

<p>Scrutiny Panel</p> <p>7th February 2018</p> <p>Council's Code of Governance</p>	<p>Item No</p> <p>5</p>
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Outline

The purpose of this report is for the Scrutiny Panel to consider and approve the revised Code of Governance. This follows review by the Council's Statutory Officers Group and Hackney Management Team.

BACKGROUND

The Code of Governance sets out and describes that way in which the Council carries out its functions and the processes in place that aim 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. This draft version has been revised to incorporate current CIPFA (Chartered Institute of Public Finance and Accountancy) best practice. The changes in the revised Code are already used as a foundation for the Annual Governance Statement process.

The changes from the principles set out in the current (2011) Code of Governance are summarised in the following table, the previous principles were drawn from earlier CIPFA best practice guidance. The two core principles of the 2018 guidance are highlighted. While the Council is not obliged to comply with best practice, it is expected to do so.

2011 Code of Governance	2018 Revisions
Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
Engaging with local people and other stakeholders to ensure robust public accountability.	Ensuring openness and comprehensive stakeholder engagement.
Focusing on the purpose of the authority and on outcomes for the community and on creating and implementing a vision for the local area	Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Members and officers working together to achieve a common purpose with clearly defined functions and roles.	Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
Developing the capacity and capability of members and officers to be effective.	Developing the Council's capacity, including the capability of its leadership and the individuals within it.
Taking informed transparent decisions which are subject to effective scrutiny and managing risk.	Managing risks and performance through robust internal control and strong public financial management.
	Determining the interventions necessary to optimise the achievement of the intended outcomes.

The revised draft Code will be submitted to Audit Committee for approval. The draft is being presented to Scrutiny Panel at this earlier stage for information and comment given the relevance of governance arrangements to issues that Scrutiny Boards also review.

Appendix

Appendix 1 – Revised Code of Governance 2018

Report author:

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Invited guest

Michael Sheffield - Corporate Head of Audit, Anti-Fraud & Risk Management

Action

The Scrutiny Panel is asked to review and comment on the revised Council's Code of Governance.