



## **CORPORATE GOVERNANCE COMMITTEE – 13 MAY 2022**

### **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.

##### **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 remained 'fit for purpose' and published a revised edition in spring 2016.
3. The concept underpinning the Framework is that it helps local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended 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. The Framework defines seven core principles that should underpin governance within a local government organisation.
  - Behaving with integrity
  - Ensuring openness
  - Defining outcomes
  - Determining effective interventions
  - Developing capacity
  - Managing risks and performance
  - Transparency and effective accountability

5. The Framework provides a structure to help individual authorities with their approach to governance. 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 in 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 Local Code of Corporate Governance**

6. 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.
7. The Committee last considered the revised Local Code at its meeting on 26 July 2019 with approval by Cabinet on 13 September 2019 and full Council at its meeting on 25 September 2019. The County Council carried unanimously that (a) the revised Code be approved and (b) that the Director of Law and Governance in consultation with the Director of Corporate Resources and following consultation with the Lead Member for Resources, be authorised to make necessary future revisions to the Local Code of Corporate Governance to ensure that it is up to date and relevant provided that these do not constitute material changes to the Code
8. The previous Local Code has been revised to take account of: -
  - Directors' and corporate self-assessments of assurance for 2020-21
  - New examples of the Council's commitment to achieving good governance e.g. policies, procedures, behaviours, actions, and values.

Input was provided by the Directors of Law and Governance and Corporate Resources, the Head of Democratic Services, the Head of Internal Audit and Assurance Service, and other officers. The Lead Member for Resources has been consulted in line with the previous decision made by the County Council (outlined in paragraph 7 above).

9. The Council's revised Local Code of Corporate Governance (April 2022) is included as Appendix 1. Key changes are highlighted as **bold text**. The revisions made do not constitute material changes to the Local Code. It is therefore intended that once it has been considered by the Committee the revised version will be published on the Council's website within the 'How the council works' section and added to the Members' Portal. Managers will be encouraged to discuss the revised Local Code with their teams so that they remain aware of the Council's commitment to the principles of good

governance and ensure they are operated effectively in practice through values, behaviours, and actions.

10. Further reviews and revisions are scheduled biennially or as required in the event of changes in legislation etc.
11. Whilst it is not a statutory requirement, CIPFA recommends that all local government bodies develop a local code of governance. To assist Audit Committee members in evaluating their own local codes, CIPFA has produced a short set of questions. These are contained in Appendix 2.

### **Recommendations**

12. The Committee is requested to confirm the Local Code of Corporate Governance (April 2022) has been reviewed and amended as necessary to ensure that it remains relevant to the Council's work and practices.

### **Resource Implications**

13. None.

### **Equality and Human Rights Implications**

14. 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**

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**List of Appendices**

Appendix 1 – Local Code of Corporate Governance (April 2022)

Appendix 2 – Ten questions to ask about your Local Code of Governance