

Governance Matters



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Welcome to the April issue of Governance Matters.

This month our regular in-depth feature 'Spotlight on..' provides an update on the Council's Code of Corporate Governance, following a number of changes which have been made as a result of new best practice guidance.

We also take a look at what the governance committees have been doing over the past two months, and at their schedule for the next meetings of the municipal year.

Both Committees have had additional meetings over the past few months, and details of these are included in the Committee pages.

We hope you find the information helpful and interesting. You can play your part by emailing suggestions for articles to cxd.corporategovernance@leeds.gov.uk

Front Page News...

New Protocol for Member/Officer Relations

A new Protocol for Member/Officer Relations was agreed by the Standards Committee at their meeting on 13th February. The Council's Constitution has been updated with the new Protocol. The Constitution can be accessed on the [Council's website](#). It is accompanied by a summary of all the amendments which have taken place this year.

Parish and Town Council Conference

The Council is holding the first Parish and Town Council Conference on 10th April in Leeds Civic Hall. During the conference there will be a series of short 'break-out' sessions for delegates focussing on various areas of interest. One of these sessions will be provided by the Standards Committee and will focus on raising awareness of the Members' Code of Conduct and the role of the Standards Committee.

Ethical Audit 2007

The headline results of the Ethical Audit 2007 were presented to the Standards Committee for the first time at their meeting on 13th March. The headline results do suggest that there is further work to be done to raise awareness of the codes and protocols in place in the Council and of the role of the Standards Committee. A more detailed analysis of the full results and proposed actions to address any shortfalls will be brought to the Committee at their meeting in July 2008.

Spotlight on...

The Code of Corporate Governance

The Code is a public statement of the Council's commitment to Corporate Governance and sets out clearly the way in which it will meet that commitment.

Background

The Council first published a Code of Corporate Governance in June 2003. Since then the Council has regularly reviewed and updated the Code based on any new guidance. The Code was last updated in July 2005 to reflect the six principles identified in *The Good Governance Standard for Public Services*.

The new Code

In late 2007, following consultation, **CIPFA/ SOLACE** published *Delivering Good Governance in Local Government – the Framework*. The Framework is based on the six principles originally set out in *The Good Governance Standard*, which have been adapted for local authority purposes. The document is intended as best practice guidance for developing and maintaining a local code of corporate governance.

At their meeting on 19th March the Corporate Governance and Audit Committee approved a new Code of Corporate Governance which reflected this new guidance.

The Six Principles

Each of the six principles is an important part of Leeds City Council's corporate governance

arrangements. The Code describes how the Council will meet and demonstrate its commitment to good corporate governance.

Also described in the Code is how and by whom the Council's corporate governance arrangements will be monitored and reviewed.

You can find a copy of the amended Code on the Council's [website](#).

The Principles

1. Focussing on the Council's purpose and community needs.
2. Having clear responsibilities and arrangements for accountability.
3. Good conduct and behavior.
4. Taking informed and transparent decisions which are subject to effective scrutiny and risk management.
5. Developing the capacity and capability of members and officers to be effective.
6. Forming, encouraging and maintaining effective relationships with local people and other stakeholders.

JARGON BUSTER

CIPFA – Chartered Institute of Public Finance and Accountancy

www.cipfa.org.uk

SOLACE – Society Of Local Authority Chief Executives and Senior Managers

www.solace.org.uk

Corporate Governance and Audit Committee

6th February 2008

Among the issues the Committee considered was the annual external audit report.

ANNUAL EXTERNAL AUDIT REPORT

The Council's external auditors are KPMG. Each year they present a report to the Committee which summarises the conclusions and significant issues arising from their audit programme over the previous year.

The report focussed on two specific issues:

- the accounts and Statement Internal of Control; and
- use of resources.

The report also set out proposed audit work for the forthcoming year – the Committee requested that an opportunity be provided for them to influence the work programme and a further report was scheduled for March.

12th March 2008

The Committee had an additional meeting on 12th March to consider a report regarding a review of polling districts, places and stations. After considering the consultation process which had been undertaken by officers Members agreed a new polling scheme.

The detail of the Committee's decision is set out in the minutes of the meeting which can be accessed on the Council's [website](#).

19th March 2008

Among the issues the Committee considered was the proposed new scheme of national inspection for 2009 onwards – the Comprehensive Area Assessment, with a focus on the use of resources assessment.

COMPREHENSIVE AREA ASSESSMENT – USE OF RESOURCES

All Councils currently undergo a Comprehensive Performance Assessment each year. From 2009 onwards this will become a Comprehensive Area Assessment.

The use of resources element of this new performance assessment framework will challenge organisations to deliver better *value for money*, promote effective *financial management and reporting* and to establish high standards of *governance and accountability*.

The Committee considered the detail of the new regime and were updated on the Council's response to the consultation the Audit Commission have undertaken on the new regime.

23rd April 2008

Items to be considered at the April meeting include:

- update reports on risk management and delivering successful change;
- the new international financial reporting standards; and
- the draft annual report of the Committee.

Standards Committee

13th February 2008

Among the issues the Committee considered was the Leeds City Council response to the consultation paper produced by Communities and Local Government on the new standards arrangements.

ORDERS AND REGULATIONS RELATING TO THE CONDUCT OF LOCAL AUTHORITY MEMBERS IN ENGLAND

The Department of Communities and Local Government released the above consultation paper on 3rd January 2008. The paper outlined the government's proposals for regulations relating to the new process of local assessment of complaints.

Members of the Committee and various senior officers were asked to provide their comments on the consultation paper before the meeting. The Committee then discussed these responses and agreed to forward those comments on to the Department on behalf of Leeds City Council.

The final regulations are expected to be published during May 2008.

13th March 2008

The Committee held an additional meeting in March to consider various issues including the progress of the Ethical Audit 2006 Action Plan.

ETHICAL AUDIT 2006 ACTION PLAN

The Committee considered a report outlining the progress so far against the actions arising from the Ethical Audit 2006.

The Committee noted the progress made by officers, but requested that a more detailed report on the work undertaken by the Chief Officer (Human Resources) to raise awareness of the codes and protocols for officers be brought back to them at their first meeting of the new municipal year.

14th April 2008

Items to be considered at the meeting on 14th April include:

- the annual report on the Code of Practice for the Determination of Licensing Matters;
- the annual report on the Standards Committee Procedure Rules; and
- the final draft of the Standards Committee Annual Report.

THE NEXT ISSUE OF GOVERNANCE MATTERS

We hope you have found this issue of Governance Matters useful.

In the next issue of Governance Matters we will focus on any changes to the Council's governance arrangements agreed at the Annual Meeting.

If you have any ideas for our 'Spotlight On...' feature or any questions you would like answering, please contact the Corporate Governance Team on 0113 39 51632 / 0113 39 50261 or email us at cxd.corporategovernance@leeds.gov.uk