

LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT (AGS) 2022/23	
Executive Summary	The Corporate Governance framework is made up of the systems and processes, culture and values by which an organisation is directed and controlled. For local authorities this includes how a Council relates to the community it serves. The Local Code of Corporate Governance is a public statement of the ways in which the Council will achieve good corporate governance. This is based on the development of the ' <i>Delivering Good Governance in Local Government: Framework</i> ' (2016) produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) and focusses on the seven core principles and sub-principles of good governance. The Annual Governance Statement (AGS) is prepared following a review of all the evidence available to the Council in seeking compliance with its Local Code.
Options considered	None – this is a statement for review and approval.
Consultation(s)	Policy and Performance Manager; S.151 and Monitoring Officer
Recommendations	Members are asked to review and approve the Annual Governance Statement (AGS) along with the updated Local Code of Corporate Governance.
Reasons for recommendations	To review and record the Council's governance
Background papers	None

Wards affected	All
Cabinet member(s)	Cllr Adams and Cllr Shires
Contact Officer	Tina.Stankley@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	<p>A Strong, Responsible and Accountable Council</p> <p>Effective and efficient delivery</p> <ul style="list-style-type: none"> • Managing our finances and contracts robustly to ensure best value for money • Ensuring that strong governance is at the heart of all we do

Medium Term Financial Strategy (MTFS)	Governance report not specifically linked to MTFS
Council Policies & Strategies	None

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Public Report
Details of any previous decision(s) on this matter	Annual Governance Report – made yearly to the Governance Risk and Audit Committee

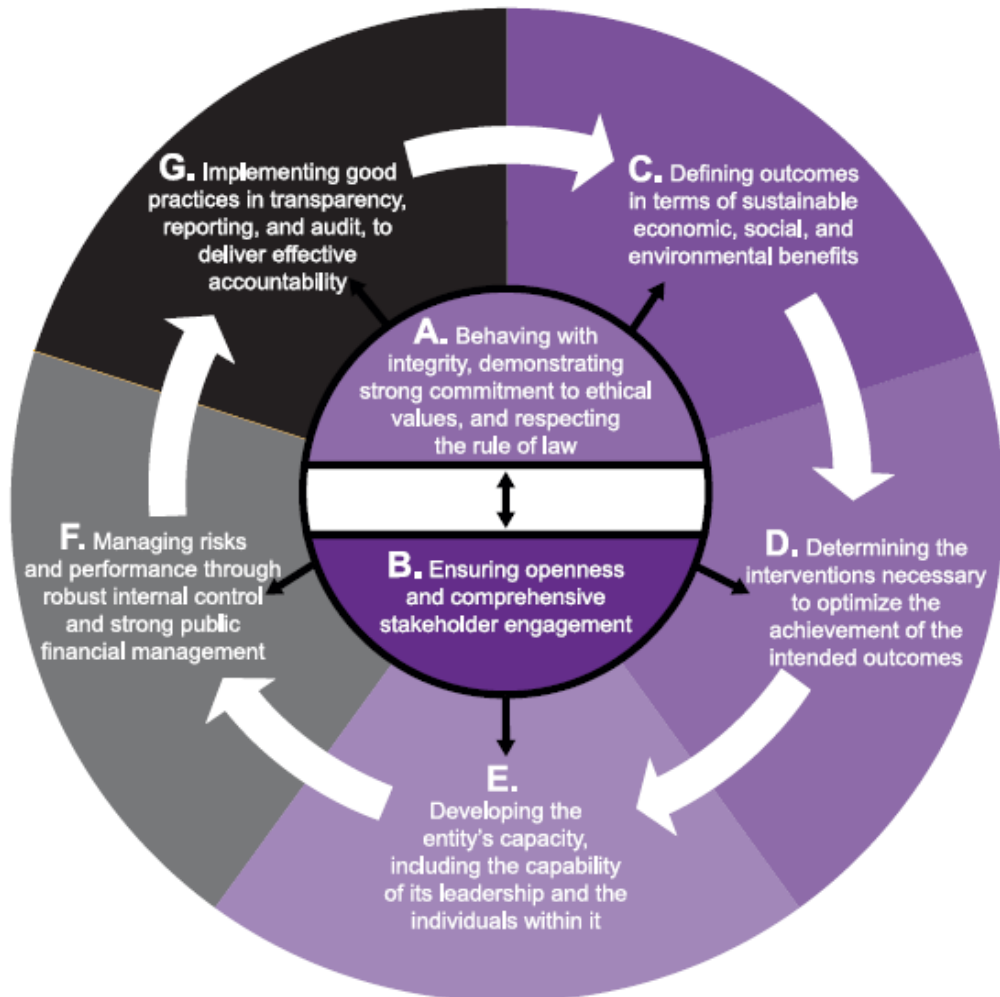
1. Introduction

- 1.1 Attached to this report are two documents for consideration by the Governance, Risk and Audit Committee (GRAC). These are;
- The Local Code of Corporate Governance (Appendix A)
 - The Annual Governance Statement (AGS) (Appendix B)

2. The Local Code of Corporate Governance

- 2.1 The Local Code of Corporate Governance (the Local Code) is a public statement of how the Council seeks to achieve good corporate governance. It is best practice for each authority to adopt a Local Code of Corporate Governance, which demonstrates how the Council will achieve good governance.
- 2.2 The 2016/17 financial year saw the introduction of the Local Code and was based on the development of the new '*Delivering Good Governance in Local Government: Framework*' (CIPFA/Solace, 2016) ('the Framework').
- 2.3 The Local Code was updated for the 2022/23 financial year and an updated draft for 2022/23 is included as part of this report for comment and consideration.
- 2.4 The main principle underpinning the emergence of 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.

- 2.5 The Framework follows the seven core principles and sub-principles of good governance as identified by CIPFA/SOLACE as shown below with principles A and B permeating the implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review. The updated Local Code can be found within **Appendix A**.



- 2.6 There are some key requirements that need to be met to demonstrate compliance with the core principles and these are listed along with 'evidences' and source documents. These evidences must be reviewed regularly to ensure that they are up to date and remain sufficiently current. Any gaps in compliance are identified and form an action plan, which is monitored throughout the year.

3. Annual Governance Statement (AGS)

- 3.1 Also attached is the draft AGS for 2022/23 (Appendix B) which should be read and considered in conjunction with Appendix A (the Local Code). This statement provides assurances as to the in-year operation of the risk and governance arrangements adopted by the Council. It is prepared after reviewing all of the evidences available to the GRAC, the Council's Corporate Leadership Team, Management Team, Head of Internal Audit, external audit and the statutory officers of the Council.

- 3.2 The AGS sets out how the Council ensures that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, effectively and efficiently in the delivery of its services.
- 3.3 North Norfolk District Council has adopted its own Local Code of Corporate Governance, which supports this AGS. The Local Code is compliant with the recommendations of the CIPFA/SOLACE '*Delivering Good Governance in Local Government: Framework*' as updated for 2016.
- 3.4 The AGS is signed by the Leader of the Council and the Chief Executive. The GRAC are asked to consider and approve the draft report as attached.

4. Review of Effectiveness

- 4.1 The Council is committed to a sound system of Governance that reflects:
- openness, accountability and integrity
 - compliance with laws, policies and regulations
 - the identification and monitoring of all strategic and operational risks
- 4.2 The key document for the Council is the Corporate Plan. The risks to its achievement are outlined in the comprehensive risk registers maintained by the Authority.
- 4.3 The review of the Governance arrangements is undertaken through a number of mechanisms including the report from the Head of Internal Audit and the Heads of Service annual assurance certificates as well as the various inspection regimes undertaken by the External Auditors, all of which feed into and support the overall review.

5. Conclusion

- 5.1 The arrangements set out within the updated Local Code of Corporate Governance and the AGS will allow the Council to move forward with its corporate planning processes and remain confident that it can address the issues of governance and risk.

6. Recommendations

- 6.1 Members are asked to review and approve the AGS along with the updated Local Code of Corporate Governance.

7. Corporate Priorities

A Strong, Responsible and Accountable Council

Effective and efficient delivery

- Managing our finances and contracts robustly to ensure best value for money
- Ensuring that strong governance is at the heart of all we do

8. Financial and Resource Implications

No specific financial or staffing implications.

Comments from the S151 Officer:

The S151 Officer (or member of the Finance team on their behalf) will complete this section.

No financial consequences as a result of the contents of this report

9. Legal Implications

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. They will outline any legal advice provided.

This is an annual governance statement detailing how the Council acts to and conduct its business in accordance with the law and necessary standards

10. Risks

The report outlines the ways that the Council acts to comply with the law and necessary standards. Failure to approve the Statement risks that the Council may not have a written document to inform of the processes and standards expected.

11. Net Zero Target

No specific Net Zero considerations

12. Equality, Diversity & Inclusion

No particular considerations

13. Community Safety issues

None

14. Conclusion and Recommendations

The arrangements set out within the updated Local Code of Corporate Governance and the AGS will allow the Council to move forward with its corporate planning processes and remain confident that it can address the issues of governance and risk.

15. Recommendations

Members are asked to review and approve the AGS along with the updated Local Code of Corporate Governance.