

Report for: Audit Committee – 7 March 2024

Item number: 15

Title: Local Code of Corporate Governance

Report authorised by : Director of Finance / Assistant Director for Legal and Governance

Lead Officer: Minesh Jani, Head of Audit and Risk Management

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non-key decision

1. Describe the issue under consideration

1.1 The Audit Committee’s purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective. Specifically in respect of governance, to review the council’s corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance.

2. Cabinet Member Introduction

2.1 Not applicable.

3. Recommendations

3.1 That the Audit Committee reviews and approves the attached Local Code of Corporate Governance, attached at Appendix A.

4. Reasons for decision

4.1 Under the Delivering Good Governance in Local Government; Framework, published by CIPFA, the guidance sets out standards for local authority governance in the UK. The Council adopted this guidance and implemented a local code of corporate governance; this was last updated in 2013 and the attached document brings the code up to date.

5. Alternative options considered

5.1 Local authorities are not mandated to maintain a local code of corporate governance, though CIPFA strongly recommends a code is adopted and maintained.

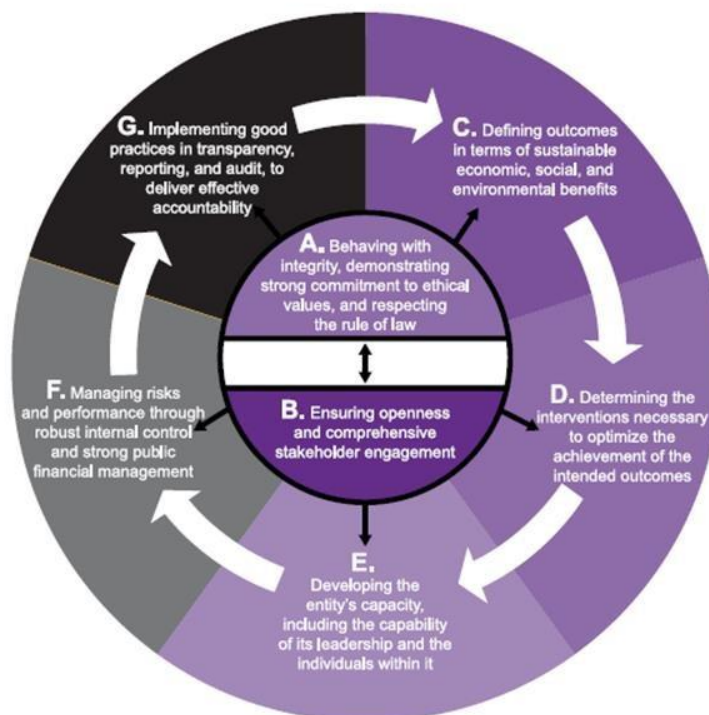
6. Background information

6.1 The Council is committed to ensuring good governance principles and management practices are adopted in all business activities to ensure public trust. This Local Code of Governance provides a public statement that sets out the way in which the Council will meet and demonstrate that commitment. It includes the political arrangements, administrative systems, policies, and processes as well as the culture and values that underpin arrangements for the effective:

- Allocation of resources in accordance with agreed policies and priorities;
- Sound, transparent, and inclusive decision making; and
- Management of the organisation, performance, and accountability for the use of those resources to achieve desired outcomes for service users and communities.

6.2 The code is part of a governance framework, which sets out seven core principles of governance as detailed in the diagram below, and illustrates that good governance is dynamic and involves continuous evaluation and review.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



6.3 The Council has adopted these principles of good governance and adapted its Local Code to reflect its responsibilities. This is demonstrated through the adoption, monitoring, and continued development of this document.

6.4 It is recognised establishing and maintaining a culture of good governance is as important as putting in place a framework of policies and procedures and as such, the authority expects members and officers to uphold the highest standards of ethics, conduct and behaviour, and to act with openness, integrity, and accountability in carrying out their duties.

6.5 Further information regarding each of the above principles and the behaviours and actions that demonstrate good governance in practice are detailed below. There are seven principles (shown in chart above), each supported by a number of sub principles. The seven principles are:

- Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- Principle B - Ensuring openness and comprehensive stakeholder engagement;
- Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits;
- Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Principle E - Developing the Authority's capacity, including the capability of its leadership and the individuals within it;
- Principle F - Managing risks and performance through robust internal control and strong public financial management; and
- Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

7. Contribution to strategic outcomes

7.1 It is crucial the Council keeps its governance arrangements up to date and relevant. The main principle underpinning the development of the new Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016) ('the Framework') continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

There are no direct financial implications arising from this report.

8.2 Legal

The Assistant Director for Legal and Governance has been consulted in the preparation of this report and confirms that it is within the remit of Audit Committee to approve the recommendation in this report.

8.3 Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

As contracted providers of Haringey Council, the internal audit contractor is required to demonstrate a strong commitment to equality and fairness in their actions and work practices, and adherence to the Equality Act 2010. Ensuring that the Council has effective internal audit and assurance arrangements in place will also assist the Council to use its available resources more effectively.

9. Use of Appendices

Appendix A – Local Code of Corporate Governance

10. Background Papers

Delivering Good Governance in Local Government: Framework