

By: Alex King – Deputy Leader and Cabinet Member Democracy and Partnerships
Geoff Wild – Director of Governance and Law

To: Governance and Audit Committee - 11 April 2013

Subject: Annual Review of the Code of Corporate Governance

Classification: Unrestricted

Summary

This report asks the Governance and Audit Committee to consider the annual review of the Code of Corporate Governance and to endorse the proposed amendments for submission to the County Council for consideration and final approval.

FOR DECISION

1. Introduction

(1) On 17 May 2012 the County Council adopted a revised Code of Corporate Governance. This revised Code of Corporate Governance took into account the findings of the 2010/11 Corporate Governance Audit that the code should include all the requirements of Delivering Good Governance in Local Government (2007) published jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Government Chief Executives and Senior Managers (SOLACE).

(2) Paragraph 6 of the Code of Corporate Governance (as set out in Appendix 10 of the Council's Constitution) requires that "the Council's governance arrangements are reviewed annually and reported with any consequential recommendations to the Governance and Audit Committee and the County Council for approval".

(3) The Delivering Good Governance in Local Government Framework published jointly by CIPFA and SOLACE sets out the principles that underpin the governance of each local government body and at paragraph 1.8 urges local authorities to test its governance arrangements against the framework including "developing and maintaining an up-to-date local code of governance including arrangements for its ongoing application and effectiveness".

(4) This report contains the findings of the annual review of the Code of Corporate Governance and proposes some amendments to ensure its ongoing application and effectiveness for submission to the County Council for consideration and final approval.

2. Review of the Code of Corporate Governance

(1) As set out in paragraph 1(2) above, paragraph 6 of the Code of Corporate Governance requires that governance arrangements are reviewed annually and

reported with any consequential recommendations to the Governance and Audit Committee and the County Council for approval.

(2) This means that the review is to be reported to the Governance and Audit Committee and to the County Council even if there are no amendments to be made. It is proposed therefore that this is changed to read “the Council’s governance arrangements are reviewed annually. If there are any amendments recommended as a result of this review, these will reported to the Governance and Audit Committee and the County Council for approval”.

(3) The Code of Corporate Governance contains hyperlinks to other documents that form part of the governance arrangements of the County Council and these have been reviewed to ensure they remain up-to-date. Revisions to hyperlinks in the electronic version are proposed as set out in the table below:

Document/ webpage	Proposed Amendment to Code of Corporate Governance
Bold Steps for Kent	The current hyperlinks go to the report submitted to County Council. It is proposed instead that all hyperlinks for Bold Steps for Kent throughout the Code go to the published document.
Business Plans	Propose an amendment to all hyperlinks for Business Plans so they go to business plans for 2013/14. Insert a new hyperlink in the reference to these documents in Principle 6 of the Code.
Complaints and whistle blowing	Currently the hyperlinks in the Code go to “How to Make a Complaint”. Propose the creation of an additional hyperlink to the Whistleblowing pages throughout the Code.
Members’ and Officers’ Code of Conduct	The current hyperlink goes to the previous Members’ Code of Conduct. Propose an amendment to create one link to the Members’ Code of Conduct adopted in July 2012, and a separate link to the Officers’ Code of Conduct. Amend the hyperlinks to Members’ Code of Conduct throughout the Code of Governance to refer to the Members’ Code of Conduct adopted in July 2012.
Key Decisions and Forward Plan	Propose an amendment to this wording to read “Key & Significant Decisions/Forthcoming Executive Decision list” throughout the Code.
Members’ Allowance Scheme	Propose an amendment to the hyperlinks links so they go to 2013/17 Members’ Allowance Scheme, once approved by the County Council in May 2013.
Protocol for KCC companies	Propose the creation of a hyperlink to this protocol.
IRP Annual	Propose an amendment to the hyperlink so it goes to the most recent IRP report, which will be considered by the County

Reports	Council in May 2013.
Vision for Kent 2011-21	Propose the creation of a hyperlink in the reference to this document in Principle 6 of the Code.
Kent Forum	Propose the creation of a hyperlink to the Kent Forum pages in the reference to this body in Principle 6 of the Code.

(4) Additionally it is proposed that minor typographical errors are corrected as follows:

- (a) In bullet point 6 of Principle Two: Making the Section 151 Officer responsible to the Council for ensuring that the Leader and Chief Officers negotiate their respective roles and that a shared understanding of roles and objectives is maintained.
- (b) In bullet point 7 of Principle Two: Making the Monitoring Officer responsible to the Council for ensuring that agreed procedures are followed, and for ensuring compliance with all applicable statutes and regulation.
- (c) In two places in Principle One “it’s “ be corrected to “its”.

6. Recommendation

The Governance and Audit Committee is asked to:

- i. Note the annual review of the Code of Corporate Governance in accordance with paragraph 6 of the Code of Corporate Governance.
- ii. Endorse the proposed amendment to paragraph 6 of the Code of Corporate Governance to read “the Council’s governance arrangements are reviewed annually. If there are any amendments recommended as a result of this review, these will reported to the Governance and Audit Committee and the County Council for approval” and
- iii. Endorse the proposed amendments to the Code of Corporate Governance set out in paragraphs 2(3) and 2(4) for submission to the County Council for consideration and final approval.

Background Documents:

None

Contact Officer:

Geoff Wild, Director of Governance & Law
01622 694302