

Borough Council of  
**King's Lynn &  
West Norfolk**



# **Cabinet**

## **Agenda**

**Tuesday, 6th August, 2019**  
at 3.30 pm

in the

**Council Chamber  
Town Hall  
Saturday Market Place  
King's Lynn**





King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX  
Telephone: 01553 616200  
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**CABINET AGENDA**

**DATE: CABINET - TUESDAY, 6TH AUGUST, 2019**

**VENUE: COUNCIL CHAMBER - TOWN HALL, SATURDAY  
MARKET PLACE, KING'S LYNN PE30 5DQ**

**TIME: 3.30 pm**

**As required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 - Items 14 & 15 below will be considered in private.**

**Should you wish to make any representations in relation to the meeting being held in private for the consideration of the above item, you should contact Democratic Services**

**1. MINUTES**

To approve the Minutes of the Meeting held on 18 June 2019 (previously circulated).

**2. APOLOGIES**

To receive apologies for absence.

**3. URGENT BUSINESS**

To consider any business, which by reason of special circumstances, the Chairman proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

**4. DECLARATIONS OF INTEREST**

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it

relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

**5. CHAIRMAN'S CORRESPONDENCE**

To receive any Chairman's correspondence.

**6. MEMBERS PRESENT UNDER STANDING ORDER 34**

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

**7. CALLED IN MATTERS**

To report on any Cabinet Decisions called in.

**8. FORWARD DECISIONS (Pages 6 - 10)**

A copy of the Forward Decisions List is attached

**9. MATTERS REFERRED TO CABINET FROM OTHER BODIES**

To receive any comments and recommendations from other Council bodies which meet after the dispatch of this agenda.

**10. REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE 2018-19  
(Pages 11 - 31)**

**11. CODE OF CORPORATE GOVERNANCE (Pages 32 - 49)**

**12. STRATEGIC PARTNERSHIP AGREEMENT - CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY (Pages 50 - 56)**

**13. EXCLUSION OF THE PRESS AND PUBLIC**

The Cabinet is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**PRIVATE ITEM**

Details of any representations received about why the following reports should be considered in public will be reported at the meeting.

14. **PARKWAY ACCELERATED CONSTRUCTION SCHEME** (Pages 57 - 64)

15. **BUSINESS RATES HARDSHIP RELIEF - REQUEST TO RECONSIDER A REFUSAL TO AWARD RELIEF** (Pages 65 - 75)

To: Members of the Cabinet

Councillors R Blunt, I Devereux, P Gidney, P Kunes, A Lawrence, B Long (Chair), G Middleton and E Nockolds

For Further information, please contact:

Sam Winter, Democratic Services Manager 01553 616327  
Borough Council of King's Lynn & West Norfolk  
King's Court, Chapel Street  
King's Lynn PE30 1EX

**FORWARD DECISIONS LIST**

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
6 August 2019						
	Audit Committee effectiveness	Non	Cabinet	Leader Deputy Chief Executive		Public
	Code of Corporate Governance	Non	Council	Leader Exec Dir – D Gates		Public
9	Business Rates Hardship Relief: Request To Reconsider A Refusal To Award Relief	Non	Cabinet	Leader Deputy Chief Executive		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Parkway – Accelerate Construction Scheme	Key	Council	Project Delivery Exec Dir – C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Strategic Partnership Agreement with Cambridge and Peterborough Combined Authority	Non	Cabinet	Business Development Chief Executive		Public

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
24 September 2019						
	Cinema Development Tender Results	Key	Cabinet	Culture, Heritage & Health Exec Dir – C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Capital Strategy	Key	Council	Leader Deputy Chief Executive		Public
	Strategic Partnership Agreement – Cambridge and Peterborough Combined Authority	Key	Council	Business Development Chief Executive		Public
	Strategic Property Acquisition	Key	Cabinet	Corporate Projects and Assets Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	CIL Governance	Key	Council	Development Exec Dir – G Hall		Public
	Nelson Quay King's Lynn - Planning and Delivery	Key	Cabinet	Corporate Projects and Assets Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 –

						information relating to the business affairs of any person (including the authority)
	Hunstanton Coastal Management Plan	Key	Cabinet	Environment Exec Dir – G Hall		Public
	Nar Ouse Enterprise Zone Implementation & Delivery	Key	Council	Projects Delivery Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
∞	Major Housing Phase 3 – Enabling Work for Lynnsport 1	Key	Council	Project Delivery Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Development Options - Hunstanton	Key	Council	Project Delivery Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Parkway Accelerated Development Site	Key	Council	Project Delivery Exec Dir – C Bamfield		Private - Contains exempt Information under para 3 –

						information relating to the business affairs of any person (including the authority)
	Heritage Action Zone – Unlocking Brown Field Sites and Chapel Street	Key	Cabinet	Project Delivery Exec Dir- C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
12 November 2019						
	King's Lynn Area Transport Study	Non	Cabinet	Development Exec Dir – G Hall		Public
	Major Housing Project 2	Key	Council	Corporate Projects and Assets Exec Dir - C Bamfield		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Waste Contract Procurement	Key	Cabinet	Environment C Bamfield – Exec Dir		Public

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
7 January 2020						

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
17 March 2020						

**REPORT TO CABINET**

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b>	N/A	Be entirely within Cabinet's powers to decide	YES	
		Need to be recommendations to Council	NO	
		Is it a Key Decision	NO	
Lead Member: Cllr Brian Long E-mail: <a href="mailto:cllr.Brian.Long@west-norfolk.gov.uk">cllr.Brian.Long@west-norfolk.gov.uk</a>		Other Cabinet Members consulted:		
		Other Members consulted: Cllr A Dickinson		
Lead Officer: Kathy Woodward E-mail: <a href="mailto:kathy.woodward@west-norfolk.gov.uk">kathy.woodward@west-norfolk.gov.uk</a> Direct Dial: 01553 616252		Other Officers consulted: Assistant Director, Resources Democratic Services Manager Democratic Services Officer		
Financial Implications NO	Policy/Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO	Risk Management Implications YES

Date of meeting: 6<sup>th</sup> August 2019

**Review of the Effectiveness of the Audit Committee 2018-19****Summary**

This report provides Cabinet with the results of the 'Review of the Effectiveness of the Audit Committee' for 2018-19 and confirms that the Committee is fulfilling its stated purpose which is 'to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process'.

**Recommendation**

To consider and accept the evidence presented in the report as confirming that the Audit Committee operated effectively during 2018-19.

**Reason for Decision**

To ensure the Council continues to meet its obligations under the Accounts and Audit Regulations 2015.

**REPORT DETAIL****1. Introduction**

The Audit Committee was set up in 2006, with Terms of Reference drawn up in line with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). These were reviewed and updated as part of the review of the scrutiny arrangements in June 2016.

Under the Accounts and Audit Regulations 2015, a council is required to ‘ensure that it has a sound system of internal control which:

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
- (b) ensures that the financial and operational management of the authority is effective; and*
- (c) includes effective arrangements for the management of risk.’*

Good corporate governance requires independent, effective assurance about the adequacy of financial and operational management and reporting. This assurance is best delivered by a committee that is independent from the executive and scrutiny functions. This was provided by the Audit Committee during 2018/19.

In order to ensure that this monitoring of governance is carried out effectively, a regular review of the role and activities of the Audit Committee is necessary.

## **2. Review Details**

The review was completed by the Audit Manager using a checklist compiled by CIPFA. The completed checklist is attached as **Appendix 1** of this report. In addition information has been compiled on the reports considered by the Committee and attached as **Appendix 2**. The resulting draft report was then considered by the Chair and Vice Chair of the Audit Committee.

The responses in the checklist are ticked as:

- ‘Y’ – Yes. The criteria have been met and no action is required.
- ‘P’ – Partial. The criteria have only been met in part, some action may be required.
- ‘N’ – No. The criteria have not been met and action may be required

## **3. Items considered during 2018-19**

Throughout 2018-19 the Audit Committee held 6 meetings and received a total of 26 reports on a number of issues, including:

### **Internal Audit and Fraud**

- Internal Audit Annual Report and Opinion 2017-18
- Internal Audit Plan 2017-18 – End of year progress report
- Internal Audit and Fraud half year progress report 18-19
- Strategic Internal Audit Plan 2019-24
- KLIC Review

### **External Audit**

- Annual Audit Letter for year ended 31 March 2018
- External ISA 260 report
- External Audit Plan

### **Finance**

- Certification of Claims and Annual Report 2016-17
- Certification of Claims and Annual Report 2017-18

- Annual Treasury Report 2017-18
- Statement of Accounts 2017-18
- Mid-year Treasury Report 2018-19

### **Corporate Governance and Risk**

- Draft Annual Governance Statement
- Annual Governance Statement
- Update on the Annual Governance Statement
- Draft Code of Corporate Governance
- Audit Committee Effectiveness Review 2017-18
- Business Continuity Annual Update
- Risk Register Update May 2018 and November 2018
- Risk Management Policy and Strategy Review
- Record Retention and Disposal Policy Review
- Risk Based Verifications – Policy Update

A summary of the content of each report and the subsequent discussion has been compiled by Democratic Services and is attached as **Appendix 2**.

The Committee received 5 training sessions during the year on:

- Internal Audit Vs External Audits
- Audit Committee – An Introduction
- Review of Funding
- Statement of Accounts
- Treasury Strategy

### **4. Conclusion**

During 2018-19 the Audit Committee received and commented on all relevant reports and actively monitored risk and internal controls. As a result it is continuing to perform effectively and the Council is meeting its requirements under the Accounts and Audit Regulations 2015.

### **5. Background Papers**

Accounts and Audit Regulations 2015.

## Borough Council of King's Lynn and West Norfolk

For the year 2018-19

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
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**1. ESTABLISHMENT, OPERATION AND DUTIES****Role and Remit**

1.1	Does the audit committee have written Terms of Reference?	Y			The Terms of Reference were reviewed and approved by Council on 30 June 2016.	
1.2	Do the Terms of Reference cover the core functions of an audit committee as identified in the CIPFA guidance?	Y				
1.3	Are the Terms of Reference approved by the council and reviewed periodically?	Y			The next review is due in May 2019.	
1.4	Can the audit committee access other committees and full council as necessary?	Y			All Members attend Full Council and can attend any other Panel or Committee meeting under Standing Order 34.	
1.5	Does the authority's Annual Governance Statement include a description of the audit committee's establishment and activities?	Y			Principal 6 in the AGS includes a description of the Audit Committee's function.	
1.6	Does the audit committee periodically assess its own effectiveness?	Y			An annual review is carried out.	

**Membership, Induction and Training**

1.9	Has the membership of the audit committee been formally agreed and a quorum set?	Y			Formally appointed by Council. Quorum set through Standing Orders.	
1.10	Is the chair independent of the executive function?	Y				

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
1.11	Has the audit committee chair previous knowledge of, or received appropriate training on, financial and risk management, accounting concepts and standards, and the regulatory regime?	Y			The Chair has attended all training offered to the Committee, which included Financial training.	
1.12	Are new audit committee members provided with appropriate induction?	Y			Training is offered to all Members by Democratic Services. The training is carried out prior to the start of a meeting to maximize participation. In 2018-19 it was decided that all members of the Audit Committee must be trained to be able to participate in future discussions.	
1.13	Have all member's skills and experiences been assessed and training given for identified gaps?	Y			Members training requirements are discussed at each meeting to identify any gaps and a training programme has been designed to cover all previously identified training needs. Members can request specific training if necessary.	Continue to review Members training programme.
1.14	Has each member declared his or her business interests?	Y			Records of interests are kept by Democratic Services. A standing item of each agenda requires Members to declare any relevant interests.	
1.15	Are members sufficiently independent of other key committees of the council?	Y			Under the new Scrutiny arrangements the Audit Committee became an independent Committee from June 2016.	
<b>Meetings</b>						
1.16	Does the committee meet regularly?	Y			6 meetings were held in 2018-19. The programme for 2019-20 includes 6 planned meetings, but this may increase if the Committee needs to consider urgent reports in the intervening time.	

## Borough Council of King's Lynn and West Norfolk

For the year 2018-19

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
1.17	Do the Terms of Reference set out the frequency of meetings?	Y			Minimum of 4 meetings a year, but this can be increased if necessary.	
1.18	Does the audit committee calendar meet the authority's business needs, governance needs and the financial calendar?	Y			A calendar of meetings is published for each year and dates are co-ordinated with Cabinet and specific key events.	
1.19	Are members attending meetings on a regular basis and if not, is appropriate action taken?	Y			A record of attendance is kept by Democratic Services. Any persistent non-attendance is brought to the attention of the relevant party leader.	
1.20	Are members free and open without political influences being displayed?	Y				
1.21	Does the authority's s151 officer or deputy attend all meetings?	Y			All meetings were attended by the Executive Director, Finance Services / Deputy Chief Executive (S151)	
1.22	Does the audit committee have the benefit of attendance of appropriate officers at its meetings?	Y			Relevant officers attend to present the reports and answer questions.	
1.23	Are decisions reached promptly?	Y			A decision is made at the end of each item on the agenda.	
<b>2. INTERNAL CONTROL</b>						
2.1	Does the audit committee consider the findings of the annual review of effectiveness of the system of internal control (as required by the Accounts and Audit Regulations) including the review of the effectiveness of the system of internal audit?	Y			Audit Manager's Annual Report for 2017-18 was presented on 30 May 2018, which included an assessment of the effectiveness of Internal Audit.	

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
2.2	Does the audit committee have responsibility for review and approval of the Annual Governance Statement and does it consider it separately from the accounts?	Y			AGS presented 30 July 2018 as a separate report from the Statement of Accounts 2017-18.	
2.3	Does the audit committee consider how meaningful the Annual Governance Statement is?	Y			The Committee received a training session on the relevance and content of the AGS on 28 November 2016. They also received updates throughout the year and have an opportunity to consider it's meaningfulness. During 2018-19 the Code of Corporate Governance was also considered.	
2.4	Does the audit committee satisfy itself that the system of internal control has operated effectively throughout the reporting period?	Y			Various reports are presented to the Committee throughout the year relating to internal audit, external audit, finance, fraud, corporate governance and risk.	
2.5	Has the audit committee considered how it integrates with other committees that may have responsibility for risk management?	Y				
2.6	Is the audit committee made aware of the role of risk management in the preparation of the internal audit plan?	Y			The report setting the Strategic Internal Audit Plan each year contains an explanation of the consideration of risk management in the planning process.	
2.7	Does the audit committee review the authority's strategic risk register at least annually?	Y			Update reports are presented twice a year in April/May and October/November.	
2.8	Does the audit committee monitor how the authority assesses risk?	Y			Included in the 6-monthly reports. Updates to the Risk Management Policy and Strategy are reviewed and approved by the Audit Committee.	

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
2.9	Do the audit committee's Terms of Reference include oversight of the risk management processes?	Y			Terms of Reference F.8 (a) and (b) refers.	
2.10	Does the audit committee take a role in overseeing anti-fraud and whistleblowing arrangements?	Y			Terms of Reference F.8 (a) refers.	
<b>3. FINANCIAL REPORTING &amp; REGULATORY MATTERS</b>						
3.1	Is the audit committee's role in the consideration and/or approval of the annual accounts clearly defined?	Y			Terms of Reference F.7 (a) refers. The timetable of meetings includes provision for meetings in July to consider the Statement of Accounts.	
3.2	Does the audit committee consider specifically: <ul style="list-style-type: none"> <li>▪ The suitability of accounting policies and treatments</li> <li>▪ Major judgements made</li> <li>▪ Large write-offs</li> <li>▪ Changes in accounting treatment</li> <li>▪ The reasonableness of accounting estimates</li> <li>▪ The narrative aspects of reporting?</li> </ul>	Y			The financial reports presented cover all the aspects stated.	
3.3	Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Y			The Committee met in July 2018 to discuss the external auditors report and issues arising.	
3.4	Does the audit committee review management's letter of representation?	Y			Management responses are included in the covering report to the external auditors report. The responses	

## Borough Council of King's Lynn and West Norfolk

For the year 2018-19

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
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					are also discussed at the meeting.	
3.5	Does the audit committee annually review the accounting policies of the authority?	Y			Included in the Statement of Accounts report.	
3.6	Does the audit committee gain an understanding of management's procedures for preparing the authority's annual accounts?	Y			The Deputy Chief Executive (s151 Officer) and Group Accountant attended the relevant meetings to present the report and answer questions relating to the preparation of accounts. Training on the Closedown of Accounts is also provided immediately prior to the meeting.	
3.7	Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues, for example by receiving circulars and through training?	Y			'Members Bulletin' is circulated to all Members, which contains general updates and circulars when they occur. For issues specifically relevant to the Committee, a report is presented.	

**4. INTERNAL AUDIT**

4.1	Does the audit committee approve annually, and in detail, the internal audit strategic and annual plans including consideration of whether the scope of internal audit work addresses the authority's significant risks?	Y			The Internal Audit Strategic Plan is presented in February each year for approval. Details of how the plan is compiled are included in the covering report. For the year 2018-19 the Plan was presented on 12 <sup>th</sup> February 2018.	
4.2	Does internal audit have an appropriate reporting line to the audit committee?	Y			Direct access to the Chair is included in the revised Terms of Reference (May 2016), along with the potential for Internal Audit to meet with the Committee, without Senior Management being present, if necessary.	

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
4.3	Does the audit committee receive periodic reports from the internal audit service including an annual report from the Audit Manager?	Y			The Committee receives reports on progress against the Strategic Plan, and the Audit Manager presents the Annual Report in May.	
4.4	Are follow-up audits by Internal Audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	Y			Included in the progress reports. Officers can be asked to attend the meetings to answer questions if progress is not satisfactory.	
4.5	Does the audit committee hold periodic private discussions with the Audit Manager?	Y			The facility is available within the Terms of Reference if required. No meetings were required during 2018-19.	
4.6	Is there appropriate co-operation between the internal and external auditors?	Y			Ernst and Young receive all Internal Audit reports, but adopt a substantive audit approach and perform their own tests. This was discussed in detail with the Audit Committee and Ernst and Young in May 2018. Internal Audit and External audit hold periodic meeting to discuss issues of concern and update on each others progress where relevant.	No action required
4.7	Does the audit committee review the adequacy of internal audit staffing and other resources?	Y			Included in the Strategic Audit Plan report and the half-yearly progress reports.	
4.8	Has the audit committee evaluated whether its internal audit service complies with Public Sector Internal Audit Standards (PSIAS)?	Y			An external quality assessment was completed in 2014 by the Chartered Institute of Internal Auditors and the resulting report was presented to the Committee in October 2014. The next external review will be due in 2019. In intervening years an internal self-assessment is completed and made available to Members of the Audit Committee.	
4.9	Are internal audit performance measures monitored by the audit committee?	Y			Performance Indicators are set as part of the Strategic Plan and monitored in the progress reports.	

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
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4.10	Has the audit committee considered the information it wishes to receive from internal audit?	Y			During 2018-19 specific reports were presented to member of the Audit Committee at their request.	
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**5. EXTERNAL AUDIT**

5.1	Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)?	Y			Ernst Young attend meetings to present their reports and answer questions.	
5.2	Does the audit committee hold periodic private discussions with the external auditor?	Y			The facility is available within the Terms of Reference if required. No meetings were required during 2018-19.	
5.3	Does the audit committee review the external auditor's annual report to those charged with governance?	Y			Report is presented at the meeting in July.	
5.4	Does the audit committee ensure that officers are monitoring action taken to implement external audit recommendations?	Y			Recommendations are taken into account when preparing the Internal Audit Strategic Plan.	
5.5	Are reports on the work of external audit and other inspection agencies presented to the committee?	Y			Report to those charged with governance (ISA260) – 30 July 2018. Annual Audit Letter – 17 September 2018 Audit Plan 2018-19 – 11 March 2019	
5.6	Does the audit committee assess the performance of external audit?	Y			Considered as reports are presented.	

**6. ADMINISTRATION****Agenda Administration**

## Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
6.1	Does the audit committee have a delegated secretary from Committee/Member Services?	Y			Wendy Vincent, Democratic Services.	
6.2	Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	Y			A timetable is set for the year detailing meeting dates and deadlines for reports to be submitted. All reports are dispatched within 6 working days prior to the committee dates.	
6.3	Are outline agendas planned one year ahead to cover issues on a cyclical basis?	Y			Included in the timetable for the year.	
6.4	Are inputs for Any Other Business formally requested in advance from committee members, relevant officers, internal and external audit?			N	'Any Other Business' is not an agenda item. Only 'Urgent Business' is accepted under Standing Order 7.	No action required.
<b>Papers</b>						
6.5	Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	Y			The timetable is designed to ensure the timing and frequency of routine reports is appropriate. Ad hoc reports are presented as they arise and also in line with Cabinet requirements if necessary.	
6.6	Does the audit committee issue guidelines and/or a proforma concerning the format and content of the papers to be presented?			N	The format is a corporate template.	No action required.
<b>Actions Arising</b>						
6.7	Are minutes prepared and circulated promptly to the appropriate people?	Y			Minutes are produced within a week of the meeting.	

Borough Council of King's Lynn and West Norfolk

For the year 2018-19

Audit and Risk Committee Self-Assessment Exercise

No	Issue	Y	P	N	Evidence/ Comment	Action Required
6.8	Do action points indicate who is to perform what and by when?	Y			If action is required.	

**ISSUES DISCUSSED AT MEETINGS OF THE AUDIT COMMITTEE 2018 – 2019**

**Appendix 2**

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
<b>30.05.18</b> (130 mins)		
A8: Training – Internal and External Audits	Training from the Shared Internal Audit Manager.	To enable the Committee to gain an understanding of the difference between Internal and External Audits.
A9: Certification of Claims and Annual Report 2016/2017	Dan Cooke from Ernst and Young presented the Certification of Claims and Annual Report 2016/2017.	The Committee received the Certification of Claims and Returns Annual Report 2016/2017.
A11: Exempt Report – Risk Based Verification Policy Update	The Revenues and Benefits Manager presented the report which provided an update for the Committee on Risk Based Verification activity over the past year.	Update report.
A12: Corporate Risk Register	The Senior Policy and Performance Officer presented the report which detailed the changes to the Corporate Risk Register since the last monitoring report in October 2017.	The Committee considered the contents of the Corporate Risk Register and confirmed agreement with Management Team’s assessment of the risks to the corporate objectives.
A13: Draft Annual Governance Statement covering the 2017/2018 year	The Senior Policy and Performance Officer outlined the purpose of the report and reminded Members that the report brought the Council’s draft Annual Governance Statement (AGS) 2018 to the Committee to review, challenge and provided an opportunity to input prior to the AGS being finalised and considered by the Committee at its meeting in July 2018.	The Committee reviewed the draft Annual Governance Statement 2018 and determined that the work undertaken to review the governance arrangements in place during the 2017/18 year was appropriate.

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome</u>
A14: Internal Audit Annual Report and Opinion 2017/2018	The Shared Internal Audit Manager presented the report which provided the Committee with an overview of the work undertaken by Internal Audit during 2017/18 and provided the Audit Manager's annual audit opinion on the system of internal control.	The Committee received the annual audit opinion and noted the work of Internal Audit for 2017/18.
A15: Internal Audit Full Year Progress Report 2017/2018	The Shared Internal Audit Manager presented the report which provided Members with an update on progress against the Internal Audit Strategic Plan 2017/18 that was endorsed by the Audit Committee at their meeting on 13 February 2017.	The Committee reviewed the progress against the planned work and ensured that it complied with the requirement of the Accounts and the Audit Regulations 2015.
A16: Audit Committee Effectiveness Report 2017/2018	The Shared Internal Audit Manager presented the report which reviewed the work of the Audit Committee during the year 2017/18 and considered if the Committee had effectively fulfilled its role.	That the Audit Committee: <ul style="list-style-type: none"> <li>1) Considered the content of the report and decided it accurately reflected the work of the Committee in 2017/18.</li> <li>2) Confirmed their agreement to the Chairman taking the report to Cabinet as evidence that the Committee operated effectively.</li> </ul>
<b>30.07.18</b> (120 mins)		
A24: Training – Statement of Accounts	The Committee received training from the Group Account on the Statement of Accounts.	

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
A25: Statement of Accounts and External ISA 260 Report	<p>In presenting the ISA 260 report, the External Auditor, Dan Cook, advised that the audit of the BCKLWN had been completed for the year ended 31 March 2018 and that the outstanding matters listed in their report had now all been concluded. He confirmed that they were issuing an unqualified audit opinion on the financial statements in the form at Section 3. He acknowledged the assistance given by the S151 Officer and her team to carry out the audit, particularly with the new deadline of 31 July 2018 for the closure of accounts.</p> <p>The Committee considered the Statement of Accounts.</p>	<p>The Audit Committee:</p> <ol style="list-style-type: none"> <li>1) Considered the comments of the Auditor in the ISA 260.</li> <li>2) Approved the Statement of Accounts for 2016/2017 as now amended.</li> </ol>
A26: Annual Governance Statement covering the 2017/2018 Year	<p>In presenting the report, the senior Policy and Performance Officer reminded the Committee that the preparation and publication of an Annual Governance Statement (AGS) was a statutory requirement. The AGS was a public statement that described and evaluated the Council's overall governance arrangements, in particular, how it had complied with the Code of Corporate Governance during a particular financial year.</p>	<ol style="list-style-type: none"> <li>1) The Committee confirmed that the 2018 Annual Governance Statement properly reflected the risk environment and that actions required to improve it were in hand.</li> <li>2) The Committee approved the 2018 Annual Governance Statement and confirmed that the Chairman of the Audit Committee should sign accordingly.</li> </ol>
A27: Annual Treasury Outturn Report 2017/2018	<p>The Committee considered the report which reminded Members that the Council had formally adopted the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management (2009) and remained fully compliant with its requirements. As such there was a requirement to make an annual review of its Treasury operation for the previous year.</p>	<p>That the Actual Treasury Outturn 2017/2018 be approved.</p>

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
<b>17.09.18</b> (17 mins)		
A36: Annual Audit Letter for year ended 31 March 2018	The Executive Director – Finance presented the Annual Audit Letter for the year ended 31 March 2018.	The Audit Committee received and noted the Annual Audit Letter for year ended 31 March 2018.
<b>12.11.18</b> (117 mins)		
A45: Mid-Year Treasury Report 2018/2019	<p>The Financial Services Manager presented the Mid-Year Review Treasury Report 2018/2019 and reminded Members that the Council had formally adopted the CIPFA Code of Practice on Treasury Management (2011) and remained fully compliant with its requirements.</p> <p>The Committee was advised that one of the primary requirements of the Code is receipt by Council of a Mid-Year Review Report.</p>	<b>RESOLVED:</b> The Audit Committee reviewed the report and the treasury activity.
A46: Business Continuity Annual Update	The Senior Policy and Performance Officer presented the annual update report which outlined the current position of the Council's business continuity arrangements, summarised progress made since the last update in November 2017 and described work that was planned to be undertaken over the coming months.	<p><b>RESOLVED:</b> The Audit Committee:</p> <ol style="list-style-type: none"> <li>1) Reviewed progress made and endorsed the approach being taken to the Council's business continuity arrangements.</li> <li>2) Confirmed annual updates to be presented to the Committee.</li> </ol>
A47: Corporate Risk Register Monitoring Report	The Senior Policy and Performance Officer presented the report which outlined the changes to the Corporate Risk Register since the last monitoring report in May 2018. The report set out details of the risks falling into the 'Very High' category and the associated work being progressed to mitigate the effects.	<p><b>RESOLVED:</b> The Audit Committee:</p> <ol style="list-style-type: none"> <li>1) Considered the contents of the Corporate Risk Register and confirmed agreement with Management Team's assessment of the risks to the Corporate Objectives.</li> </ol>

		<p>2) To monitor the proposed Cinema Project if approved by Cabinet on 13 November 2018.</p> <p>3) To monitor progress on major housing schemes.</p>
A48: Risk Management Policy and Strategy Review	The Senior Policy and Performance Officer advised Members that the Council's risk management policy and strategy were due to be refreshed in March 2019. The report introduced a draft framework and sought Member's comments. Members were advised that a final version will be presented to the Committee in January 2019 to take forward to Cabinet in March 2019.	<b>RESOLVED:</b> The Committee confirmed the draft report and noted that the Committee would receive the final version on 28 January 2018.
A49: Record Retention and Disposal Policy Review	The Senior Policy and Performance Officer advised that the Council's record retention and disposal policy and strategy were due to be refreshed. The report introduced a draft framework and sought Member's comments. It was noted that a final version would be presented to the Committee in January 2019 to take forward to Cabinet in March 2019.	<b>RESOLVED:</b> The Audit Committee confirmed the draft documents and noted that a final version would be presented to Members on 28 January 2019.
A50: Internal Audit Half Year Progress Report	<p>The Internal Audit Manager presented the report which provided Members with an update on progress against the Internal Audit Strategic Plan 2018/19 that was endorsed by the Audit Committee at the meeting on 12 February 2018. It was highlighted that the report also provided an update on the fraud work for the first half of the year.</p> <p>Members were informed that a member of staff had left the Council's Audit Team and a recruitment process was undertaken which had had an impact on the audits completed during the first half of 2018/2019.</p>	<b>RESOLVED:</b> The Audit Committee reviewed the progress against the audit plan and noted the update of the fraud work.

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
<b>28.01.19</b> (66 mins)		
A59: Risk Management Policy and Strategy Review – Final Report	<p>The Senior Policy and Performance Officer presented the final version of the report prior to it being taken forward to Cabinet in march 2019.</p> <p>Members were reminded that a draft version of the report was presented to the Committee in November 2018 and drew Members’ attention to section 3.2 of the report which set out the two amendments by the Committee at their previous meeting.</p>	<p><b>RESOLVED:</b> The Panel approved the final version of the report prior to it being presented to Cabinet in March 2019, subject to the following recommendation:</p> <p>“This policy/strategy will be reviewed every three years, or earlier in the light of new guidance, to ensure it remains relevant to the needs of the council. The next review will take place no later than March 2022.</p>
A60: Record Retention and Disposal Policy Review – Final Report	<p>The Senior Policy and Performance Officer presented the final version of the report prior to it being taken forward to Cabinet in March 2019.</p> <p>Members were reminded that a draft version of the report was presented to the Committee in November 2018. It was noted that there were some modifications to the retention schedule at Appendix B.</p>	<p><b>RESOLVED:</b> 1) The Committee approved the final version of the report prior to it being presented to Cabinet in March 2019.</p> <p>2)Legal advice be sought from Eastlaw on the legal requirement for the destruction of Committee Clerk’s notes and approval of the minutes.</p>
A61: Update on Progress with the Annual Governance Statement covering the 2018/2019 Year	<p>The Senior Policy and Performance Officer reminded Members that at the Audit Committee meeting in July 2018, Members approved the Council’s Annual Governance Statement covering and reflecting back on the 2017/18 financial year.</p> <p>The report provided an update in relation to the action plan for 2018/2019.</p>	<p><b>RESOLVED:</b> The Committee noted the progress report with the Council’s Annual Governance Statement arrangements.</p>

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
<b>11.03.19</b> (209 mins)		
A70: Annual Audit Plan for year ended 31 March 2019 – Ernst and Young, External Auditors	M Hodgson, Ernst and Young presented the Annual Audit Plan for year ended 31 March 2019.	<b>RESOLVED:</b> The Committee received and noted the Annual Audit Plan for year ended 31 March 2019.
A71: Certification of Claims Annual Report 2017/2018	M Hodgson, Ernst and Young presented the report which summarised the results of the external auditor's work on the Borough Council of King's Lynn and West Norfolk's 2017/2018 of the housing benefits subsidy claim.	<b>RESOLVED:</b> The Audit Committee received and noted the Certification of Claims Annual Report 2017/2018.
A72: Draft Code of Corporate Governance	The Senior Policy and Performance Officer presented the report and reminded Members of the Terms of Reference of the Audit Committee. The Code information the preparation of the Statutory Annual Governance Statement.	<b>RESOLVED:</b> The Committee:  1) Reviewed the draft Code of Corporate Governance.  2) Recommended the Code for approval by Cabinet.
A73: Strategic Internal Audit Plan 2019/2024	The Audit Manager presented the Internal Audit Strategic Plan 2019/2024 which provided the Committee with the opportunity to review the proposed Strategic Internal Audit Plan for 2019/2024.	<b>RESOLVED:</b> The Committee acknowledged the Internal Audit resources and agreed the work planned for 2019/2024.

<u>Date of Meeting/Length of Meeting</u>	<u>Details</u>	<u>Outcome/Recommendation</u>
<p>A75: <b>Exempt Report</b> (The press and public were excluded for this item) Risk Based Verification Policy Update for 2019/2020</p>	<p>In presenting the report the Revenues and Benefits Manager explained that the Council introduced Risk Based Verification (RBV) to assess the risk of fraud and error in new claims for Housing Benefit and Council Tax Support from April 2015. In February 2016 RBV was extended to include changes of circumstance. The report provided an update for the Committee on RBV activity over the past year, and made some minor updates to the RBV policy.</p>	<p><b>RESOLVED:</b> Members noted and agreed the RBV policy and the RBV procedure updates in the report.</p>
<p>A76: <b>Exempt Report</b> (The press and public were excluded for this item) KLIC Review Report</p>	<p>The Internal Audit Manager presented the report.  The Committee discussed the report.</p>	<p><b>RESOLVED:</b> 1) Eastlaw does provide a redacted version of the report for the Council with reasons for redactions, as soon as possible.</p> <p>2)A cross party working group be established to consider the report, lessons learnt and a way forward and report back to the Audit Committee.</p> <p>3)The Major Projects Board does establish a report mechanism to enable the Audit Committee to monitor major projects and identify any steps or action required and commence a programme of reviewing each of the large scale projects currently underway.</p>

**REPORT TO CABINET**

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b> NO	Mandatory	Be entirely within Cabinet's powers to decide	NO	
		Need to be recommendations to Council	YES	
		Is it a Key Decision	NO	
Lead Member: Cllr Brian Long E-mail: <a href="mailto:cllr.brian.long@west-norfolk.gov.uk">cllr.brian.long@west-norfolk.gov.uk</a>		Other Cabinet Members consulted:		
		Other Members consulted: Audit Committee		
Lead Officer: Ray Harding E-mail: <a href="mailto:Ray.Harding@west-norfolk.gov.uk">Ray.Harding@west-norfolk.gov.uk</a> Direct Dial: 01553 616245		Other Officers consulted: Emma Duncan, Monitoring Officer Management Team		
Financial Implications NO	Policy/Personnel Implications NO	Statutory Implications YES	Equality Impact Assessment NO	Risk Management Implications YES

Date of meeting: 6 August 2019

**CODE OF CORPORATE GOVERNANCE**

**Summary**

The Code of Corporate Governance was last reviewed and approved by Council in 2015. The code has been refreshed following the publication of CIPFA guidance.

At its meeting on 11 March 2019, Audit Committee agreed to recommend the code to Cabinet.

**Recommendation**

Cabinet is recommended to agree:

That the Code of Corporate Governance is recommended to Council for approval.

**Reason for Decision**

To detail the council's commitment to good corporate governance.

**1. Introduction**

- 1.1 The Code of Corporate Governance sets out how the council intends to apply the principles of corporate governance in the way it operates and conducts its business.
- 1.2 The extent to which the Council adheres to the Code of Corporate Governance principles is described in the Annual Governance Statement (AGS).
- 1.3 The current code was approved by Cabinet in March 2015 and was aligned with the Chartered Institute of Public Finance and Accountancy/Society of Local Authority Chief Executives "Delivering Good Governance in Local Government" 2012 framework. The CIPFA/SOLACE framework has been updated and this report provides a revised Code of Corporate Governance.

## **2. The Code of Corporate Governance**

- 2.1 The Council is committed to the principles of good corporate governance. The current Code of Corporate Governance was developed using the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) 2012 guidance. This guidance has been refreshed following publication of a new governance framework for local authorities Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016).
- 2.2 Compliance with the Code of Corporate Governance supports the Council's review of the effectiveness of its system of internal controls as required by the Accounts and Audit Regulations 2015. This in turn informs the Annual Governance Statement which accompanies the Annual Statement of Accounts.
- 2.3 The framework contains the elements that local authorities are required to include in their annual governance statement. The adoption of the framework is also a requirement of the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 (CIPFA/LASAAC, 2016).
- 2.4 The new framework is based on the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) as developed by CIPFA/SOLACE supported by a UK wide steering group made up of local government practitioners and stakeholders.
- 2.5 The framework includes a new definition of governance which stresses how good governance is essential in enabling an organisation to achieve its goals. The key themes are:
- Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.
  - To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their organisation's objectives whilst, at all times, acting in the public interest.
  - Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.
- 2.6 The 2016 framework has 7 principles compared to 6 within the 2012 version. These principles of governance enable organisations to achieve their outcomes while working in the public interest. Appendix 1 lists the 2012 and 2016 principles. The principles are further supported by examples of behaviours and actions that demonstrate what good governance should look like in practice. The principles are:
- Principle 1 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Principle 2 Ensuring openness and comprehensive stakeholder engagement.
- Principle 3 Defining outcomes in terms of sustainable economic, social, and environmental benefits.

- Principle 4 Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Principle 5 Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- Principle 6 Managing risks and performance through robust internal control and strong public financial management.
- Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

2.7 The Council's revised Code of Corporate Governance, attached as Appendix 2, has been reworded to reflect the key changes in the guidance. The code, alongside the Annual Governance Statement reported to Audit Committee, helps to demonstrate how the Council's values, constitution, policies and practices align to the principles of governance.

2.8 The Council will refer to this refreshed Code of Corporate Governance when undertaking its annual review and publishing its governance statement. The annual governance statement for 2019 will use this new framework.

### **3.0 Corporate Priorities**

Not applicable, statutory requirement.

### **4.0 Policy Implications**

None.

### **5.0 Financial Implications**

None.

### **6.0 Personnel Implications**

None.

### **7.0 Statutory Considerations**

7.1 The Code of Corporate Governance informs the preparation of the Annual Governance Statement and compliance with the Accounts and Audit Regulations.

### **8.0 Equality Opportunity Considerations**

None.

### **9.0 Risk Management Implications**

9.1 The Code of Corporate Governance forms part of the council's risk management approach.

## **10.0 Recommendations**

Cabinet is recommended to:

1. Review the draft Code of Corporate Governance 2019 (as attached).
2. Agree that the Code of Corporate Governance is recommended to Council for approval.

## **11.0 Declarations of Interest / Dispensations Granted**

None.

## **Background Papers**

- CIPFA / SOLACE: Guidance Note – Delivering Good Governance in Local Government – Framework.
- CIPFA/SOLACE: Application Note to Delivering Good Governance in Local Government: a Framework 2010.
- CIPFA: Delivering Good Governance in Local Government: Framework Addendum 2012
- CIPFA/ SOLACE: Delivering Good Governance in Local Government Framework 2016 edition
- CIPFA/ SOLACE: Delivering Good Governance in Local Government Guidance notes for English Authorities 2016 edition
- Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 (CIPFA/LASAAC, 2016)

## **Appendix 1**

### **2012 and 2016 principles**

#### **2012 Principles**

1. Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.
2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.
3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
5. Developing the capacity and capability of members and officers to be effective.
6. Engaging with local people and other stakeholders to ensure robust public accountability.

#### **2016 Principles**

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of intended outcomes.
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

## **Appendix 2**

### **Proposed Code of Corporate Governance**

#### **1. Introduction**

- 1.1 The Borough Council of King's Lynn and West Norfolk recognises that it is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability, members and officers will be responsible for putting in place proper arrangements for the governance of the council's affairs and the stewardship of the resources at its disposal.
- 1.2 This document sets out how the council intends to apply the principles of corporate governance in the way it operates and conducts its business. It has been developed in accordance with the principles outlined in the framework and guidance notes for CIPFA/SOLACE "Delivering Good Governance in Local Government (2016).

#### **2. What is governance?**

- 2.1 Governance is about how the council ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which such bodies are directed and controlled and through which it accounts to, engages with, where appropriate, leads the community.
- 2.2 Good governance enables the council to define and pursue its vision more effectively. It leads to improvements in management, performance, stewardship of public money and public engagement and outcomes for individuals and the community. It ensures that appropriate mechanisms for control are in place and risks and opportunities are managed effectively.

#### **3. Seven core principles of governance**

- 3.1 The 2016 framework has the following seven principles:
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law.
  2. Ensuring openness and comprehensive stakeholder engagement.
  3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
  4. Determining the interventions necessary to optimise the achievement of intended outcomes.
  5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
  6. Managing risks and performance through robust internal control and strong public financial management.
  7. Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

#### 4. Applying the principles of good governance

- 4.1 Each of the seven core principles of good governance has a number of supporting principles, which in turn, translate into a range of specific requirements that apply across the various aspects of the council's business. The diagram at Appendix A illustrates key elements within the code.
- 4.2 Appendix B provides an indication of how each of these principles should be applied and examples of local evidence are listed in Appendix C.

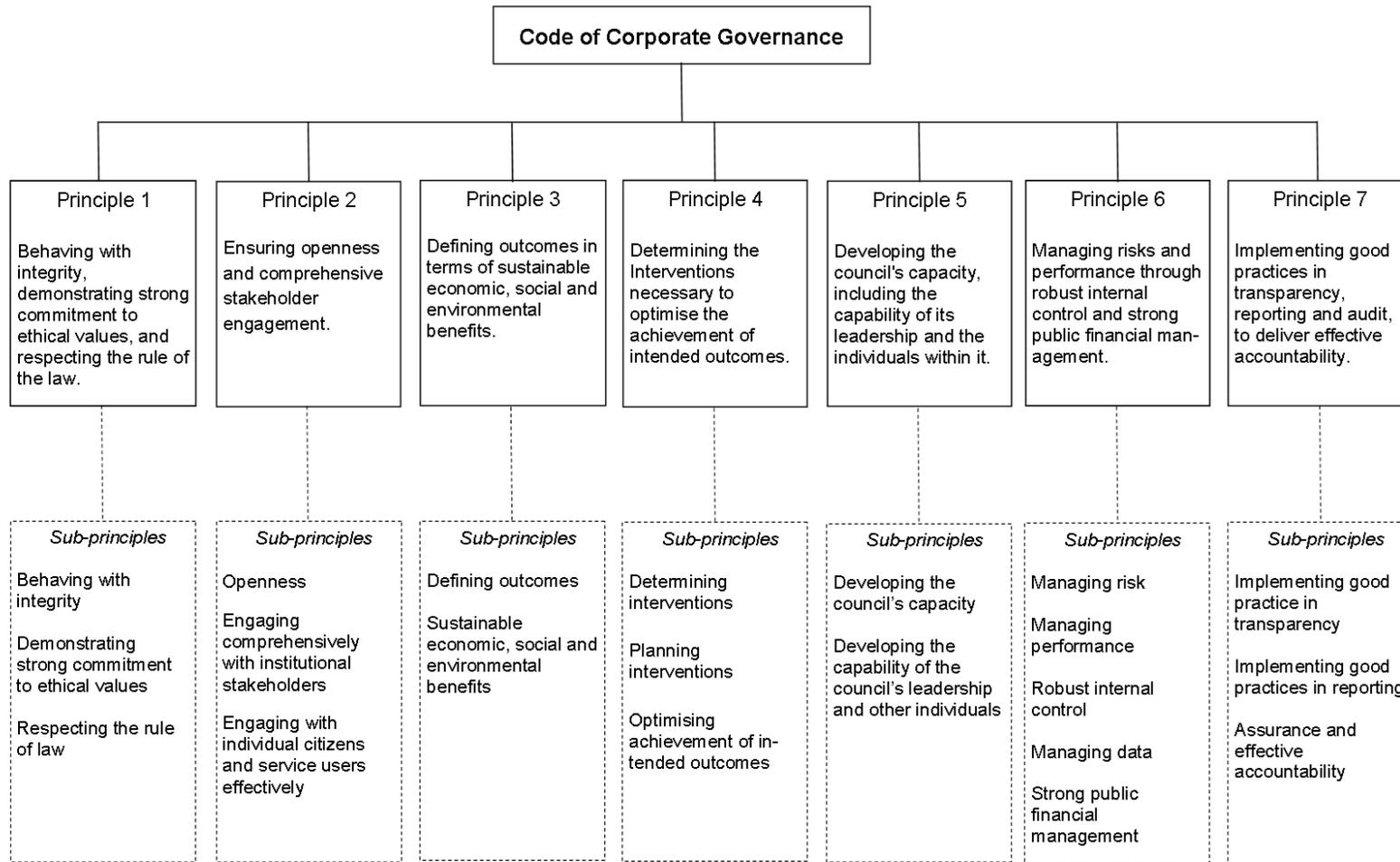
#### 5. Monitoring and reporting

- 5.1 The council will undertake an annual review of its governance arrangements to ensure continuing compliance with notable practice to provide assurance that corporate governance arrangements are adequate and operating effectively in practice. Where reviews of the corporate governance arrangements have revealed gaps, actions will be planned to enhance the governance arrangements accordingly.
- 5.2 Additionally the council is required to prepare and publish an annual governance statement in accordance with this framework under Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2006. This will be submitted to the Audit Committee for consideration and will form part of the council's annual statement of accounts.
- 5.3 The annual governance statement should include:
- an acknowledgement of responsibility for ensuring that there is a sound system of governance (incorporating the system of internal control) and reference to the council's code of governance;
  - reference to and assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment;
  - an opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework;
  - an agreed action plan showing actions taken, or proposed, to deal with significant governance issues;
  - reference to how issues raised in the previous year's annual governance statement have been resolved;
  - a conclusion – a commitment to monitoring implementation as part of the next annual review.

Policy name	Code of Corporate Governance			
Policy description	The policy sets out how the council intends to apply the principles of corporate governance in the way it operates and conducts its business.			
Responsible Officer	Ged Greaves, Senior Policy and Performance Officer			
Version number	Date formally approved	Reason for update	Author	Review date

1	August 2006	New CIPFA guidance	V. Jackson	
2	June 2008	Revised CIPFA guidance	I. Burbidge	
3	3 March 2015	Revised CIPFA guidance	V. Dunmall	2018
4	TBC	Updated CIPFA guidance	G. Greaves	2022

## Appendix A - Code of corporate governance



## Appendix B – Applying the principles of good governance

<p><b>Principle 1 - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law.</b></p> <p>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>	
<p><i>Behaviours and actions that can demonstrate this:</i></p>	
<p><b>1.1 Behaving with integrity</b></p>	<p>1.1.1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.</p> <p>1.1.2 Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).</p> <p>1.1.3 Leading by example and using the above standard operating principles or values as a framework for decision making and other actions.</p> <p>1.1.4 Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</p>
<p><b>1.2 Demonstrating strong commitment to ethical values</b></p>	<p>1.2.1 Seeking to establish, monitor and maintain the organisation’s ethical standards and performance.</p> <p>1.2.2 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation’s culture and operation.</p> <p>1.2.3 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.</p> <p>1.2.4 Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation.</p>
<p><b>1.3 Respecting the rule of law</b></p>	<p>1.3.1 Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.</p> <p>1.3.2 Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.</p> <p>1.3.3 Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.</p> <p>1.3.4 Dealing with breaches of legal and regulatory provisions effectively.</p> <p>1.3.5 Ensuring corruption and misuse of power are dealt with effectively.</p>

<b>Principle 2 - Ensuring openness and comprehensive stakeholder engagement.</b>	
Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.	
<i>Behaviours and actions that can demonstrate this</i>	
<b>2.1 Openness</b>	<p>2.1.1 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.</p> <p>2.1.2 Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.</p> <p>2.1.3 Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.</p> <p>2.1.4 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.</p>
<b>2.2 Engaging comprehensively with institutional stakeholders</b>	<p>2.2.1 Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</p> <p>2.2.2 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</p> <p>2.2.3 Ensuring that partnerships are based on:</p> <ul style="list-style-type: none"> <li>• trust</li> <li>• a shared commitment to change</li> <li>• a culture that promotes and accepts challenge among partners</li> </ul> <p>...and that the added value of partnership working is explicit.</p>
<b>2.3 Engaging with individual citizens and service users effectively</b>	<p>2.3.1 Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</p> <p>2.3.2 Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.</p> <p>2.3.3 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.</p> <p>2.3.4 Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account.</p> <p>2.3.5 Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.</p> <p>2.3.6 Taking account of the impact of decisions on future generations of tax payers and service users.</p>

**Principle 3 - Defining outcomes in terms of sustainable economic, social and environmental benefits.**

The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

*Behaviours and actions that can demonstrate this*

<p><b>3.1 Defining outcomes</b></p>	<p>3.1.1 Having a clear vision, which is an agreed formal statement of the council’s purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the council’s overall strategy, planning and other decisions.</p> <p>3.1.2 Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.</p> <p>3.1.3 Delivering defined outcomes on a sustainable basis within the resources that will be available.</p> <p>3.1.4 Identifying and managing risks to the achievement of outcomes.</p> <p>3.1.5 Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available.</p>
<p><b>3.2 Sustainable economic, social and environmental benefits</b></p>	<p>3.2.1 Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision</p> <p>3.2.2 Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short-term factors such as the political cycle or financial constraints</p> <p>3.2.3 Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p> <p>3.2.4 Ensuring fair access to services.</p>

**Principle 4 – Determining the interventions necessary to optimise the achievement of the intended outcomes.**

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

*Behaviours and actions that can demonstrate this*

<b>4.1 Determining interventions</b>	4.1.1 Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided 4.1.2 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.
<b>4.2 Planning interventions</b>	4.2.1 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets 4.2.2 Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered 4.2.3 Considering and monitoring risks facing each partner when working collaboratively, including shared risks 4.2.4 Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances 4.2.5 Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured 4.2.6 Ensuring capacity exists to generate the information required to review service quality regularly 4.2.7 Preparing budgets in accordance with objectives, strategies and the medium term financial plan 4.2.8 Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.
<b>4.3 Optimising achievement of intended outcomes</b>	4.3.1 Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints 4.3.2 Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term 4.3.3 Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage 4.3.4 Ensuring the achievement of 'social value' through service planning and commissioning.

**Principle 5 – Developing the council’s capacity, including the capability of its leadership and the individuals within it.**

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

*Behaviours and actions that can demonstrate this*

<b>5.1 Developing the council’s capacity</b>	5.1.1 Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness. 5.1.2 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently. 5.1.3 Recognising the benefits of partnerships and collaborative working where added value can be achieved. 5.1.4 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.
<b>5.2 Developing the capability of the council’s leadership and other individuals</b>	5.2.1 Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained. 5.2.2 Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body. 5.2.3 Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority. 5.2.4 Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: <ul style="list-style-type: none"><li>• ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.</li><li>• ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.</li><li>• ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.</li></ul> 5.2.5 Ensuring that there are structures in place to encourage public participation. 5.2.6 Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections. 5.2.7 Holding staff to account through regular performance reviews which take account of training or development needs. 5.2.8 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.

**Principle 6 – Managing risks and performance through robust internal control and strong public financial management.**

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.

A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability.

It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

*Behaviours and actions that can demonstrate this*

<p><b>6.1 Managing risk</b></p>	<p>6.1.1 Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.          6.1.2 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.          6.1.3 Ensuring that responsibilities for managing individual risks are clearly allocated.</p>
<p><b>6.2 Managing performance</b></p>	<p>6.2.1 Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.          6.2.2 Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation’s financial, social and environmental position and outlook.          6.2.3 Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation’s performance and that of any organisation for which it is responsible.          6.2.4 Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.          6.2.5 Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements).</p>
<p><b>6.3 Robust internal control</b></p>	<p>6.3.1 Aligning the risk management strategy and policies on internal control with achieving objectives.          6.3.2 Evaluating and monitoring risk management and internal control on a regular basis.          6.3.3 Ensuring effective counter fraud and anti-corruption arrangements are in place.          6.3.4 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p>

	<p>6.3.5 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> <li>• provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment.</li> <li>• that its recommendations are listened to and acted upon.</li> </ul>
<b>6.4 Managing data</b>	<p>6.4.1 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.</p> <p>6.4.2 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.</p> <p>6.4.3 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.</p>
<b>6.5 Strong public financial management</b>	<p>6.5.1 Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance.</p> <p>6.5.2 Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.</p>

**Principle 7 – Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

*Behaviours and actions that can demonstrate this*

<b>7.1 Implementing good practice in transparency</b>	7.1.1 Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. 7.1.2 Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.
<b>7.2 Implementing good practices in reporting</b>	7.2.1 Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way. 7.2.2 Ensuring members and senior management own the results reported. 7.2.3 Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement). 7.2.4 Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate. 7.2.5 Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations.
<b>7.3 Assurance and effective accountability</b>	7.3.1 Ensuring that recommendations for corrective action made by external audit are acted upon. 7.3.2 Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon. 7.3.3 Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations. 7.3.4 Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement. 7.3.5 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.

### Appendix C - Supporting evidence, processes and practice

Policies, Strategies, Rules & Codes	Processes and Frameworks	Key documents	Functions
<ul style="list-style-type: none"> <li>• Anti-theft, fraud &amp; corruption policy</li> <li>• Capital Strategy</li> <li>• Computer useage policy</li> <li>• Constitution</li> <li>• Customer Access Strategy</li> <li>• Data Quality Strategy</li> <li>• Employment rules</li> <li>• Equality policy</li> <li>• Financial procedure rules and standing orders</li> <li>• Financial regulations</li> <li>• Health and Safety Policy</li> <li>• ICT strategy and action plan</li> <li>• Information governance policies e.g. Data Protection, FOI, Information risk, record retention and disposal</li> <li>• Medium Term Financial Strategy</li> <li>• Members' allowances scheme Members' code of conduct</li> <li>• Officers' code of conduct</li> <li>• Pay policy statement</li> <li>• Policy statement</li> <li>• Procedure rules (contracts, employment, meetings)</li> <li>• Procurement regulations</li> <li>• Procurement strategy</li> <li>• Protocol on member / officer relations</li> <li>• Prudential code</li> <li>• Risk Management Strategy</li> <li>• Scheme of Delegation</li> <li>• Travelling abroad with council devices policy</li> <li>• Treasury Management</li> <li>• Whistleblowing policy</li> </ul>	<ul style="list-style-type: none"> <li>• Benchmarking</li> <li>• Budget consultation</li> <li>• Budget process</li> <li>• Business continuity framework</li> <li>• Car park management</li> <li>• Care &amp; Repair</li> <li>• Civil Parking Enforcement</li> <li>• Complaints process</li> <li>• Corporate Business Plan</li> <li>• Customer feedback process</li> <li>• Data observatory</li> <li>• Environment policy</li> <li>• Environmental Monitoring Report</li> <li>• EQIA policies</li> <li>• Equality Monitoring</li> <li>• Extended Management Team Meetings</li> <li>• Health and Safety Policy</li> <li>• Induction process (member and officer)</li> <li>• Initiative Checklist</li> <li>• Internal Audit plan</li> <li>• Job evaluation process</li> <li>• Legal Services</li> <li>• Meeting timetable</li> <li>• Member allowances publication</li> <li>• Member training</li> <li>• MRF Partnership</li> <li>• MT/Union meetings</li> <li>• Officer membership of professional bodies</li> <li>• Performance management framework (including team and service plans)</li> <li>• PRP targets</li> <li>• Report writing and assessment process</li> <li>• Risk management process</li> <li>• Scrutiny framework</li> <li>• Senior Staff Salary publication</li> <li>• Staff Briefing</li> <li>• Training for chairing committees</li> </ul>	<ul style="list-style-type: none"> <li>• Agendas &amp; Minutes</li> <li>• Annual audit letters</li> <li>• Annual Directorate Plans</li> <li>• Annual Governance Statement</li> <li>• Assurance Statements</li> <li>• CCTV Operating Manual</li> <li>• CNC Building Control</li> <li>• Committee reports, agendas and minutes</li> <li>• Complaints reports</li> <li>• Corporate Risk Register</li> <li>• Council website</li> <li>• Delegation Agreement &amp; SLA</li> <li>• Employee Handbook</li> <li>• External inspection / review reports</li> <li>• Harassment Procedure</li> <li>• Internal Affairs</li> <li>• Intranet</li> <li>• Job descriptions/specs</li> <li>• Key decisions</li> <li>• Law &amp; governance</li> <li>• Members Bulletin</li> <li>• Performance reports</li> <li>• Publication Scheme (FOI)</li> <li>• Record of decisions</li> <li>• Registers of interest</li> <li>• Report templates</li> <li>• Salary scales</li> <li>• Service level agreements</li> <li>• Service plans</li> <li>• Staff surveys</li> <li>• Standard timetable for circulation of agendas</li> <li>• Statement of Accounts</li> <li>• Statement of Internal Control</li> <li>• Terms &amp; conditions of employment</li> <li>• Timetable of council meetings</li> <li>• Training programmes</li> <li>• Transparency publications</li> <li>• Workforce development plans</li> </ul>	<ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Community Information Points</li> <li>• Democratic Services</li> <li>• External audit (and other reviews)</li> <li>• Finance service</li> <li>• Functions and responsibilities of senior officers and councillors</li> <li>• Head of Paid Service</li> <li>• Health and safety posts</li> <li>• Independent remuneration panel</li> <li>• Internal Audit</li> <li>• Local Government Ombudsman (report)</li> <li>• Major Projects Board</li> <li>• Management Team</li> <li>• Monitoring Officer</li> <li>• Monitoring Officer's report</li> <li>• Policy Development and Review Panels</li> <li>• Policy, Performance and Personnel Services</li> <li>• PR/Communication</li> <li>• S151 Officer</li> <li>• Scrutiny &amp; Overview Liaison Committee</li> <li>• Scrutiny of Cabinet</li> <li>• Social media</li> <li>• Standards Committee</li> <li>• Statutory reports</li> <li>• Terms of reference for committees</li> <li>• Website and social media</li> <li>• Weekly CEO/DCEO and Leader/Deputy meetings</li> </ul>

**REPORT TO CABINET**

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b>	Operational	Be entirely within Cabinet's powers to decide	YES/NO	
		Need to be recommendations to Council	YES/NO	
		Is it a Key Decision	YES/NO	
Lead Member: Cllr Graham Middleton E-mail: cllr.graham.middleton@west-norfolk.gov.uk		Other Cabinet Members consulted: Cllr Brian Long		
Lead Officer: Ray Harding E-mail: ray.harding@west-norfolk.gov.uk Direct Dial:		Other Members consulted:		
Lead Officer: Ray Harding E-mail: ray.harding@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: Management Team		
Financial Implications	Policy/Personnel Implications	Statutory Implications	Equal Impact Assessment	Risk Management Implications
NO	YES	NO	NO	NO

Date of meeting: 6 August 2019

**STRATEGIC PARTNERSHIP AGREEMENT –  
CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**

**Summary**

This report proposes the establishment of a Strategic Partnership Agreement between the borough council and the Cambridgeshire & Peterborough Combined Authority (CPCA). The agreement whilst at a high level commits both parties to work together for mutual benefit on strategic issues with a 'cross border' dimension such as investment in key road and rail infrastructure (A47, A10, King's Cross to King's Lynn rail) and on skills development.

This agreement seeks to build on existing partnership working to share information, data and evidence and to develop a coordinated approach to the Local Growth Fund.

Regular meetings will be held and where appropriate a joint funding approach may be taken, also in conjunction where possible with the New Anglia Local Enterprise Partnership (NALEP).

Joint approaches to government may also be taken forward, for example with regards to funding for major infrastructure investment.

**Recommendation**

Cabinet is recommended to endorse and sign up to the Strategic Partnership Agreement attached at Appendix 1.

**Reason for Decision**

To ensure that the borough council and the CPCA establish a firm strategic

basis for mutually beneficial joint working.

## **1 Background**

- 1.1 The borough council was formerly a member of both New Anglia and Cambridge Peterborough LEPs. A government sponsored review determined that councils could in future only be in one LEP and this council agreed to withdraw from the Cambridgeshire/Peterborough LEP at the Cabinet meeting of 18 September 2018.
- 1.2 However, government also stipulated that, where such changes occurred, cross border cooperation agreements should be put into place. This borough has many issues of mutual beneficial interest with the CPCA such as the A47, A10, rail connections to Cambridge and London, the College of West Anglia has sites in both areas, the skills agenda, housing markets, commuting travel to work areas all across the administrative boundaries.
- 1.3 The borough council is also able to put forward funding proposals to the CPCA's LEP Growth Fund until all of the money is allocated. It is therefore considered to be beneficial for the borough as a whole to develop this relationship.

## **2 Options Considered**

- 2.1 There are really only two options – either to establish a strategic partnership agreement with the CPCA or not to do so.

## **3 Policy Implications**

- 3.1 This proposal would continue the principles of past joint working with the Cambridgeshire authorities.

## **4 Financial Implications**

- 4.1 There are no financial implications pertaining to this report.

## **5 Personnel Implications**

- 5.1 There are no personnel implications

## **6 Statutory Considerations**

- 6.1 There are no statutory considerations.

## **7 Equality Impact Assessment (EIA)**

- 7.1 N/A

## **8 Risk Management Implications**

- 8.1 The only real risk identifiable is to not proceed with this proposal as this would result in greater difficulties arising in achieving effective and impactful joint work on key strategic projects are programmes.

## **9 Declarations of Interest / Dispensations Granted**

- 9.1 None.

## **10 Background Papers**

Cabinet report 18/9/18

**STRATEGIC PARTNERSHIP AGREEMENT**

**Between**

**BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK (BKLWN)**

**And**

**CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY (CPCA)**

## **1 Background to the Agreement**

- 1.1 The Cambridgeshire and Peterborough Combined Authority has an ambition, set out in our devolution deal, to double GVA over 25 years. The Combined Authority recognises that to meet that growth it needs to do more to develop the productivity of firms, raise skill levels, make home ownership affordable, address health and educational inequalities, and generate revenue to pay for public services in the future.
- 1.2 Borough Council of King's Lynn & West Norfolk has an ambition to support and invest in our communities and businesses to encourage and manage ambitious growth in prosperity and quality of life for all. In particular, we will use our investments, assets, leadership and influence to maximise the benefits for West Norfolk and UK plc, to support services and generate economic, social and financial return.
- 1.3 The CPCA and BKLWN recognise the strong linkages between their two areas and the need to continue and enhance joint working, irrespective of the future configuration of the Local Enterprise Partnerships, and the Mayoral Combined Authority's requirement to ensure co-terminosity of services

## **2 Overall Commitment**

- 2.1 Partnership is essential to delivery. The public sector in particular needs to work more closely to leverage all its resources, human and financial and build a consensus. This will enable us to take forward our shared aim of giving our communities, businesses and central government the confidence that when they make decisions to live, grow and invest in our region they do so knowing it has a great future. The right partnerships respect geographic boundaries but break down arbitrary barriers that often delay common sense approaches to driving economic, housing or trade benefits.
- 2.2 Borough Council of King's Lynn & West Norfolk and the Cambridge and Peterborough Combined Authority are aligned to these objectives and are committed to working together to bring about inclusive growth across Cambridgeshire and West Suffolk, to support growth and create healthy and prosperous communities and places. Both parties share a commitment to do more to develop the productivity of firms, raise skill levels, make home ownership affordable, address health and educational inequalities, and generate revenue to pay for public services in the future. Partnership is essential to delivery and the public sector, in particular needs, to work more closely to leverage all its resources.
- 2.3 Together, we are committed to coordinate our resources and build a consensus that gives our communities, businesses and central government the confidence that when they make decisions to live, grow and invest in our sub-region they do so knowing there's not a better area in the country to do it.
- 2.4 In this regard, we are aligned to the objective of working together to bring about inclusive growth across our sub-region to support growth and create healthy and prosperous communities and places. In particular, we will:

- 2.4.1 Collaborate on the proposals for **future strategic planning**
- 2.4.2 **Explore joint opportunities** for investment to enable growth, particularly in infrastructure relating to the Ely area Capacity enhancement, the A10 and the A47; and also in the area of skills development;
- 2.4.3 **Provide joint investment** for initiatives that contribute to inclusive growth, including through new funding models;
- 2.4.4 **Deliver joint projects** of mutual benefit that improve the lives of residents and workers in the sub-region;
- 2.4.5 **Build on the existing partnership working**, across the sub-region, to increase housing supply and improve housing choice and quality relating to Wisbech Garden Town where both partners have commitments to deliver housing in their respective catchment areas;
- 2.4.6 **Develop a coordinated approach** to the Local Growth Fund, agreeing which of the CPCA and NALEP pots are most appropriate for specific projects;
- 2.4.7 **Share information, data and evidence** that informs the future development of the sub-region.

### **3 In practice, this will mean:**

- 3.1 **Political Sovereignty:** proposals or decisions agreed between the organisations will continue to be taken by the CPCA Board and BKLWN, in line with their own decision-making processes.
- 3.2 **Meetings;** Representatives of the two organisations shall:
  - 3.2.1 Meet every six months to review joint working, identify opportunities for collective working, and agree future priorities.
- 3.3 **Funding:** Both organisations will work together to:
  - 3.3.1 Subject to each other's decision-making processes and priorities, identify potential opportunities for growth and investment that are of mutual benefit, supporting the development of business cases and identification of funding streams;
  - 3.3.2 Where appropriate to do so, and subject to respective decision-making processes, provide investment funds to support mutually beneficial proposals;
  - 3.3.3 Support initiatives to encourage government and other funding sources to invest in the sub-region;

- 3.4 Under our normal duty to cooperate we will consult one another during the development of strategic documents, including:
  - 3.4.1 Local development plans (both statutory and non-statutory)
  - 3.4.2 Local transport, skills and industrial strategy plans and other strategic plans which promote growth, housing and infrastructure strategies.
- 3.5 **Review;** Both parties commit to regularly reviewing the partnership relationship and its focus, including data driven analysis of what is being achieved achieving. This review process will be carried out through the six-monthly meetings, as well as through ongoing dialogue.

Signed on behalf of Cambridgeshire & Peterborough Combined Authority:

Name

Date

Signed on behalf of Borough Council Of King's Lynn And West Norfolk (BKLWN)

Name

Date

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Agenda Item 15

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