



Audit and Procurement Committee
Ethics Committee

24th June 2024
27th June 2024

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:

Director of Law and Governance

Ward(s) affected:

N/A

Title:

Local Code of Corporate Governance 2024/25

Is this a key decision?

No

Executive summary:

The Local Code of Corporate Governance sets out Coventry City Council's arrangements for meeting the seven principles of good governance as defined in the CIPFA/Solace Framework 'Delivering Good Governance in Local Government'. The Framework recommends that Local Authorities develop and maintain a Local Code of governance as it provides a structure to help individual authorities with their approach to governance.

The Council adopted a Local Code of Corporate Governance in 2017. The Code has recently been reviewed in the light of best practice and updated to reflect the current governance arrangements in place within the Council. An up to date and robust Local Code provides clarity over an authority's governance and supports the legal requirement to undertake an annual review of effectiveness of the Council's governance arrangements and produce an Annual Governance Statement.

Recommendations:

Audit and Procurement Committee is recommended to:

- 1) Consider the Local Code of Corporate Governance 2024/25 and confirm its satisfaction that the Code accurately represents the Council's governance arrangements.

Ethics Committee is recommended to:

- 1) Consider the Local Code of Corporate Governance 2024/25.

List of Appendices included:

The following appendix is attached to the report:

Appendix - Local Code of Corporate Governance

Background papers:

None

Other useful documents:

Code of Corporate Governance Report – Audit and Procurement Committee - 3rd April 2017
Delivering Good Governance in Local Government: Framework (2016 edition)
Delivering Good Governance in Local Government: Guidance for English Local Authorities (2016 edition)

Has it or will it be considered by Scrutiny?

No

Has it or will it be considered by any other Council Committee, Advisory Panel, or other body?

No

Will this report go to Council?

No

Report title: Local Code of Corporate Governance

1. Context (or background)

- 1.1. The CIPFA/ Solace Framework defines governance as “the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.” Coventry City Council has a range of measures in place to ensure that governance in the organisation is managed effectively and works hard to ensure that these arrangements are robust and meet best practice. This is achieved through a range of policies, plans, procedures such as the Constitution (including codes of conduct for Members and employees), the One Coventry Plan, the Medium-Term Financial Strategy and policies on whistle blowing, tackling fraud and corruption, and managing risk.
- 1.2 The attached Local Code of Corporate Governance (Appendix 1 to the report) is a refresh of the previous code with work undertaken with internal stakeholders to ensure it reflects the current position of the organisation and our One Coventry approach. The Local Code sets out the Council’s specific arrangements for putting the principles of good governance into practice. It draws on examples provided in the Framework but also reflects systems and processes which are specific to the Council.

2. Options considered and recommended proposal

- 2.1 The “Delivering Good Governance in Local Government Framework” published by CIPFA / Solace sets the standard for local authority governance. The Framework is designed to help local authorities develop an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework recommends that Council’s adopt a Local Code of governance. By setting out specifically how the Council puts the principles of good governance into practice, there is a greater degree of clarity and transparency over the arrangements in place, which in turns supports the annual review of effectiveness and development of the Annual Governance Statement.
- 2.2 The principles of good governance as detailed in the Framework are as follows:
 - 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 optimise the achievement of the intended outcomes
 - Developing the entities 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 effective accountability
- 2.3 The Council adopted a Local Code of Corporate Governance in 2017. In 2023 the Code was reviewed in the light of best practice and has this year been updated again to reflect the current governance arrangements in place within the Council. The review encompassed discussions with stakeholders from across the organisation. In addition, the updated Code has been considered by the Leadership Board. Consideration of the Code by the Audit and Procurement Committee supports comprehensive understanding of governance across the organisation and will assist the Committee in discharging its role in relation to the Annual Governance Statement.

3. Results of consultation undertaken

3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

4.1 The Local Code of Governance reflects the Council's governance arrangements which are intended to be in place for the financial year 2024/25. The Council is required to undertake an annual review of the effectiveness of these arrangements and publish an Annual Governance Statement.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. Financial Implications

There are no specific financial implications associated with this report. Internal control / governance has clear and direct effects on finance within the Council. Since these vary widely, it is not useful to attempt to summarise them here, beyond noting that all systems and controls are designed to help improve value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

5.2. Legal Implications

There is no legal requirement to adopt a Local Code. However, having an up to date and robust Local Code reflects best practice and helps to demonstrate the Council's commitment to good governance. It also supports the legal requirement to undertake an annual review of the effectiveness of the Council's governance arrangements and produce an Annual Governance Statement.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The governance framework comprises the systems and processes (i.e., the internal control environment) and culture and values, by which the authority is directed and controlled, and its activities through which it accounts to, engages with, and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

6.2. How is risk being managed?

The key risk is that the governance arrangements set out in the Local Code are not effective and / or are not complied with. This risk is managed through the requirement to undertake an annual review and produce an Annual Governance Statement. Where areas for improvement are identified, these are included in the Annual Governance Statement action plan.

6.3. What is the impact on the organisation?

None

6.4. Equalities / EIA?

None

6.5. Implications for (or impact on) climate change and the environment?

None

6.6. Implications for partner organisations?

None

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Enquiries should be directed to the above person

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