PART 5

SECTION F: Code of Corporate Governance

Definition of Governance

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

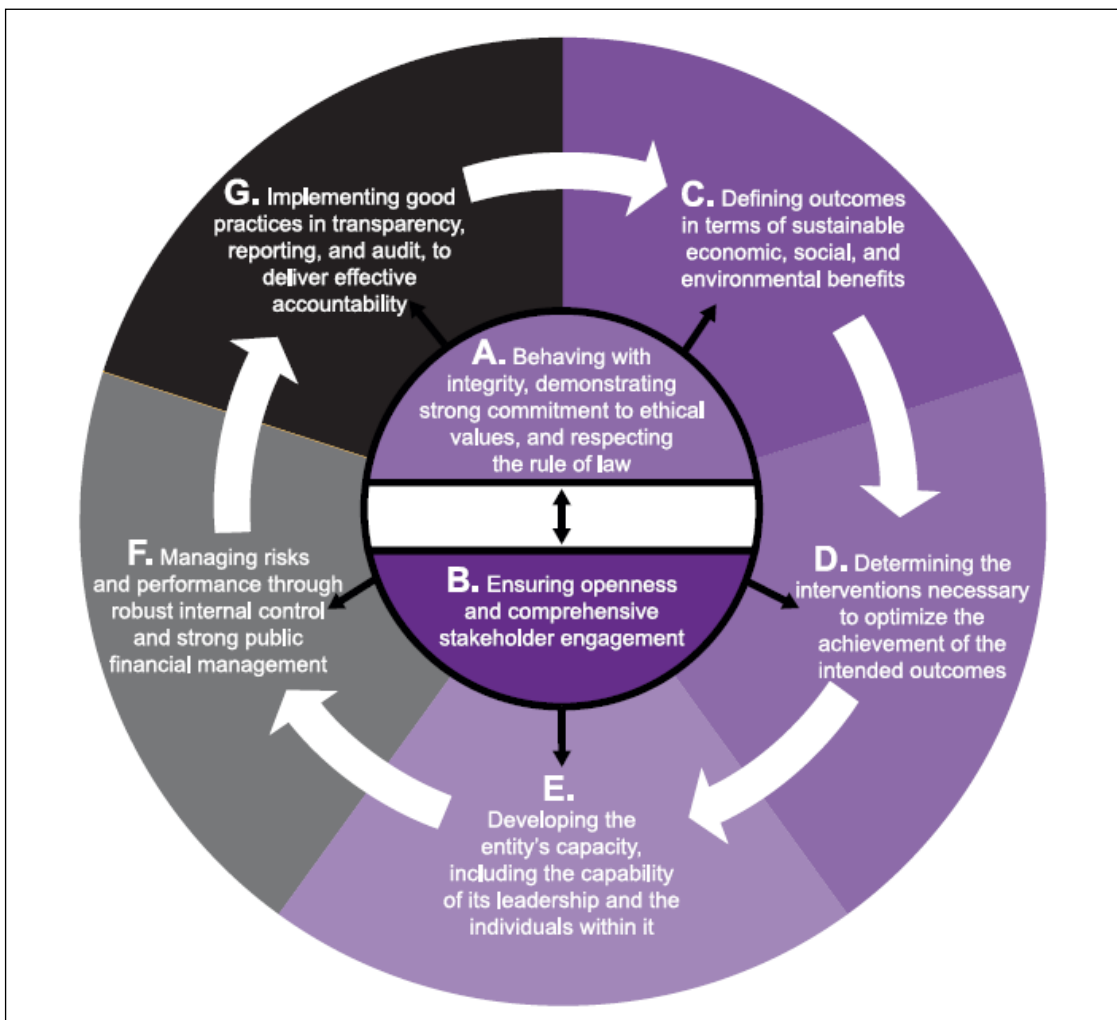*Source: International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014).*

Our Approach to Governance

We believe that to deliver good governance, both the Council and individuals working for the Council must try to achieve our objectives while acting in the public interest at all times.

We do this by applying the following framework where Principles A and B permeate implementation of principles C to G.

Governance Framework:
Achieving the intended outcomes whilst acting in the Public Interest at all times.

Source: International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014).

Good governance is also dynamic, and we are committed to improving governance on a continuing basis through a process of evaluation and review.

How we Deliver Good Governance

We aim to deliver good governance by carrying out the actions in the following table to meet each of the core Governance principles.

Core Principle	Actions
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.	Behaving with integrity We will: • Maintain and enforce a Member Code of Conduct. • Maintain and enforce an Employee Code of Conduct. • Ensure new Members and staff are briefed on the Codes of Conduct. • Have a clear system for performance management applying to all employees. • Declare and record any vested interests at meetings. • Conduct meetings in an open and inclusive manner. • Ensure a committee has specific responsibility for standards matters. • Maintain and enforce an Anti-Fraud, Bribery and Corruption Policy. • Maintain an up to date register of interests for Members and staff. • Maintain an up to date register of gifts and hospitality. • Maintain a whistleblowing policy. • Maintain a complaints policy, taking complaints seriously, and acting on these when appropriate. Demonstrating strong commitment to ethical values We will: • Set out and follow our core Values, which underpin how we behave. • Appoint staff based on merit alone. • Ensure our Contract Procedure Rules are fair, open and transparent. • Require our partners to act with integrity and comply with high ethical standards. Respecting the rule of law

Core Principle	Actions
	We will: • Follow all applicable legislation and statutory guidance. • Maintain and follow our constitution. • Comply with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2015). • Ensure legal advice is sought when necessary, and will formally record this advice. • Appoint a statutory Monitoring Officer, and support them to discharge their function effectively. • Ensure effective arrangements are in place for the discharge of the Head of Paid Service function.
B. Ensuring openness and comprehensive stakeholder engagement Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.	Openness We will: • Produce and publish and Annual Report on our performance. • Maintain a Freedom of Information Act publication scheme. • Maintain a website and publish key information about the Authority on this. • Formally record decisions taken, and make these available to the public. • Provide clear reasoning and evidence for all decisions. • Maintain a calendar of dates for meetings with advance notice of key decisions to be taken. Engaging comprehensively with institutional stakeholders We will: • Consult institutional stakeholders when appropriate on key decisions, and listen to the feedback. • Maintain a communications strategy. • Work in an open and inclusive manner with partners. Engaging with individual citizens and service users effectively We will: • Consult citizens and service users when appropriate on key decisions, and listen to the feedback. • Maintain a communications strategy. • Seek to effectively consult with vulnerable and hard to reach

Core Principle	Actions
	groups.
	• Maintain a record of public consultations.
C. Defining outcomes in terms of sustainable economic, social, and environmental benefits The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.	**Defining outcomes** We will: • Work with our partners to create a vision for the area. • Work with our partners to produce a Sustainable Community Strategy for the area. • Publish a forward looking Business Plan. • Produce annual service plans. • Regularly monitor progress with achieving our aims and objectives. **Sustainable economic, social and environmental benefits** We will: • Consider and balance the economic, social and environmental impact of our actions. • Consider the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits. • Consider long term implications when making decisions. • Ensure fair access to our services for all users.
D. Determining the interventions necessary to optimise the achievement of the intended outcomes Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government	**Determining interventions** We will: • Ensure alternative options are presented and objectively considered, to ensure best value is achieved. For instance in reports seeking decisions. • Consider the risks associated with alternative options. • Consider feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources. • Maintain a fair and proportionate corporate enforcement policy and follow this at all times.

Core Principle	Actions
has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.	Planning interventions We will: • Operate an annual planning and control cycle to deal with strategic and operational plans, priorities and targets. • Engage / involve internal and external stakeholders and partners as appropriate. • Set and monitor key performance indicators / targets. • Maintain and follow a formal project management framework. • Be prepared to change and adapt, to deal with changing circumstances. Optimising achievement of intended outcomes We will: • Balance service priorities, affordability and other resource constraints. For instance by use of our Cost, Quality and Resilience triangle. • Take account of the full cost of operations over the medium and longer term. • Consider 'social value' and comply with the Public Services (Social Value) Act 2012
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee	Developing the entity's capacity We will: • Regularly review our activities, outputs and planned outcomes. • Improve resource use through appropriate application of techniques such as Peer Review / benchmarking. • Work in partnership with others, where added value can be achieved. • Develop a workforce plan and an organisational development strategy. Developing the capability of the entity's leadership and other individuals We will: • Maintain up to date job descriptions for all staff. • Maintain a Protocol on Member / Officer Relations. • Maintain an up to date scheme of delegation.

Core Principle	Actions
that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.	• Invest in Member and staff training. • Maintain our Investors in People (IIP) accreditation. • Hold staff to account through regular performance reviews which take account of training or development needs. • Implement appropriate human resource policies.
F. Managing risks and performance through robust internal control and strong public financial management Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.	Managing risk We will: • Consider risk as an integral part of all activities. • Maintain an up to date Risk Management Strategy. • Maintain up to date Risk Management Guidance. • Maintain up to date Risk Registers. • Allocate a senior officer with overall responsibility for risk management. • Maintain up to date business continuity plans. • Report at least annually to the Committee responsible for Risk Management. Managing performance We will: • Monitor our performance and regularly report on progress. • Compare our performance against others by using benchmarking, cost comparisons etc. • Ensure an effective scrutiny function is in place. For instance we will maintain at least one scrutiny committee, independent of the executive.

Core Principle	Actions
A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.	• Proactively work with / manage our contractors to ensure agreed outputs are delivered and services improved. **Robust internal control** We will • Maintain effective internal control processes. • Maintain an effective internal audit service. • Work constructively with external audit. • Maintain an Audit Committee, independent of the Executive. • Report the audit plans and audit reports to the Audit Committee. **Managing data** We will: • Maintain appropriate data management policies and procedures. • Designate a senior officer with overall responsibility for data management. • Maintain appropriate data protection policies. • Maintain appropriate data sharing protocols. • Maintain appropriate data quality procedures. **Strong public financial management** We will: • Maintain an up to date Medium Tem Financial Strategy. • Maintain up to date Financial Procedure Rules. • Prepare robust budgets taking account of our objectives, strategies and our medium term financial plan. • Carry out regular budget monitoring.
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability Accountability is about ensuring that those making	**Implementing good practice in transparency** We will: • Write and communicate reports for the public and other stakeholders in an understandable style. • Try to provide the right amount of information, striking a balance between transparency and understandability.

Core Principle	Actions
decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.	• Comply with the Government's Local Government Transparency Code. **Implementing good practices in reporting** We will: • Produce and publish an Annual Report. • Produce and publish annual Financial Statements. • Produce and publish an Annual Governance Statement. **Assurance and effective accountability** We will: • Act on agreed recommendations. • Comply with CIPFA's Statement on the Role of the Head of Internal Audit (2010). • Comply with Public Sector Internal Audit Standards. • Work constructively with inspection agencies.