

## **RESPONSE TO THE CONSULTATION DRAFT GOOD GOVERNANCE IN LOCAL GOVERNMENT: A FRAMEWORK**

Thank you for the opportunity to comment on this consultation draft. Our comments are set out below:

### **1. General Comment**

We very much welcome the updated framework document and the four dimensions that describe the role of a local authority, together with the six core principles that define the principles of good governance.

However, we found the document to be very long with considerable amounts of duplication that we feel leaves scope for careful editing. We found the concept of supporting principles problematic and the comprehensive nature of the local code requirements (or action points as we see it), to be unhelpfully presented. We wonder whether the guidance could be presented in much the same way as the key lines of enquiry for CPA and Use of Resources Assessment, showing perhaps three different levels of standard that authorities could seek in their governance arrangements.

Statement on Internal Control – aside from these general points, our main concern is that the recommended governance statement duplicates a number of requirements of the Statement on Internal Control currently required by the Accounts and Audit Regulations. We would suggest that the governance statement be incorporated into the existing requirements for the Statement on Internal Control to avoid duplication and to link corporate governance with the assurance framework, which already has legal backing.

### **2. Preface**

The last paragraph stating that good governance is a key responsibility of the leader of the council and of the chief executive should, we felt, be given more prominence. We also thought this could provide an opportunity to recognise the role of other political group leaders in making them joint signatories to the statement

### **3. Introduction**

Rather than repeating the dimensions on page 12 the additional information on this page could be set under the relevant dimension currently set out on page 11.

### **4. Framework for the development of a local code**

Same comment as for the introduction – the additional information on each of the core principles of corporate governance can be included straight after each of the headings rather than repeating them all again on subsequent pages.

### **5. Principles of good governance**

We think that there should be mention of the overview function in addition to scrutiny. We also think that there should be a requirement that the roles and responsibilities of the Overview and Scrutiny Members, committee chairs and group leaders be set out in a clear statement as part of the authorities governance arrangements.

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In relation to protocols, we think that it might be helpful if a minimum set were identified, particularly in relation to technology, use of email and ward visits.

There is no reference to CPA, Use of Resources, or Statement on Internal Control requirements where the local requirements coincide with these.

We also wish to highlight the political and democratic dimension of local government organisations. We note that there do not appear to be any elected members on the Working Party. We are keen to recommend that this aspect is reflected in the revised framework and accompanying guidance when it is published.

Core Principle 3 – *promoting the values of the authority and demonstrating the values of good governance*. This was the section that we had most concern about with its reference to ‘shared values’ and ‘leadership values’. We feel that this needs reworking to make it clear as to what is being said. Also, we wonder whether the ‘multi-racial’ dimension has been effectively recognised.

We would like to see this written in a much simpler way reflecting the ideas set out in the useful book ‘Working Ethics – how to be fair in a culturally complex world’ by Richard Rowsen (published by Jessica Kingsley). The book puts forward an ethical framework that has four basic values that may be summarised by the useful mnemonic FAIR i.e.

- **F**airness
- **R**especting **A**utonomy
- **I**ntegrity
- **S**eeking the most beneficial and least harmful consequences, or **R**esults

Core Principle 8 – *developing capacity and capability*. We were interested in the proposal that arrangements needed to be put in place to review the performance of the executive as a whole and of individual members and we wondered who was going to do this.

**6. Annual Review and Reporting**

As stated under our general comments above we feel that the requirement for a Governance Statement duplicates in part the requirement to produce a Statement on Internal Control.

We hope that you find these comments of use when finalising the Framework.

Many thanks,

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