



Report to: Governance, General Purposes & LGR Committee – 16th April 2026

Lead Officer: Monitoring Officer

Report Summary	
Report Title	Review of the Local Code of Corporate Governance
Purpose of Report	This report seeks approval to refer an amended Code of Corporate Governance to Council for adoption.
Recommendations	<p>That the Governance, General Purposes & LGR Committee:</p> <ul style="list-style-type: none"> a) recommend to Full Council the updated Code of Corporate Governance at Appendix 1 which forms part of the Council’s Constitution; b) notes that the Local Code of Corporate Governance will be reviewed annually going forward; and c) support a delegation from Council to the Monitoring Officer to make any necessary amendments to the document between annual reviews, if necessary, to reflect changes to governance arrangements
Reason for Recommendations	The Corporate Code of Governance is a key document which provides evidence of the arrangements the Council has in place to ensure good governance and supports the Council’s Annual Governance Statement. The document required review following a number of changes to governance arrangements across the Council to ensure it remained up to date and fit for purpose.

1.0 Background

1.1 Corporate governance is the system by which organisations are directed and controlled and it became an important concept following the Cadbury Committee’s report in 1992 on financial aspects of corporate governance. As a consequence, all local authorities have sought to demonstrate compliance with best practice by drawing up a Local Code of Corporate Governance, based on CIPFA/SOLACE Guidance first published in 2007.

1.2 In April 2016, CIPFA and SOLACE published the publication “Delivering Good Governance in Local Government: Framework” which is in essence an updated version of the original 2007 publication. However, amendments to the framework include an update to the Core Principles and sub principles to ensure organisations demonstrate good governance by “Achieving the Intended Outcomes While Acting in the Public Interest at all Times”. The Framework makes it clear that it is up to each local authority to:

- Set out its commitment to the principles of good governance;
 - Determine its own governance structures and local Code; and
 - Ensure that it operates effectively in practice.
- 1.3 In May 2025 an addendum to the CIPFA/SOLACE guidance was published. This addendum covered the annual review of governance and the annual governance statement. No changes were made to the seven principles of good governance contained in the original framework. The addendum reiterates the need for an annual review of governance against the seven governance principles and recommends the adoption of Local Codes of Governance.
- 1.4 The Local Code of Corporate Governance should set out the governance structures the Council has in place to demonstrate how it complies with the Core principles and sub-principles. It is a 'living document' in that it must be periodically reviewed and amended to ensure that it satisfies the changing financial and corporate environment. The Local Code is comprehensive and provides evidence of the Council's alignment with good governance principles. It supports the Annual Governance Statement which provides assurance based on the core arrangements listed in the local code.
- 1.5 This Council has included its Local Code of Corporate Governance within the Constitution at section H9. The current version of the Code aligns with the seven core principles of local government but does not reflect changes in governance arrangements across the organisation in recent years including following recommendations at peer review and changes to committees and governance arrangements.
- 1.6 The review of the Code of Governance has been undertaken with support from Senior Leadership Team and Business Managers to ensure it accurately reflects the current arrangements in place.

2.0 Proposal /Options Considered

- 2.1 The Local Code of Corporate Governance is a factual document in that it is essentially a list of the processes, protocols and policies in place to demonstrate good governance. Given the nature of the document wider consultation on the proposed changes is not proposed. Directors and Business Managers are best placed to ensure the document is up to date and reflects current arrangements.
- 2.2 The key amendments to the document are to reflect a change in governance arrangements which were not all captured in 2022 and changes following peer review. The update also reflects changes to governance processes in Housing to ensure tenant engagement and regulation of complaints is effectively captured. Changes have also been proposed to reflect updates to the Community Plan.
- 2.3 It is proposed that the amended Local Code of Corporate Governance be recommended to Council for adoption as it forms part of the Constitution changes to which must be approved by Full Council. In addition, it should be noted that the document will be reviewed annually going forward in line with best practice. It is proposed that in between review the Monitoring Officer be given authority to make amendments if necessary in year to reflect changes to governance arrangements.

2.4 Members could determine not to recommend changes to the current Code and ultimately Council could choose not to have a Local Code of Corporate Governance, however, it is recommended best practice and supports the Annual Governance Statement.

3.0 **Implications**

In writing this report and in putting forward recommendations and amendments to the Code, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and references to governance arrangements across all these areas are included in the Local Code of Corporate Governance amendments.

Implications Considered			
Yes – relevant and included / NA – not applicable			
Financial	x	Equality & Diversity	x
Human Resources	x	Human Rights	x
Legal	x	Data Protection	x
Digital & Cyber Security	x	Safeguarding	x
Sustainability	x	Crime & Disorder	x
LGR	x	Tenant Consultation	x

Implications (LGR)

3.1 In reviewing the Local Code of Corporate Governance all implications have been considered as highlighted above. In terms of Local Government Reorganisation, having a clear index of governance arrangements across all authorities will be key when trying to align and amalgamate governance across the authorities.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

[Delivering Good Governance in Local Government: addendum | Solace](#)