Worcester City Council

LOCAL CODE OF CORPORATE GOVERNANCE

2013/14

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Author	Julie Slatter
Sponsor	Julie Slatter
Owner	Julie Slatter
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Contents

1 Introduction

1.1 Corporate Governance is a term used to describe how organisations direct and control what they do. As well as systems and processes this includes culture and values. For councils this also includes how a council relates to the communities that it serves. Good corporate governance requires local authorities to carry out their functions in a way that demonstrates accountability, transparency, effectiveness, integrity, impartiality and inclusivity. Corporate governance provides structure through which strategic objectives are set and performance monitored. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

1.2 Worcester City Council is committed to demonstrating that it has the necessary corporate governance arrangements in place to perform effectively. The Council has developed and adopted a local Code of Corporate Governance which brings together in one document all the governance and accountability arrangements the Council currently has in place and highlights areas where more work is required. The code is based on best practice guidance set out in CIPFA/SOLACE Framework Delivering Good Governance in Local Government.

1.3 The Council operates through a governance framework that brings together an underlying set of legislative requirements, governance principles and management processes.
The code is written around the following six core principles:

- focusing on the Council's purpose and on outcomes for the community and creating and implementing a vision for Worcester City;

- Members and Officers working together to achieve a common purpose with clearly defined functions and roles;

- promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour:

- taking informed and transparent decisions which are subject to effective scrutiny and risk management;

- developing the capacity and capability of Members and Officers to be effective;

- engaging with local people and other stakeholders to ensure robust public accountability.

1.4   These principles are reflected across the four key dimensions of the Council's business:

Dimension 1: To provide leadership for and with the community to engage in effective partnerships.

Dimension 2: To ensure the delivery of high quality local services whether directly or in partnership or by commissioning.

Dimension 3: To perform a stewardship role that protects the interests of local people and makes best use of resources.

Dimension 4: To develop local democracy and citizenship

2   Applying the Principles of Good Governance

2.1   In the following tables the Code details how the Council meets each of the six core principals, and the supporting principles which underpin them. To complement this the code also highlights the key documents and functions which contribute to the Council's good governance arrangements.

2.2   The mechanisms for monitoring and reviewing the Council's corporate governance arrangements are set out in the code.

2.1 The Council's Corporate Governance Principles

Principle 1: Focussing on the Council's purpose and on outcomes for the community and creating and implementing a vision for Worcester City

Supporting Principle	To achieve this
1.1 Exercising strategic leadership by developing and clearly communicating the Council's purpose and vision and its intended outcomes for citizens and service users	The Council's Corporate Plan 2011 – 2015 "Building on Success" sets out the vision and priorities for the Council and its short, medium and longer term aims. It was informed by the results of consultation with stakeholders.
1.2 Ensuring that users receive a high quality of service whether directly or in partnership or by commissioning	The Corporate Plan includes three cross cutting themes which underpin the way the council works, these are: • Putting customers first • Commissioning quality services • Shaping Worcester's future.
1.3 Ensuring that the Council makes best use of resources and that tax payers and service users receive excellent value for money	The Council has a Performance Management Framework which sets out the range of measures against which progress in delivering the Corporate Plan priorities will be measured. Service plans are produced annually which detail the planned actions to deliver the Council's vision. Quarterly performance reports are produced and reported to Cabinet and to Performance Management and Budget Scrutiny Committee. The reports include performance against key performance indicators, progress in delivery of corporate project, a number of Value for Money measures have been agreed and will be included in reports in 2013/14. The Council aims to deliver quality services by developing effective relationships and partnerships with other public sector bodies and the private and voluntary sectors. The Council ensures procurement practices are effective and seeks external funding where appropriate

Principle 2: Members and Officers working together to achieve a common purpose with clearly defined functions and roles

Supporting Principle	To achieve this
2.1 Ensuring effective leadership throughout the Council and being clear about executive and non-executive functions and of the roles and responsibilities of the Scrutiny function	The Council ensures that the necessary roles and responsibilities of the Council are identified and allocated so that it is clear who is accountable for the decisions that are made. The Council does this by:
2.2 Ensuring that a constructive working relationship exits between members and officers and that the responsibilities of members and officers are carried out to a high standard	• Electing a Leader of the Council who nominates a Cabinet made up of Cabinet Members with defined executive responsibilities. • Clearly describing in the constitution the role of the Leader, Cabinet Members, The Mayor, the Managing Director and other statutory senior management appointments, and the roles and functions of all Councillors, full Council, the Cabinet and Overview and Scrutiny Committees. • Agreeing a scheme of delegations to officers
2.3 Ensuring relationships between the council its partners and the public are clear so that each knows what to expect of the other	• Annually appointing Committees to discharge the Council's regulatory and Scrutiny functions • Maintaining effective arrangements for the scrutiny of services and holding Cabinet to account • The Managing Director being responsible for all aspects of operational management (Head of Paid service) The Council supports constructive working relationships between members and officers by: • Regular meetings between the Managing Director and the Leader to discuss emerging issues, policy and management items • Corporate Directors and Service Managers holding regular Cabinet briefing sessions • Clear principles of how media relations work with elected members. When working in partnership the Council ensures that members are clear about their roles and responsibilities and there is clarity about the legal status of the partnership

Principle 3: Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Supporting Principle	To achieve this
3.1 Ensuring Council members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance 3.2 Ensuring that organisational values are put into practice and are effective	The Council fosters a culture of behaviour based on shared values, high ethical principles and good conduct. The Council does this by establishing and keeping under review: • The Council's own values as enshrined in the Council Plan and which underpin personal development review processes and evidenced in Codes of Conduct that set a standard for behaviour; • The Code of Conduct for Elected Members and Independent Members of the Standards Committee; • The Code of Conduct for Employees • The Code of Practice for Members and Officers dealing with planning matters; • The Statutory Declaration of Acceptance of Office, which all members are required to sign. Similar arrangements exist for independent members of the Standards Committee; • A Protocol governing Member/Officer relations; • Key protocols, such as the Contract Procedure Rules and the Financial Procedure Rules; • The roles of Members and Officers in decision-making; • Appropriate and timely advice and guidance to both Members and Officers; • Systems for reporting and dealing with any incidents of fraud and corruption, which includes whistleblowing. These policies have been reviewed and will be subject to consultation and approval in 2013/14; • A register of Interests and declaration of Gifts and Hospitality accepted; • The Council's Equality and Inclusion Strategy and associated guidance and toolkits; The Standards Committee's role is to promote and maintain high standards of conduct by Members and to monitor the operation of the Members Code of Conduct.

Supporting Principle	To achieve this
	All investigations under the members code of conduct are carried out locally under the guidance of the Monitoring Officer. Any breach of the Employee Code of Conduct is investigated in accordance with the Council's disciplinary procedure. Under the Member Code of Conduct, Members: • are required to register details of disclosable pecuniary interests in the Authority's Register of interests; • who become aware of any changes to his/her interests to provide details of that change to the Monitoring Officer within 28 days; • are required to review their declarations of disclosable pecuniary interests on an annual basis. Gifts and hospitality and conflicts of interest are registered as and when required throughout the year, and details are available on-line. Member declarations and registrations are maintained and monitored by the Monitoring Officer and her staff.

Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and risk management

Supporting Principle	To achieve this
4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny	The Council is transparent about how decisions are taken and recorded. The Council does this by: • Ensuring that all decisions are made in public and recording those decisions and relevant information and making them available publicly (except where that information is exempt under the provisions of the Freedom of Information Act or determined as being confidential by Government or otherwise exempt by the Council); • Having in place rules and procedures which govern how decisions are made;
4.2 Having good-quality information, advise that services are delivered effectively and are what the community wants/needs	• Publishing details of statutory and delegated responsibilities on the Council website as part of the Constitution;
4.3 Ensuring that an effective risk management system is in place	• Publishing an Executive Forward Plan of decisions for the next 4 months on the Council website; The Council ensures that effective, transparent and accessible arrangements are in place for recording and dealing with complaints.
4.4 Using their legal powers to the full benefit of the citizens and communities in their area	The Council ensures that appropriate legal, financial and other professional advice is always considered as part of the decision-making process and the Council will always observe both specific requirements of legislation and general responsibility by law. Key CIPFA codes, such as the Code on a Prudential Framework for Local Authority Capital Finance and the Treasury Management Code, are complied with. The Council operates a risk management approach that aids the achievement of its strategic objectives, supports its decision making processes, protects the Council's reputation and other assets and is compliant with statutory and regulatory obligations. The Council annually reviews its risk management strategy and policy, which outlines the formal approach to identifying and managing

Supporting Principle	To achieve this
	risk.
	The Council's Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are effective, transparent and accountable to local people and is reviewed and amended on an annual basis as required. The Officer Scheme of Delegation is reviewed in line with the review of the Council's Constitution.
	The Council has appointed the Corporate Director of Resources as Chief Financial Officer (CFO) and Section 151 Officer. The CFO is involved in all Corporate Management Team discussions, and reviews all reports to Cabinet which have financial implications. The CFO also provides an opinion under section 25 of the Local Government Act 2003 on the reserves for the County Council, which Members consider when setting the budget.
	The Council ensures the services it delivers are effective and meet the community's needs by:
	• Using results of consultation to inform the Corporate Plan;
	• Delivering services to meet local needs through the Corporate Plan, and putting in place policies and processes to ensure that they operate effectively in practice;
	• Recording and reviewing the number and type of complaints, average time to respond and the number of satisfied customers who have used this process. These reports can be found on the Council's intranet and website;
	• Producing quarterly financial monitoring and performance management reports.
	• The Council has an Audit Committee with responsibility for monitoring and reviewing the risk, control and governance processes and associated assurance processes to ensure internal control systems are effective and that policies and practices are in compliance with statutory and other regulations and guidance

Principle 5: Developing the capacity and capability of Members and Officers to be effective

Supporting Principle	To achieve this
5.1 Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles	The Council ensures that those charged with the governance of the Council have the skills, knowledge and experience they need to perform well. The Council does this by: • Operating robust recruitment and selection processes; • Cascading regular information to Members and Staff; • Investing in Member and Officer Leadership Training; • Providing resources that support Member and Officer Development; • Promoting schemes and supporting ongoing professional development; • Personal Development Plans are developed as part of the Council's Performance Development; • Providing training to help Members understand their role on committees; • Assessing personal development needs as part of the induction process for both Members and Officers; • The Council supports a programme of Leadership Development for managers. • The Council has a Member Development Group which is involved in the review of the member Development Strategy and the approach to Member Induction.
5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group	
5.3 Encouraging new talent for membership of the authority so that best use can be made of individual's skills and resources in balancing continuity and renewal	

Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

Supporting Principle	To achieve this
6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships	The Council seeks and responds to the views of stakeholders and the community by: • Forming and maintaining relationships with the leaders of other organisations; • Ensuring Partnership arrangements demonstrate clear, appropriate governance accountabilities; • Producing plans for service delivery; • Consultation Toolkit, so that people feel able to influence decision making;
6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning	• Using an approach that recognises that people are different and gives everyone the same or an equal opportunity to information, advice and support in ways that are suited to the needs of circumstances of the individual; • Providing for the public the opportunity to ask questions or make representations at full Council, Cabinet and Regulatory Committees;
6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff	• Continually developing clear channels of communication; • Providing a modernised ICT Service that meets the needs and aspirations of the organisation and the communities we serve; • Issuing the Council's quarterly magazine, City Life, to every household in the City; • Consulting on our budget and spending priorities • The Policy & Performance Team promoting and supporting the Council's approach to community engagement; • Undertaking a Citywidewide Residents Survey on a regular basis; • Staff surveys and consultations with staff and Trade Unions; The Council is developing a partnership evaluation framework to enable partnerships to be identified, recorded and reported upon to provide a mechanism for their effectiveness to be assessed.

3   MONITORING AND REVIEW

The Council has two Committees that are responsible for monitoring and reviewing the various aspects of the Council's Corporate Governance arrangements

The Audit Committee is responsible for the Council's arrangements relating to;

- Monitoring and reviewing the risk, control and governance processes and associated assurance processes to ensure internal control systems are effective and that policies and practices are in compliance with statutory and other regulations and guidance;
- External Audit
- Internal Audit
- Risk Management
- Making recommendations concerning relevant governance aspects of the Constitution;
- Reviewing the effectiveness of Internal Audit.

The Standards Committee has responsibility for promoting high ethical standards across the Council, overview of the Member and Officer codes and other relevant protocols together with the Council's complaints handling regime.

The two Committees will ensure that the Council's governance arrangements are kept under continual review through;

- Reports prepared by officers with responsibility for aspects of this Code;
- The work on Internal Audit;
- External Audit opinion;
- Other review agencies and Inspectorates.

Within Worcester City Council there are three Scrutiny Committees, The Audit Committee, Scrutiny Committee and Performance Management and Budget Scrutiny Committee.

3.1   The Annual Governance Statement

Each Year the Council will publish a Governance Statement. This process is managed by the Corporate Governance Assurance Board and will provide an overall assessment of the Council's corporate governance arrangements and an appraisal of the key controls in place to manage the Council's principal governance risks, together with proposed improvements that will be made. The statement will also provide details of where improvements need to be made in accordance with the Accounts and Audit (Amendment) (England) Regulations 2011.

The Annual Governance Statement will be published as part of the Council's Annual Statement of Accounts and will be audited by our External Auditors.

4   Related Documents

- CIPFA SOLACE Delivering Good Governance in Local Government Framework

- Annual Governance Statement 2012/13