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| MIDDLESBROUGH COUNCIL |  |
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| Report of: | Director of Legal and Governance Services (Monitoring Officer), Charlotte Benjamin |
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| Submitted to: | Audit Committee |
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| Date: | 19 February 2026 |
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| Title: | Local Code of Corporate Governance – Annual Review |
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| Report for: | Decision |
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| Status: | Public |
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| Council Plan priority: | All |
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| Proposed decision(s) |
| <p>That the Audit Committee:</p> <ul style="list-style-type: none"> • APPROVES submission of the proposed revised Local Code of Corporate Governance to Full Council; and • RECOMMENDS that Full Council agrees the revised Local Code of Corporate Governance. |

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| Executive summary |
| <p>The Local Code of Corporate Governance (LCCG) provides a framework that enables the Council to assess its governance arrangements against sectoral best practice.</p> <p>The LCCG should be reviewed annually to ensure it aligns with best practice. This report proposes a slight change to the content of the LCCG, to include information previously set out in the Annual Governance Statement. This reflects an addendum to the 2016 CIPFA guidance that was issued in 2025 which has recommended that Councils do this to enable them to concentrate on the effectiveness of those arrangements within the Annual Governance Statement.</p> <p>The report recommends that Audit Committee agrees to recommend the amended Local Code of Corporate Governance to Full Council for decision.</p> |

1. Purpose

- 1.1 To report the outcome of the annual review of the Council's Local Code of Corporate Governance (LCCG).

2 Recommendations

- 2.1 That the Audit Committee:

- **APPROVES** submission of the proposed revised Local Code of Corporate Governance to Full Council; and
- **RECOMMENDS** that Full Council agrees the revised Local Code of Corporate Governance.

3 Rationale for the recommended decision(s)

- 3.1 This decision is being recommended to ensure the Council's Local Code of Corporate Governance continues to align with recommended best practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE).

4 Background and relevant information

- 4.1 Regular reviews of the LCCG are necessary to ensure that the Council is assessing its governance arrangements against sectoral best practice.
- 4.2 The current LCCG (at Appendix 1) is modelled on the CIPFA / SOLACE guidance 'Delivering Good Governance' (2016). An annual review schedule was put in place to ensure that changes to this guidance were reflected within the LCCG. This report proposes a slight change to the content of the LCCG, to include information previously set out in the Annual Governance Statement. This reflects an addendum to the 2016 CIPFA guidance that was issued in 2025 which has recommended that Councils do this to enable them to concentrate on the effectiveness of those arrangements within the Annual Governance Statement.

5 Other potential alternative(s) and why these have not been recommended

- 5.1 The other potential option would be to review the LCCG against another best practice standard, or create a new local standard. This option is not recommended as the CIPFA / SOLACE guidance is recognised as sectoral best practice and provides an appropriate framework to ensure that the Council has good governance practices in place.

6 Impact(s) of the recommended decision(s)

| Topic | Impact |
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| Financial (including procurement and Social Value) | There are no financial implications arising as a result of this report |

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| Legal | Elected members are collectively responsible for the governance of the Council and approval of the LCCG as advised by this Committee. |
| Risk | <p>The existence of the LCCG contributes toward the positive management of the following strategic risks:</p> <ul style="list-style-type: none"> ▪ Failure to achieve good governance ▪ Failure to comply with the law ▪ Failure to achieve strategic and directorate priorities ▪ Failure of partnerships. |
| Human Rights, Public Sector Equality Duty and Community Cohesion | There are no concerns that the proposals could result in policies and practices that could impact differently on individuals or groups because they hold one or more protected characteristics. The LCCG sets out expected standards for policies and services to ensure that people are treated fairly. These policies are separately impact assessed as part of their development. the LCCG assesses compliance with best practice in relation to information governance within its framework. |
| Climate Change / Environmental | There are no concerns that continued adoption of this code could impact negatively on this area. |
| Children and Young People Cared for by the Authority and Care Leavers | There are no concerns that continued adoption of this code could impact negatively on this area. |
| Data Protection | The LCCG sets out expected standards for policies and services to ensure compliance with information governance policies, frameworks and legislative requirements. |

Appendices

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| 1 | 2025-26 Local Code of Corporate Governance |
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Background papers

| Body | Report title | Date |
|---------------------------------------|------------------------------------|-----------------|
| Corporate Affairs and Audit Committee | Local Code of Corporate Governance | 7 March 2019 |
| Corporate Affairs and Audit Committee | Local Code of Corporate Governance | 6 February 2020 |

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| Corporate Affairs and Audit Committee | Local Code of Corporate Governance | 4 February 2021 |
| Corporate Affairs and Audit Committee | Local Code of Corporate Governance | 31 March 2022 |
| Audit Committee | Local Code of Corporate Governance | 16 March 2024 |
| Audit Committee | Local Code of Corporate Governance | 6 February 2025 |

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