

## 2. CODE OF CORPORATE GOVERNANCE (A. 1101/RMM)

### Purpose of the report

1. This report asks Members to approve the proposed Code of Corporate Governance

### Recommendation

2. 1. That the Code of Corporate Governance at Appendix 1 be approved.

### How does this contribute to our policies and legal obligations?

3. A code helps us:
  - To develop a frame work for Corporate Governance for the National Park Authority based on good practice and external guidance
  - To demonstrate compliance with the principles of good governance
  - To continuously improve our effectiveness through an annual review of performance against the framework with an action plan to address weaknesses
  - To feed the results of the above into our Annual Governance Statement
4. In this way the actions we commit to as part of the Code will contribute to key corporate action K1 of 'ensuring value for money, sustainability and high standards of corporate governance in the way that we deliver services'.

### Background

5. As part of last year's Annual Governance Statement we committed to producing a Code of Corporate Governance following the guidance in the CIPFA (The Chartered Institute of Public Finance and Accountancy)/SOLACE (Society of Local Authority Chief Executives and Senior Managers) 'Delivering Good Governance in Local Government Framework'.
6. The Framework has six core principles, a number of supporting principles and suggestions for source documents/good practice that may be used to demonstrate compliance. It also gives guidance and recommendations on appropriate action for an authority.

### Proposals

7. The proposed Code of Corporate Governance is given at Appendix 1 for Members' consideration. Following an introductory section and statement of commitment the body of the Code is a schedule which follows the guidance given in the CIPFA/SOLACE Framework document. It should be noted that:
  - The core principles, supporting principles and column two on 'requirements' are all a direct copy of the words used in the Framework
  - It has been difficult to remove all duplication between sections in responding to the guidance as some of the sections overlap
  - Column two of the schedule will be removed when the Authority has agreed the Code but this is provided at present as it helps to explain some of the entries in column three and may help Members identify any gaps in our commitment statements of action

8. Column three of the schedule represents what we do now. In the Code it is proposed that each year we will review our performance against this commitment, highlight what we have done and any further improvements needed for the forthcoming year. The outcome of the review will be reflected in our Annual Governance Statement published each year with the Statement of Accounts. This should make producing the Annual Governance Statement a more efficient and effective process and result in a shorter Statement too.

**Are there any corporate implications members should be concerned about?**

9. **Financial:** There are no additional financial implications to consider. The Chief Finance Officer has been consulted on the Code.
10. **Risk Management:** There are no issues to highlight other than already in the proposed Code. Having a Code in place, implementing it and reviewing action each year helps us to follow good practice and reduces the risk of failing to address any weaknesses in our corporate governance arrangements.
11. **Sustainability:** There are no issues to highlight other than already in the proposed Code.
12. **Consultees:** The Management Team, Chief Finance Officer, Head of Law, Head of Policy, Head of HR and Performance, UNISON and Staff Committee and the Chair and Vice Chair of Audit and Performance Committee have been consulted in finalising the proposed Code.
13. **Background papers** (not previously published)

None

**Appendices:**

Appendix 1 : Code of Corporate Governance

**Report Author, Job Title and Publication Date**

Ruth Marchington, Director of Corporate Resources, 14 May 2009