution).

The Local Code of Corporate Governance forms the basis of assessing the robustness of the council's overall governance arrangements.

Proposal(s)

1. That Cabinet approve the revised local code of corporate governance for consideration by full council in July.
2. That Cabinet approve the proposed process for developing the Annual Governance Statement for 2019.

Reason for Proposal(s)

Councils are required to develop and maintain an up-to-date local code of governance. Wiltshire's existing code is based on CIPFA guidance which has been updated. A new draft is attached based on the revised principles. This will have to be adopted by full council to replace the current constitution's protocol 10.

It is proposed that progress on delivery against the code is reviewed by officers on a quarterly basis and that this informs the future development of the Annual Governance Statement for consideration by Audit Committee and Cabinet in due course.

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Executive Directors

Wiltshire Council

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Purpose of Report

1. To propose a new local code of corporate governance.

Relevance to the Council's Business Plan

2. The Business Plan has '*working with partners as an innovative and effective council*' as a key priority and within that a commitment to '*Robust decision making which is open, inclusive, flexible and responsive*'. The Local Code of Corporate Governance provides a basis for assessing that this is taking place.

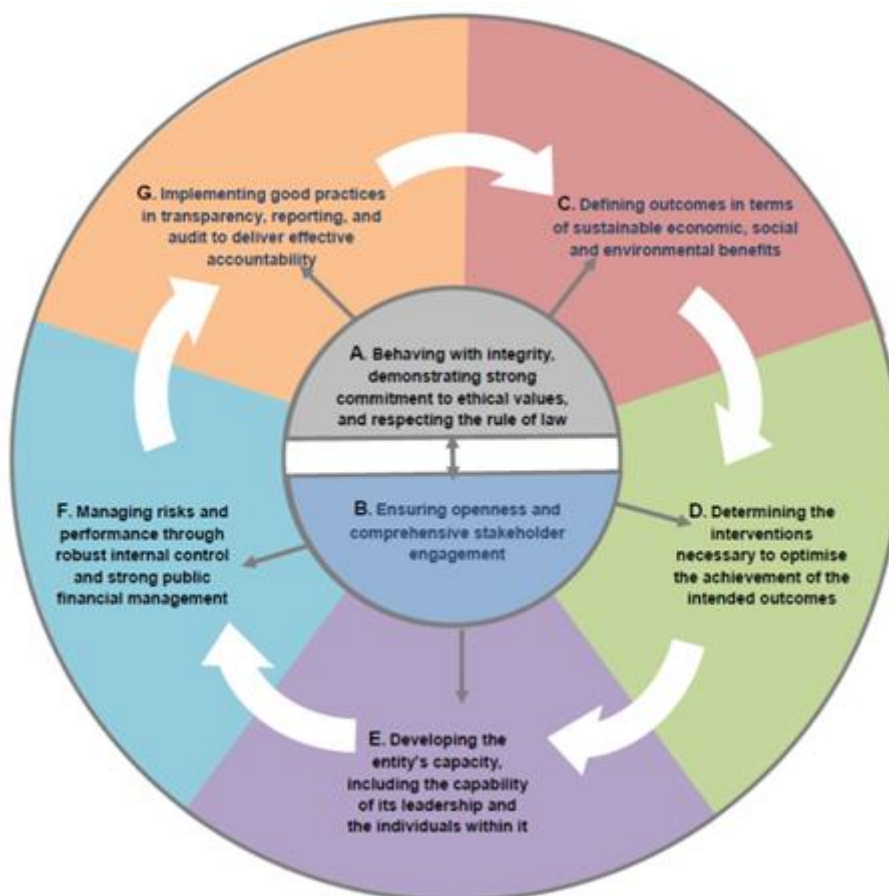
Background

3. Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its systems of internal control and include a statement reporting on the review with any published Statement of Accounts. This is known as an Annual Governance Statement.
4. The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be prepared in accordance with proper practices in relation to accounts. Therefore, a local authority should provide this statement in accordance with guidance produced by the Chartered Institute of Public Finance and Accounting (CIPFA) '*Delivering Good Governance in Local Government Framework (2016)*' and reflect this in its local code of corporate governance.
5. The local code of corporate governance is a small part of the council's overarching assurance framework and there are also important responsibilities to provide a statement of accounts, a constitution that provides for effective decision making, including overview and scrutiny, internal and external audit and to have in place a robust performance and risk management framework. These elements are set out in an annex to the code.

Main Considerations for the Council

6. The attached draft local code of corporate governance (Appendix 1) is intended to replace the out of date protocol 10 of the Wiltshire Council constitution. It reflects updated CIPFA guidance which outlines the following seven principles:

- 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 the intended outcomes
- Developing the Council's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit, to deliver accountability



7. The draft local code of corporate governance provides further levels of detail on which the council can monitor its progress against each of the seven principles.

8. It is proposed that progress on delivery against the code is reviewed by officers on a quarterly basis and that this informs the future development of the

Annual Governance Statement for consideration by Audit Committee and Cabinet in due course.

Overview and Scrutiny Engagement

9. The proposed Local Code of Corporate Governance has been considered by the Audit Committee and Standards Committee. It will provide the basis for assurance on the robustness of the council's overall governance arrangements.

Safeguarding Implications

10. The proposed Local Code of Corporate Governance provides the basis for assurance on managing risks and performance through robust internal control, including those relating to safeguarding.

Public Health Implications

11. None

Procurement Implications

12. The proposed Local Code of Corporate Governance provides the basis for assurance on Implementing good practices in transparency, reporting and audit, to deliver accountability – including those relating to procurement.

Equalities Impact of the Proposal

13. The proposed Local Code of Corporate Governance provides the basis for assurance on Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law – including equality considerations.

Environmental and Climate Change Considerations

14. The proposed Local Code of Corporate Governance provides the basis for assurance on defining outcomes in terms of sustainable, economic, social and environmental benefits.

Risks that may arise if the proposed decision and related work is not taken

15. The basis for assuring the robustness of council governance will be out of date.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

16. Governance arrangements may require changing in light of the new assessments. Risks associated with this will be mitigated through progress on delivery against the code being reviewed by officers on a quarterly basis.

Financial Implications

17. The Annual Governance Statement is approved alongside the Annual Statement of Accounts. The Local Code of Corporate Governance provides the basis for assurance on managing risks and performance through robust internal control and strong public financial management.

Legal Implications

18. Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its systems of internal control and include a statement reporting on the review with any published Statement of Accounts. This is known as an Annual Governance Statement.
19. The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be prepared in accordance with proper practices in relation to accounts.

Workforce Implications

20. Awareness of the council's decision making processes is an essential part of ensuring robust practice which can be assessed using the code.

Conclusions

21. The attached, revised Local Code of Corporate Governance will provide a sound basis for assurance on the council's governance arrangements.

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Appendix 1:

Draft Local Code of Corporate Governance

14 May 2019

Appendices

Appendix 1: Local Code of Corporate Governance

Background Papers

None