



CORPORATE GOVERNANCE COMMITTEE – 26 JULY 2019

JOINT REPORT OF THE DIRECTOR OF CORPORATE RESOURCES AND THE CHIEF EXECUTIVE

LOCAL CODE OF CORPORATE GOVERNANCE

Purpose of the Report

1. The purpose of this report is to seek the Committee's support for the revised Local Code of Corporate Governance to be presented to the County Council for approval in September 2019.

Background

2. Delivering Good Governance in Local Government: Framework (the Framework), published by CIPFA in association with Solace in 2007, sets the standard for local authority governance in the UK. CIPFA and Solace reviewed the Framework in 2015 to ensure it remains 'fit for purpose' and published a revised edition in spring 2016 – see link below.
<https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>
3. The Framework is intended to help local government in taking responsibility for developing and shaping an informed approach to governance which is aimed at achieving high standards in a measured and proportionate way. It defines seven core principles that should underpin governance within a local government organisation but provides a structure to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that:
 - resources are directed in accordance with agreed policy and according to priorities;
 - there is clear accountability for the use of those resources to achieve desired outcomes for service users and communities;
 - there is sound and inclusive decision making.
4. How an organisation designs its governance structure is for it to decide, although it should be able to demonstrate that it complies with the core and sub-principles contained within the Framework. It should therefore develop and maintain an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness. The term 'local code' essentially refers to the governance structure in place, as there is an expectation that a formally

set out local structure should exist, although in practice it may consist of a number of local codes or documents.

The County Council's Revised Local Code of Corporate Governance

5. The Corporate Governance Committee (the Committee) is responsible for the promotion and maintenance of high standards within the Authority in relation to the operation of the Council's Local Code of Governance (the Local Code). It has a responsibility to review the Local Code as necessary and make recommendations to the County Council to ensure that it remains relevant to the Council's work and practices.
6. The Local Code is based on the above-mentioned Framework (CIPFA/Solace), and its seven core principles:
 - Behaving with integrity
 - Ensuring openness
 - Defining outcomes
 - Determining effective interventions
 - Developing capacity
 - Managing risks and performance
 - Transparency and effective accountability
7. The Committee last considered the revised Local Code at its meeting on 26 May 2017. This was subsequently approved by the Cabinet on 15 September 2017 and full Council on 27 September 2017.
8. Based on self-assessments of assurances for 2017/18 and 2018/19 received from all Directors, officers have identified additional examples of the Council's commitment to achieving good governance (e.g. policies, procedures, behaviours, actions and values by which the Council is controlled and governed). These have been used to update the existing Local Code.
9. The Council's revised Local Code of Governance (2019) is attached as an Appendix to this report and the key changes made to this are highlighted in **bold text**. Once approved by the full County Council, this will be published on the Council's website. Development will continue throughout 2019-21.

Recommendations

10. The Committee is requested to consider the Council's revised Local Code of Corporate Governance and recommend its approval by the Cabinet on 13 September and full Council on 25 September 2019.

Resource Implications

11. None.

Equality and Human Rights Implications

12. None.

Background Papers

Delivering Good Governance in Local Government: Framework CIPFA/SOLACE, 2007, 2012 and 2016;

Circulation Under the Local Issues Alert procedure

None

Officers to Contact

Chris Tambini, Director of Finance
Tel : 0116 305 6199
Email : chris.tambini@leics.gov.uk

Lauren Haslam, Director of Law and Governance
Tel : 0116 305 6240
Email : lauren.haslam@leics.gov.uk

Neil Jones, Head of Internal Audit & Assurance Service
Tel : 0116 305 7629
Email : neil.jones@leics.gov.uk

List of Appendices

Appendix – Revised Local Code of Corporate Governance (June 2019)

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