

Report to: West Yorkshire Combined Authority

Date: 28 June 2018

Subject: **Corporate Governance Code and Framework**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	

1. Purpose of this report

- 1.1 To approve a revised Corporate Governance Code and Framework.
- 1.2 To consider and approve the Annual Governance Statement for inclusion in the annual statutory accounts.

2. Information

- 2.1 West Yorkshire Combined Authority has previously approved each year a Code of Corporate Governance. This follows the guidance set out by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) with regard to the governance principles that all public authorities should define and against which they should then hold themselves to account.
- 2.2 This guidance was significantly rewritten during 2016 and the revised CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework 2016' is applicable for the 2016/17 year end onwards. This resulted in a significant redrafting of the Corporate Governance Code and Framework that was approved in June 2017.

- 2.3 **Appendix 1** sets out a Corporate Governance Code and Framework, using the seven principles recommended by the Framework, with some small revisions compared to the June 2017 version. The revisions reflect changes and enhancements undertaken in the year, for example the improvements to governance arrangements relating to the LEP and the supporting panels.
- 2.4 As part of the process of assessing, as required by legislation, the effectiveness of the internal control system, an annual governance statement (AGS) is a mandatory element of the annual financial statements. It is in effect a review of how well the Corporate Governance Code and Framework has been applied in the year under review and will also set out any planned improvements and enhancements. The draft AGS as included in the draft accounts issued for public inspection is attached as **Appendix 2**. Minor changes and clarifications to the AGS will be made as the external audit progresses and a final version will form part of the annual accounts to be considered by the Governance and Audit Committee on 26 July 2018.
- 2.5 Members are asked to approve the Corporate Governance Code and Framework and endorse the AGS, noting any further developments planned.

3. Inclusive Growth Implications

- 3.1 There are no inclusive growth implications directly arising from this report.

4. Financial Implications

- 4.1 There are no financial implications directly arising from this report.

5. Legal Implications

- 5.1 There are no legal implications directly arising from this report.

6. Staffing Implications

- 6.1 There are no staffing implications directly arising from this report.

7. External Consultees

- 7.1 No external consultations have been undertaken.

8. Recommendations

- 8.1 That the revised Corporate Governance Code and Framework be approved.
- 8.2 That the Annual Governance Statement be endorsed.

9. Background Documents

There are no background documents referenced in this report.

10. Appendices

Appendix 1 – Corporate Governance Code and Framework

Appendix 2 – Annual Governance Statement