

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>28 SEPTEMBER 2023</b>
<b>Report Title:</b>	<b>CODE OF CORPORATE GOVERNANCE</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, PERFORMANCE &amp; CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The Code of Corporate Governance forms part of the policy framework</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>The Council’s Code of Corporate Governance has been revised in line with the Chartered Institute of Public Finance and Accountancy (CIPFA)’s ‘Delivering Good Governance in Local Government: Framework’ (2016).</b></li> <li>• <b>The updated Code includes actions that demonstrate good governance and evidence that supports those actions.</b></li> </ul>

## **1. Purpose of Report**

- 1.1 The purpose of the report is to present to the Governance and Audit Committee for approval, the Council’s Code of Corporate Governance as at **Appendix A**.

## **2. Background**

- 2.1 Regulation 5 (2) of the Accounts and Audit (Wales) Regulations 2014 requires an authority to undertake, as part of its arrangements for corporate governance, an annual review of governance and report on internal control.
- 2.2 In 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) published ‘*Delivering good governance in Local Government: Framework*’, which positions the attainment of sustainable economic, social and environmental outcomes as a key focus of governance processes and structures. The CIPFA associated guidance notes considered the Well-being of Future Generations (Wales) Act 2015 and embedded the five ways of working into the CIPFA Framework.
- 2.3 The Council’s Code of Corporate Governance was updated and approved by Cabinet on 7 February 2023. A function of the Governance and Audit Committee is to review and approve the Council’s Code of Corporate Governance and as such, this report is

to ensure that this function is fulfilled. Any recommendations of the Committee will be considered and the Code amended as necessary, and resubmitted to the Committee for approval.

### 3. Current situation / proposal

- 3.1 The updated Code of Corporate Governance includes actions that demonstrate good governance and evidence that supports those actions at sections 6.4 and 6.5 of **Appendix A**.
- 3.2 The Code of Corporate Governance is based on the following seven core principles as set out in the CIPFA Framework:

<b>Core Principle</b>	<b>Description</b>
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
B	Ensuring openness and comprehensive stakeholder engagement.
C	Defining outcomes in terms of sustainable economic, social, and environmental benefits.
D	Determining the interventions necessary to optimise the achievement of the intended outcomes.
E	Developing the entity's capacity, including the capability of its leadership and the individuals within it.
F	Managing risks and performance through robust internal control and strong public financial management.
G	Implementing good practice in transparency, reporting, and audit to deliver effective accountability.

Below the core principles there are 21 sub-principles and, to achieve good governance, the Council should be able to demonstrate that its governance structures comply with the core and sub-principles contained in the Framework. Details of the sub-principles are set out in **Appendix A** at paragraph 6.4. To demonstrate the Council's good governance, each Core and sub-principle has been identified, with actions and evidence to support those actions identified.

- 3.3 The updated Code of Corporate Governance at **Appendix A** has been reviewed by Corporate Management Board and approved by Cabinet.

### 4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the

preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

## **6. Climate Change Implications**

6.1 There are no climate change implications as a result of this report.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.

## **8. Financial Implications**

8.1 There are no financial implications arising from this report.

## **9. Recommendation**

9.1 It is recommended that the Governance and Audit Committee considers and approves the Council's Code of Corporate Governance.

## **Background documents**

None