

To: Audit, Risk and Scrutiny Board

On: 21/03/22

Report by: Chief Auditor

Heading: Internal Audit Review of Compliance with the Code of Corporate Governance

1. Summary

- 1.1 Corporate governance is the name given to the system by which Councils direct and control their functions. It is about ensuring that councils do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.2 The Director of Finance and Resources has responsibility for reporting annually to the Audit, Risk and Scrutiny Board on compliance with the Code and any changes to the Code that may be necessary to maintain it and ensure its effectiveness in practice. In addition, the Council's Chief Auditor has responsibility to review independently and report to the Audit, Risk and Scrutiny Board annually, to provide assurance on the adequacy and effectiveness of the Code and the extent of compliance with it.
- 1.3 Internal Audit has reviewed the adequacy and effectiveness of the revised Code which was presented to the Audit, Risk and Scrutiny Board on 24.05.21. Based on our sample check of the evidence used to demonstrate compliance, we would confirm that the Council complies with the requirements of the Local Code of Corporate Governance. In addition, it is evident that the Local Code has been

subject to review and updating in line with developments in best practice and any revised Council Policies.

- 1.4 The Director of Finance and Resources endorses the Chief Auditor's recommendation that the Local Code should continue to be subject to an annual review to ensure that it continues to reflect developments in best practice in governance.

2. **Recommendations**

- 2.1 Members are invited to note the contents of this report.

3. **Background**

- 3.1 *Delivering Good Governance in Local Government: Framework*, published by CIPFA in association with Solace in 2007, set the standard for local authority governance in the UK. CIPFA and Solace reviewed the Framework in 2015 to ensure it remains 'fit for purpose' and published a revised edition in spring 2016. The new code places greater emphasis on relationship and behaviours between elected members and senior management; performance reporting; and council and service level plans.
- 3.2 The Council's Local Code of Corporate Governance has been reviewed and updated in line with this framework and to reflect any updated Council policies.

Implications of the Report

1. **Financial** – None.
2. **HR & Organisational Development** – None.
3. **Community/Council Planning** – None.
4. **Legal** – None.
5. **Property/Assets** – None.
6. **Information Technology** – None.
7. **Equality & Human Rights** – None.
8. **Health & Safety** – None.
9. **Procurement** – None.
10. **Risk** – None.
11. **Privacy Impact** – None.
12. **Cosla Policy Position** – None.

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