

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	21 SEPTEMBER 2017	5
<b>CODE OF CORPORATE GOVERNANCE</b>			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

The council's present Code of Corporate Governance was adopted in 2016. Changes to national guidance have made it appropriate to revisit and review the existing code. The report presents a revised code to the committee for consideration and adoption.

### RECOMMENDATION

To adopt the updated Code of Corporate Governance in place of the existing code.

### SUMMARY OF PREVIOUS DECISIONS

Audit Committee, 3 April 2008: To approve the local code of governance as a framework to work towards and seek an updated report at the next meeting of the committee.

Audit Committee, 17 June 2008: To approve the local code of corporate governance.

Audit & Standards Committee 16 June 2016: Adopted an updated code of corporate governance in place of the existing code.

### CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	
Working with all partners ( <b>Vibrant Economy</b> )	
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## REPORT

### THE CIPFA/SOLACE FRAMEWORK

1. The council's present Code of Corporate Governance was adopted in June 2016. The code was adopted in conformity with guidance contained in "Good Governance in Local Government: A Framework", issued by the Chartered Institute of Finance and Accountancy and the Society of Local Authority Chief Executives.
2. The Framework urged councils to develop and maintain an up-to-date local code of governance consistent with the core principles set out in the guidance. This included making arrangements for ensuring ongoing application and effectiveness of the local code, reviewing governance arrangements against the Framework and preparing governance statements each year to report publicly on how they comply with their own codes including how effective their governance arrangements are.

### THE UPDATED CODE

3. An entirely new edition of the Framework was published last year. The new Framework is intended 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*'<sup>1</sup>. It seeks to position '*the attainment of sustainable economic, societal, and environmental outcomes as a key focus of governance processes and structures*'<sup>2</sup>. It highlights sustainability – the responsibility to take account of the impact of current decisions and actions on future generations - and the links between governance and public financial management.
4. In the light of the new Framework, it is now appropriate to review the council's Code of Corporate Governance. The officer Corporate Governance Group, consisting of the Director of Resources, Chief Financial Officer, Head of Governance and Chief Internal Auditor have undertaken a review of the existing code. A proposed revised code is attached. The existing code can be downloaded from [here](#). Members are asked to approve the changes by adopting the revised code.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report. However the Code of Corporate Governance is a key component of the council's commitment to sound financial management.
Legal	The preparation of a code of governance and an annual governance statement complying with the CIPFA/SOLACE guidance is effectively a legal requirement under the Accounts and Audit (England) Regulations 2011.
Community Safety	None relating directly to this report
Human Rights and Equalities	None relating directly to this report
Sustainability and Environmental Impact	None relating directly to this report
Health & Safety and Risk Management	Good risk management is crucial to proper corporate governance, as the code and the CIPFA/SOLACE guidance makes clear.

LEAD AUTHOR	CONTACT DETAILS	DATE
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<sup>1</sup> Framework, paragraph 1.2

<sup>2</sup> Framework, paragraph 1.3

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Delivering Good Governance in Local Government: Framework	2016	Town Hall, St Annes
Delivering Good Governance in Local Government: Guidance Note for English Authorities	2016	Town Hall, St Annes
Fylde Council Code of Corporate Governance	2016	<a href="https://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx">https://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx</a>

Attached documents

1. Proposed revised Code of Corporate Governance