



## **CORPORATE GOVERNANCE COMMITTEE - 2 SEPTEMBER 2013**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **LOCAL GOVERNMENT GOVERNANCE REVIEW 2013**

##### **Purpose of Report**

1. The purpose of this report is to introduce for the Committee's information a presentation by Grant Thornton, one of the leading organisations providing independent assurance, tax and advisory services.
2. The presentation is designed to highlight key areas for discussion arising from their 2013 national Local Government Corporate Governance Review, as well as draw attention to how this has been used to implement improvements for the County Council's Annual Governance Statement for 2012/13.

##### **Background**

3. The Framework 'Delivering Good Governance in Local Government', published by CIPFA in association with SOLACE in 2007, sets the standard for local authority governance in the UK and the requirement to produce an Annual Governance Statement (AGS). CIPFA and SOLACE reviewed the Framework in 2012 to ensure that it remains 'fit for purpose' and issued revised guidance.
4. The Framework urges local authorities to review and report on the effectiveness of their governance arrangements, with an increased emphasis on a strategic approach focusing on outcomes and value for money, driven by the significant change being experienced in local government and the introduction of other key legislation. The AGS is an important statutory requirement which enhances public reporting of governance matters.
5. During 2012, a review of all authorities' AGS's was conducted by Grant Thornton. The County Council used guidance from this review to implement improvements for the 2012/13 AGS.
6. Following on from this initial review, Grant Thornton published the 'Local Government Governance Review 2013'. This national report has been based upon reviews of 153 local authorities 2012/13 annual reports and a survey of sector leaders. A Director from Grant Thornton will attend the meeting of this Committee to outline their findings and to highlight key areas for discussion.

### **Key Improvement Areas 2013/14**

7. At its meeting on 14 June 2013 the Committee approved the County Council's 2012/13 AGS. There have been no changes to the AGS since its presentation in June and a copy of the final signed Statement is attached as Appendix A.
8. Whilst the County Council's review of effectiveness concluded that overall financial management and corporate governance arrangements were sound, the assurance gathering process identified key areas of improvement. Implementing actions to address these will ensure that gaps identified within the County Council's current control environment will be filled and strengthened and further enhance our overall governance arrangements.
9. Section 4 of the 2012/13 AGS includes a table which describes those areas identified for improvement during the review period 2012/13 and to carry forward for monitoring within 2013/14. At its meeting in November 2013, the Committee will be presented with a mid-year progress update.

### **Recommendations**

The Committee is requested to note the content of this report and the presentation by Grant Thornton.

### **Resource Implications**

None.

### **Equal Opportunities Implications**

None.

### **Background Papers**

Delivering Good Governance in Local Government: Framework – issued by CIPFA / SOLACE, 2007 and 2012  
Report to the Corporate Governance Committee 14 June 2013 – 'Annual Governance Statement 2012/13'

### **Circulation Under the Local Issues Alert procedure**

None

### **Officers to Contact**

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### **List of Appendices**

Appendix – Annual Governance Statement 2012/13