

**Bolsover District Council**

**Audit Committee**

**23<sup>rd</sup> September 2015**

**Delivering Good Governance in Local Government**

**Report of the Assistant Director - Governance and Monitoring Officer**

This report is public

**Purpose of the Report**

- To present the revised framework for *Good Governance in Local Government*.

**1 Report Details**

- 1.1 Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society which should result in positive outcomes for service users and stakeholders.
- 1.2 Attached at **Appendix A** is the revised draft framework for *Good Governance in Local Government* developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). This document is used by the Council through its annual governance statement and front-facing local code of corporate governance to demonstrate how it meets the key principles, behaviours and outcomes of good governance.
- 1.3 On page 10 of the document are 11 questions in respect of the draft framework which authorities are encouraged to consider. The proposed answers are below:
  - (1) ***Would this framework Good Governance in Local Government assist you in developing and modernising your own local code of governance/governance arrangements?***
    - (A) It would provide the criteria for our local code of corporate governance and assist us in testing whether our governance arrangements remain fit for purpose.
  - (2) ***Would this draft Framework assist you in establishing governance arrangements for collaborative working (alternative delivery vehicles, partnerships)?***

- (A) Yes. The term “shared services” may also be useful to describe two or more local authorities involved in service provision.
- (3) ***Are there any parts of the Framework that you would find difficult to follow/comply with?***
- (A) The Council does not have a process in place for “reviewing individual member performance on a regular basis” (Principle E) and feels that this is a responsibility for the political groups rather than the Council.
- (4) ***Have we got the terminology right, with particular reference to collaborative working? If not, how could it be improved?***
- (A) Yes, the terminology seems clear although there is a tendency to use American spelling e.g. organization, optimization.
- (5) ***Principle E looks at the relationship between members and officers. Have we got the tone and balance right? If not, how could it be improved?***
- (A) Yes, but see answer to (3).
- (6) ***Is any further guidance required with regard to the development of a local code?***
- (A) It would be beneficial to include examples of evidence for each of the behaviours and outcomes that demonstrates good governance.
- (7) ***What further guidance is required with regard to the preparation of the annual governance statement?***
- (A) See answer to question 6. In addition, the existing guidance *Delivering Good Governance in Local Government: Addendum* does provide a table listing the key elements of the typical systems and processes that comprises an authority’s governance arrangements. This table is an essential tool in the preparation of the annual governance statement and in our view should be carried forward into the updated guidance.
- (8) ***Are there any other aspects of governance that are not in the draft Framework which you believe should be addressed?***
- (A) Yes, openness with regard to member and officer remuneration although this is already a legal requirement.
- (9) ***How might the Framework be improved?***
- (A) See answers to (4), (6), (7) and (8).
- (10) ***Are there any other issues or areas that are not in the draft Framework which you believe should be addressed in the guidance note?***
- (A) No.

(11) ***It is envisaged that the revised Framework would apply from the financial year 2015/16. Please could you let us know if you have any concerns regarding the proposed timetable?***

(A) No concerns about timetabling.

## **2 Conclusions and Reasons for Recommendation**

2.1 To provide an opportunity for members to consider the revised *Good Governance Framework* developed by CIPFA/SOLCE.

## **3 Consultation and Equality Impact**

3.1 This report is part of the consultation process. It will also be presented to Audit Committee later in September.

## **4 Alternative Options and Reasons for Rejection**

4.1 N/A

## **5 Implications**

The main implications relate to officer time in preparing the revised annual governance statement and code of corporate governance in light of the new framework.

## **6 Recommendations**

6.1 That the Committee notes the report and provides any further comments in relation to the questions.

## **7 Decision Information**

|  |       |
|--|-------|
| <b>Is the decision a Key Decision?</b><br>(A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards) | No    |
| <b>District Wards Affected</b>   | None. |
| <b>Links to Corporate Plan priorities or Policy Framework</b>  | None. |

8 **Document Information**

| Appendix No  | Title   |
|--|---|
| A  | Good Governance Framework consultation document |
| <b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers) |   |
| None   |   |
| Report Author  | Contact Number                                  |
| M Kane   | 7753  |