

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Council      **DATE:** 23<sup>rd</sup> September 2021

**CONTACT OFFICER:** Josie Wragg, Chief Executive

**WARD(S):** All

### **PART I** **FOR DECISION**

#### **RECOMMENDATION OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE** **FROM ITS MEETING HELD ON 14<sup>TH</sup> SEPTEMBER 2021 - POLICY STATEMENT ON** **CORPORATE GOVERNANCE**

##### **1 Purpose of Report**

The purpose of this report is to seek the Council's approval on the policy Statement on Corporate Governance, as approved by the Audit and Corporate Governance Committee as set out in this report.

##### **2 Recommendation(s)/Proposed Action**

The Council is requested to resolve that the Policy Statement on Corporate Governance, as set out in the Appendix to the report, be approved.

**Reason:** Corporate governance is key to ensuring effective decision-making so that local communities can place trust in the way the Council undertakes and carries out its duties. The existing Policy Statement has not been reviewed for some time and does not reflect the principles set out in the CIPFA/SOLACE framework.

##### **3 Report**

###### **Introductory paragraph**

- 3.1 The Council's Constitution sets out the rules, procedures and codes of practice governing the Council's operations. Part 5 contains the Ethical Framework and includes a Policy Statement on Corporate Governance at Part 5.9. This Statement has not been subject to a detailed review process in the last few years. Following the Council's request for a capitalisation directive, the Ministry of Housing, Communities and Local Government (MHCLG) commissioned a review into the Council's financial position and the strength of its wider governance arrangements. Whilst the results of this review have not yet been published, the Council has been reviewing its governance processes to ensure they meet industry standards.

###### **Options considered**

- 3.2 The Council could choose not to amend its Policy Statement on Corporate Governance. This is not recommended as the current Statement is not based on the CIPFA / SOLACE framework.

## **Background**

- 3.3 In 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) published a framework and guidance notes entitled “Delivering Good Governance in Local Government” (the CIPFA / SOLACE framework). The framework defines governance as “the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.”
- 3.4 The framework contains two central principles, with five supporting principles. These seven core principles each have a number of supporting principles. The draft Policy Statement on Core Governance has set out these core principles and sub-principles, with a list of evidence to demonstrate that the Council is meeting each principle.
- 3.5 By having a publicly available Policy Statement on Corporate Governance and using this as a basis for the Annual Governance statement reported to this Committee each year, the Council is committing to regularly reviewing its procedures, analysing its performance and recommending improvements and doing this in an open and transparent manner. This will help demonstrate the Council’s commitment to achieving excellence in the provision of services for the people of Slough and its recognition of the importance of effective corporate governance to allow the communities of Slough to place trust in the way that the Council undertakes and carries out its duties.

## **4. Implications of the Recommendation**

### 4.1 Financial implications

- 4.1.1 There are no financial implications of this recommendation.

### 4.2 Legal implications

- 4.2.1 Changes to the Council’s Constitution are reserved to Full Council. The draft Statement was reviewed by the Audit and Corporate Governance Committee.

### 4.3 Risk management implications

- 4.3.1 Regularly reviewing the systems in place to achieve effective corporate governance is part of an effective risk management procedure.

### 4.4 Environmental implications

- 4.4.1 There are no environmental implications of this recommendation.

### 4.5 Equality implications

- 4.5.1 The draft Statement contains details on how the Council ensures it engages with its citizens and service users effectively, including encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds.

5. **Comments of other Committees.**

Members of the Audit and Corporate Governance Committee considered the draft Policy at the extraordinary meeting held on 14<sup>th</sup> September 2021 and agreed to recommend the policy statement for approval.

6. **Appendices**

Appendix 1 – Draft Policy Statement on Corporate Governance

7. **Background Papers**

None