APPENDIX 2

Below is a brief analysis of key changes between the April 2022 Local Code of Corporate Governance and the updated May 2026 version.

<u>Summary of Key Changes</u>

1. Strategic / Regulatory Context

- Inclusion of new CIPFA/SOLACE guidance (2025 addendum) in the 2026 version, introducing the concept of core governance arrangements.

Implication:
The updated Code aligns with latest national governance expectations and strengthens the framework's relevance to 2025/26 AGS requirements.

2. Governance Framework & Oversight

- 2026 version:
  - Adds explicit requirement to ensure adequate training for members and officers.
  - Clarifies updated officer titles (e.g. *Chief Legal Officer & Monitoring Officer*).
  - Expands assurance sources (e.g. inclusion of Scrutiny and Corporate Governance Committee annual reports).
- 2022 version:
  - More limited reference to governance assurance and training expectations.

  Implication:
  Clear strengthening of accountability, roles and governance assurance processes.

3. Strengthened Transparency and Reporting

- 2026 version introduces:
  - Publication of delegated officer decisions.
  - Recording and online availability of meetings.
  - Annual FOI/EIR performance reporting to Committee.
- 2022 version:

    - Focuses primarily on publication of agendas, reports and minutes.

Implication:
Enhanced openness and accessibility, reflecting evolving transparency requirements.

4. Enhanced Risk Management, Internal Control & Audit

- 2026 version:
    - Aligns Committee terms of reference explicitly with CIPFA Audit Committee guidance.
    - References Global Internal Audit Standards (UK public sector).
    - Introduces Corporate Procurement Board oversight.
    - Expands reporting on insurance, resilience and risk governance.
- 2022 version:
    - Relies on earlier Public Sector Internal Audit Standards and less detailed oversight structures.

Implication:
More mature and structured risk, audit and procurement governance framework.

5. Financial Management and Assurance Developments

- 2026 version:
    - Adds regular treasury management reporting and annual Financial Management Code updates.
    - References recent external audit conclusions (2024/25).
- 2022 version:
    - Refers to earlier CIPFA FM Code self-assessment (2021).

Implication:
Demonstrates stronger ongoing monitoring and alignment with updated financial governance standards.

6. Policy, Strategy and Service Developments

- 2026 version reflects updated organisational context including:
    - Strategic Plan refresh (2027–2031).
    - NHS 10-year Health Plan (2025) and matured ICS arrangements.

  - New/updated initiatives (e.g. Efficiency Review 2025/26, Social Value Champions Group).
- 2022 version references:
  - Earlier Strategic Plan to 2026 and initial ICS implementation.

Implication:
Content updated to reflect current operating environment and partnerships.

7. Workforce, Capacity and Ways of Working

- 2026 version:
  - Introduces Working Arrangements Policy (2026) and updated People Strategy (2024–2028).
  - Expands member development arrangements (e.g. Member Learning & Development Working Party).
- 2022 version:
  - Focused on earlier "Ways of Working Programme" and existing People Strategy.

Implication:
Reflects shift from programme-based transformation to embedded workforce policies and development structures.

8. Digital, Data and Emerging Risks

- 2026 version introduces:
  - Artificial Intelligence policy and governance arrangements (2025).
  - Expanded cyber security and data risk management reporting.
- 2022 version:
  - Limited to general data protection and BI arrangements.

Implication:
Significant enhancement to reflect digital governance and emerging technology risks.

This page is intentionally left blank