

Meeting:	Standards Committee
Date:	4th December 2008
Subject:	Code of Corporate Governance
Responsible Officer:	Myfanwy Barrett – Corporate Director of Finance
Portfolio Holder:	David Ashton – Council Leader, Portfolio Holder for Strategy, Partnership & Finance
Exempt:	No
Enclosures:	Code of Corporate Governance

Section 1 – Summary and Recommendations

This report sets out the Code of Corporate Governance for Harrow Council required to meet the requirements of CIPFA/SOLACE guidance and good corporate governance as approved by the Governance, Audit and Risk Management Committee on 01/09/08.

Recommendations:

The Committee is requested to:

- 1) Agree to the inclusion of the Code in the Council's Constitution

Reason: (For recommendation)

To confirm the Council's approach to Corporate Governance and demonstrate our commitment to uphold the highest standards of integrity, openness and accountability. To comply with the requirements of the CIPFA/SOLACE guidance which constitutes 'proper practice' under the Accounts and Audit Regulations 2006.

Section 2 – Report

Introduction

- 2.1 The Council's vision is "to be recognised as one of the best London Councils by 2012, in a borough that is cosmopolitan, confident and cohesive". The key to achieving this vision rests with members, staff, and partners working together to the same high standards of conduct to enable the local community to have confidence in the way in which we work. The Code outlines the Council's approach to Corporate Governance and demonstrates our commitment to uphold the highest standards of integrity, openness and accountability.
- 2.2 The Council recognises the need for sound corporate governance arrangements and has put in place policies, systems and procedures designed to achieve this (the Governance Framework). As part of this framework governance arrangements are reviewed and monitored by the Governance, Audit and Risk Management Committee and the results of the review published in an Annual Governance Statement which forms part of the annual statement of accounts.

Code of Corporate Governance

- 2.3 The absence of a formal Code of Corporate Governance was identified during the annual review of governance arrangements in place for 2007/08 and reported as part of the Annual Governance Statement (AGS) 2007/08.
- 2.4 As part of the AGS Action Plan a Code was drafted and approved by the GARM Committee on 01/09/08. Appendix 1 outlines the Code which is based on the guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) in their publication 'Delivering Good Governance in Local Government'.
- 2.5 The Code will be reviewed and updated as necessary on an annual basis.

Legal Implications

- 2.6 None.

Financial Implications

- 2.7 There are no financial implications of the proposed decisions.

Performance Issues

- 2.8 Inclusion of the Code of Corporate Governance in the Constitution will enhance the Council's governance arrangements and feed into the Use of Resources score.

Risk Management Implications

2.9 A significant proportion of the Code of Governance deals directly with Risk Management. If the council does not have an approved Code of Governance we will not be complying with the CIPFA/SOLACE guidance and may be criticised by the External Auditor, although as a robust Governance Framework is in place this risk is minimal. There is also a risk that without the Code being part of the Constitution the wider community will lack confidence in our governance arrangements.

Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 18/11/08		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	On behalf of Monitoring Officer
Date: 24/11/08		

Section 5 - Contact Details and Background Papers

Contact: Susan Dixson, Service Manager, Internal Audit
Tel: 020 8424 1420

Background Papers: None