



AUDIT AND RISK MANAGEMENT COMMITTEE

Wednesday, 26 October 2022

REPORT TITLE:	REVISED CODE OF CORPORATE GOVERNANCE 2022
REPORT OF:	HEAD OF LEGAL SERVICES

REPORT SUMMARY

The report seeks the Committee's approval of the Council's revised Code of Corporate Governance.

The Council's current Code of Corporate Governance was last reviewed in 2018.

This is not a Key Decision.

RECOMMENDATION/S

The Audit and Risk Management Committee is requested to:

1. Approve the revised Code of Corporate Governance at Appendix 1 to the report; and
2. Recommend to the Constitution and Standards Committee adoption by full Council of the revised Code of Corporate Governance and the framework detailed therein as part of the Council's Constitution.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure that the Council's Code of Corporate Governance is compliant with the Chartered Institute of Public Finance and Accountancy (CIPFA) / the Society of Local Authority Chief Executives and Senior Managers (SOLACE) Guidance / Framework for Delivering Good Governance in Local Government and follows best practice.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 There was the option to not review the Code of Corporate Governance however this was not a suitable option as the last review was in 2018 and for good governance it should be regularly reviewed.

3.0 BACKGROUND INFORMATION

- 3.1 Corporate governance is a phrase used to describe how organisations direct and control what they do. For local authorities this also includes how a council relates to the communities that it serves.
- 3.2 The Council's current Code of Corporate Governance was last revised in 2018.
- 3.3 The CIPFA / SOLACE framework applies to annual governance statements prepared for the financial year 2016/17 onwards.
- 3.4 The concept underpinning the framework is that it is helping local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way.
- 3.5 By applying the principles in the Code, the Council commits itself to discharging its functions and delivering its services to Wirral residents in a way that demonstrates accountability, transparency, effectiveness, integrity, and inclusivity.
- 3.6 There are four main changes to the Code;
- a) The Forward to the Code has been brought from the end of the introductory text to the beginning to better introduce the Code.
 - b) The role of Policy and Resources Committee has been explained following the change in governance arrangements as well as now fully explaining the role the Monitoring Officer has in regard to the Code.
 - c) The new Code of Corporate Governance is a streamlined / more accessible framework, which communicates that the Council's decision making process is based upon sound / clear principles.
 - d) The evidence base for compliance with the Code has been updated to reflect the Council's current operating model and procedures.
- 3.7 As with the previous Code, the Council is required to demonstrate through evidence how it meets all aspects of the Code. The revised Code detailed at Appendix 1 sets

out the revised Code along with the evidence relied upon to demonstrate compliance.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from this report

5.0 LEGAL IMPLICATIONS

5.1 The Council is required to ensure it has strong corporate governance arrangements in place so as to be able to effectively meet and discharge its obligations, responsibilities and duties. Inadequate governance arrangements could lead to significant governance issues arising leaving the Council open to challenge.

5.2 Reviewing and amending the Code in accordance with the Framework will ensure that the Council's governance arrangements are both fit for purpose and take into account the best practice guidance. An annual governance statement will need to be prepared in accordance with the Framework in order to meet the statutory requirement set out in the Accounts and Audit Regulations 2015.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no direct implications arising from this report.

7.0 RELEVANT RISKS

7.1 The Council is open to challenge should it not have effective corporate governance arrangements in place.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Code of Corporate Governance review has been undertaken in consultation with senior officers and Internal Audit.

9.0 EQUALITY IMPLICATIONS

9.1 There are no such direct implications arising from this report

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no such direct implications arising from this report

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are no such direct implications arising from this report

REPORT AUTHOR: Vicki Shaw

Head of Legal Service

telephone:

email: vickishaw@wirral.gov.uk

APPENDICES

Appendix 1 Revised Code of Corporate Governance

BACKGROUND PAPERS

CIPFA / SOLACE Guidance / Framework for Delivering Good Governance in Local Government (2016)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date