

ANGUS COUNCIL

THURSDAY, 23 MAY 2002

CORPORATE GOVERNANCE FRAMEWORK

Report by the Chief Executive

ABSTRACT

This report sets out the suggested Corporate Governance Framework for Angus Council.

1. RECOMMENDATIONS

It is recommended that Angus Council:

- a) Approve and adopt the Corporate Governance Framework as set out in Appendix 1 to this report.
- b) Nominate the Chief Executive as the accountable officer with regard to the Corporate Governance Framework.
- c) Agree that the Corporate Governance Framework be the subject of an annual review report to the Policy & Resources Committee as part of the corporate management arrangements for the Council as a whole.

2. INTRODUCTION

Corporate Governance is not a new concept in local government. It is the system by which the Council directs and controls its function and relates to the community it serves. Essentially, this means that it is the overall framework for the "way we do business".

Angus Council has a key role in governing and leading the community it serves. In order to do this effectively, there is a need for the public and other stakeholders to have confidence in both elected members and officials.

By making explicit a high standard of self-governance that is expected of both elected members and officials, it is hoped that public confidence will be re-enforced in the Council and the way it does undertake its business activities.

3. FRAMEWORK FOR LOCAL CODE OF CORPORATE GOVERNANCE

A new Corporate Governance Framework for councils across the whole of the U.K. has been introduced as a consequence of work undertaken by SOLACE and CIPFA.

The Framework calls for all councils to:-

- i) Review existing corporate arrangements against the new framework
- ii) Prepare an up-to-date local code of corporate governance
- iii) Implement a local code of governance
- iv) Make a statement annually in the published annual report and accounts indicating how the authorities comply with the framework.

Angus Council currently supports the fundamental principles of good corporate governance, namely, openness, inclusivity, integrity and accountability.

In order to demonstrate compliance with the Corporate Code of Governance, and achieve the high standards that are set out in the Draft Corporate Governance Framework for Angus Council, it is essential that appropriate systems and processes are put in place, that leadership is demonstrated and that the framework covers the full range/dimensions of Council business. To that end, the Corporate Governance Framework (Draft) set out in Appendix 1 covers five dimensions of Council activity namely:

- a) Community Focus
- b) Service Delivery Arrangements
- c) Structures and Processes (both political and managerial)
- d) Risk Management and Internal Control
- e) Standards of Conduct

Angus Council is invited to agree and adopt the Corporate Governance Framework as set out in Appendix 1, and to instruct the Chief Executive to act as accountable officer for the annual monitoring review of that framework, within the context of the various corporate/strategic planning processes that the Council has in place.

4. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

5. CONSULTATION

The Director of Law & Administration and the Director of Finance have been consulted during the preparation of this report.

6. HUMAN RIGHTS ISSUES

There are no human rights implications arising from this report.

A B Watson
Chief Executive

Note: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this paper.