

MIDDLESBROUGH COUNCIL	
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CORPORATE AFFAIRS AND AUDIT COMMITTEE

Report title	<i>Annual Review of the Local Code of Corporate Governance</i>
Chief Executive or Director	<i>James Bromiley, Director of Finance, Governance and Support</i>
Date	<i>8 February 2018</i>
Purpose of the report	<i>To report the outcome of the annual review of the local Code of Corporate Governance</i>
Summary of the report	<i>There are no recommended changes to the local code of corporate governance as the code is based on CIPFA best practice guidance and this has not been updated since the last review of the code.</i>
If this is a confidential report, which exemption(s) from the Schedule 12a of the Local Government Act 1972 applies?	<i>Not applicable.</i>
Decision(s) asked for	<i>That the Committee notes the outcome of the annual review and endorses the recommendation that the current local Code of Corporate Governance is not amended as a result of this review.</i>
Impact of decision(s)	<i>The current Code will continue to be in place and the Annual Governance Statement will assess the Council's position against that code of conduct</i>
Contact:	<i>Ann-Marie Johnstone, Corporate Strategy Manager</i>

What is the purpose of this report?

1. To outline the outcome of the annual review of the Local Code of Corporate Governance, in line with the annual review schedule. The LCCG is attached to this report at Appendix 1.

Why is this report necessary?

2. Regular reviews of the code are necessary to ensure that the Council is assessing its governance arrangements against industry best practice as described by CIPFA relevant codes of practice. An annual review schedule was put in place to ensure that changes to relevant codes of practice were quickly reflected within the code.

What decision(s) are being asked for?

3. It is recommended that the Committee agrees that no changes to the local Code of Corporate Governance are required as a result of this annual review because there has been no further change to the CIPFA Solace guidance 'Delivering Good Governance' (2016) which was used to inform the current code, first adopted in 2017.

Why is this being recommended?

4. This decision is being recommended because the current local Code of Corporate Governance already reflects recognised best practice and is in line with the Council's commitment to review the local Code in line with best practice as described by CIPFA Solace.

Other potential decisions and why these have not been recommended

5. The other potential option would be to review the code of Corporate Governance against another standard, or create a new local standard. This option was not recommended because the CIPFA Solace guidance is recognised as industry best practice and provides a framework to ensure that the Council has appropriate governance practices in place.

Impact(s) of recommended decision(s)

6. If agreed, the Annual Governance Statement due to be provided to the Committee in May 2018 for consideration will be an assessment against this local Code of Corporate Governance.

Legal

7. Council Members are collectively responsible for the governance of the Council. While it is full Council's responsibility to consider key corporate governance documents; reviewing the Council's arrangements for corporate governance is within this Committee's remit. The Council is required to have in place a local Code of Corporate Governance.

Financial

8. There are no financial implications arising as a result of this report.

The Mayor's Vision for Middlesbrough

9. The local Code of Corporate Governance sets the framework of expected governance standards, which the Annual Governance Statement assesses the Council against. This indirectly supports delivery of the Mayor's vision by ensuring that Council processes are fit for purpose.

Policy Framework

10. The power to change the local Code of Corporate Governance is a decision which is reserved for full Council. As the report recommends no changes there are no implications for the policy framework.

Wards

11. Not applicable.

Equality and Diversity

12. There are no concerns that the proposals could result in policies and practices that could impact differently on individual or groups because they hold one or more protected characteristics. The framework sets out expected standards for policies and services to ensure that people are treated fairly. These policies are impact assessed as part of their development.

Risk

13. There are a number of entries on the Council's risk registers that set out the potential risks the Council could face as a result of poor corporate governance arrangements
14. Provision of a local Code of Corporate Governance is a key control measure in managing these risks.

Actions to be taken to implement the decision(s)

15. If agreed, copies of the code on the intranet and internet will be updated and the 2017/18 Annual Governance will assess compliance against this code on May 2018.

Appendices

16. The current local Code of Corporate Governance is appended to this report at Appendix 1.

Background papers

Body	Report title	Date
Corporate Affairs and Audit Committee	Local Code of Corporate Governance	17 March 2017
Council	Local Code of Corporate Governance	29 March 2017

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