

REPORT TITLE: LOCAL CODE OF CORPORATE GOVERNANCE 2026/27

5 MARCH 2026

REPORT OF CABINET MEMBER: CLLR BECKER – CABINET MEMBER FOR HEALTHY COMMUNITIES

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WARD(S): ALL

PURPOSE

This report presents the Local Code of Corporate Governance which sets out and describes the council's commitment to corporate governance, and identifies the arrangements that have been made, and will continue to be made to ensure its effective implementation and application in all aspects of the council's work.

RECOMMENDATIONS:

1. The Audit and Governance Committee approve the Local Code of Corporate Governance 2026 as set out in Appendix 1.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

The Local Code of Corporate Governance sets out the principles by which the council follows to ensure that it delivers the activities to achieve the priorities included in the Council Plan in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.

2 FINANCIAL IMPLICATIONS

There are no direct financial implications.

3 LEGAL AND PROCUREMENT IMPLICATIONS

A Code of Corporate Governance is recommended by the guidance designated as proper practice by CIPFA/SOLACE framework, entitled Delivering Good Governance in Local Government. The Council's Local Code of Corporate Governance forms part of the governance framework which defines the principles that underpin governance at the council.

In May 2025 CIPFA issued an addendum to the guidance covering the annual review of governance and the annual governance statement. This report forms part of the annual review of governance arrangements and set out in Appendix 2.

4 WORKFORCE IMPLICATIONS

None identified directly from the content of this report, however the seven principles that underpin the Local Code of Governance direct and control all aspects of the council's work.

5 PROPERTY AND ASSET IMPLICATIONS

None.

6 CONSULTATION AND COMMUNICATION

Consultation on the content of the report has been undertaken with the members of the Executive Leadership Board (ELB).

7 ENVIRONMENTAL CONSIDERATIONS

None required.

8 PUBLIC SECTOR EQUALITY DUTY

The Code of Governance reflects values and key commitments and supports the council's compliance with its Public Sector Equality Duty. No direct issues arise from the content of the report, although officers will have regard to the considerations as set out in the Equality Act 2010 and whether an Equality

Impact Assessment will be required to be undertaken as required on any specific recommendations or decisions made.

9 DATA PROTECTION IMPACT ASSESSMENT

None.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure	n/a	n/a
Exposure to challenge	n/a	n/a
Innovation	n/a	n/a
Reputation	Good governance is essential for the effective and efficient running of the council.	Assurance is gained from the council demonstrating that it is following the principles that are set out in the Local Code
Achievement of outcome	Robust governance underpins the smooth running of the council	n/a
Property – none	n/a	n/a
Community Support – none	n/a	n/a
Timescales – none	n/a	n/a
Project capacity – none	n/a	n/a
Other - none	n/a	n/a

11 SUPPORTING INFORMATION:

- 11.1 Good governance for local government is about how authorities ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable way.
- 11.2 The framework comprises the systems and processes, and cultures and values, by which local government organisations are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.
- 11.3 Winchester City Council is committed to the seven core principles of good corporate governance as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA)/Society of Local Authority Chief Executives and Senior Managers (SOLACE) publication; Delivering Good Governance in Local Government Framework published in 2016.
- 11.4 In May 2025, CIPFA published “Delivering Good Governance in Local Government: addendum” which covers both the annual review of governance (to support the Local Code) and the annual governance statement. The

Addendum supplements the CIPFA/SOLACE Delivering Good Governance Framework (2016) and applied to UK local government statements from 2025/26 onwards.

- 11.5 A key element of the Addendum is that authorities should review the effectiveness of their governance each year, to fulfil the requirements of both the regulations applicable to their authority and the Code of Practice on Local Authority Accounting in the United Kingdom.
- 11.6 CIPFA and SOLACE recommend that authorities adopt a local code of governance which sets out their governance arrangements showing how governance principles are put into practice at their authority.
- 11.7 The local code should include details of arrangements that address areas that are core to good governance. These arrangements are essential for a corporate culture focussed on achieving objectives, managing risk and fulfilling stewardship and statutory responsibilities, including best value.
- 11.8 The Local Code of Corporate Governance, attached as Appendix 1 sets out and describes the council's commitment to corporate governance, and identifies the arrangements that have been made, will continue to be made to ensure its effective implementation and application in all aspects of the council's work
- 11.9 In preparing this report and preparing the 2026/27 Code of Corporate Governance, a review of governance arrangements against the seven Code principles has been completed.
- 11.10 Appendix 2 of this Code identifies the key documents and processes that are in place and the annual governance statement will set out whether and how effectively we are doing against them. In that statement we will consider and report the extent to which we are complying with the Corporate Governance core principles set out in the CIPFA Addendum.
- 11.11 The council positively recognises and accepts the following seven core principles of good governance, as identified within the CIPFA/SOLACE Framework:
 - 1) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of 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 the 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.
- 11.12 The seven core principles each have several supporting principles, which in turn have a range of specific requirements that apply across the council's business. As there have been no changes to the seven core principles of good governance, the council is not required to make any changes to its local code of corporate governance for 2026 as set out in Appendix 1 of this report.
- 11.13 The council accepts that to comply with the principles of good governance it must undertake to ensure that the systems and processes are continually monitored and reviewed and are kept up to date.
- 11.14 An annual review of the council's corporate governance arrangements is undertaken using the guidance in the CIPFA/SOLACE framework. The purpose of the review is to provide assurance that the governance arrangements are adequate and operating effectively or to identify areas where actions the council is required to take to ensure effective governance in the future.
- 11.15 The results of the annual review take the form of the Annual Governance Statement, prepared on behalf of the Leader and Chief Executive and will be presented to a later meeting of this committee for consideration and approval.
- 11.16 Appendix 2 of this report provides information on the policies, procedures and arrangements that the council has in place to deliver good governance against each of the seven core principles and has been updated for 2026.
- 11.17 Following review, since last year's report, in Appendix 2 minor updates have been made including the following:

Addition of the reference to the addendum to guidance published by CIPFA and SOLACE in May 2025 which replaced Chapter 7 of the original Delivering Good Governance Framework publication.

- Principle 1 – has been updated to include the following:
 - reference to parish councillor when dealing with complaints that allege a breach of the Code of Conduct,
 - Upholding ethical standards by regularly reporting to Audit & Governance Committee dispensations granted to City Councillors

- Updated the paragraph relating to procurement to reflect the introduction of the Procurement Act 2023
- Principle 2 – updated to refer to the Listening and Learning priority in the Council Plan 2025-30.
- Principle 3 – removal of the Performance Panel in relation to quarterly performance reporting. Added service plans in place of business plans for consistency...Added reference to the adoption of the Cultural Strategy.
- Principle 4 – added reference to implementation of a housing service improvement plan to address the issues identified as part of the self-referral to the Regulator of Social Housing.
- Principle 5 – updated to include reference to the creation of a governance structure for Local Government Reorganisation Programme.
- Principle 6 – updated to include reference to the adopted HRA housing repair and maintenance compliance policies and procedures to comply with the Regulator of Social Housing consumer standards.
- Principle 7 – no changes.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 None.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

AG152 Local Code of Corporate Governance, 9 January 2025

Other Background Documents:-

None.

APPENDICES:

Appendix 1 Local Code of Corporate Governance

Appendix 2 Winchester City Council – Corporate Governance Framework