Eden District Council Local Code of Governance April 2021

Amendments

1) Changed layout of document from prior year to separate out review and initiate a reference system
2) Updated for change in Scrutiny committee structure
3) Proposed amendments for clarity following Code of Governance Review for 20/21

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1. Introduction

This Local Code of Governance has been developed from a framework document produced by The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE). The CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016) defines governance as follows:

"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 other stakeholders."

The framework contains seven principles. These are as follows:

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Principle B – Ensuring openness and comprehensive stakeholder engagement

Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

Principle E – Developing the entity's capacity, including the capability of its leadership and the individuals within it

Principle F – Managing risks and performance through robust internal control and strong public financial management

Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Council is committed to these principles and has adopted them into its Local Code. The remainder of this document sets out the local arrangements that support the achievement of these principles. The Council will review the effectiveness of these arrangements against the Framework on an annual basis.

2. The Council commits itself to the following principles:

2.1 Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

A1) Enabling Scrutiny to 'call-in' any Executive decisions contrary to the Budgetary and Policy Framework

A2) Having Codes of Conduct for Officers and Members in which there is guidance on Officer Member Relationships

A3) Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular, it is responsible for monitoring of the Corporate Complaints Procedure and Members Code of Conduct

A4) Maintaining an Independent Remuneration Panel (IRP) to advise the Council on allowances to be paid to Members

A5) Having a Corporate Leadership Team, which includes the Chief Executive, Deputy Chief Executive, Directors' Monitoring Officer and the Chief Financial Officer, which has access to papers to meetings.

A6) Having an Extended Leadership Team which includes all Assistant Directors as well as the Corporate Leadership Team meeting bi-weekly.

A7) Having published procedures to demonstrate compliance with the Freedom of Information Act and the Environmental Information Regulations.

A8) Having a constitution which sets out clearly the roles and duties of the Council's statutory officers, that is, the Chief Executive, Chief Finance Officer (Director of Resources) and the Monitoring Officer (Assistant Director: Legal and Governance). The Constitution sets out key aspects of the Council's internal control mechanism, in particular, the Accounting and Audit rules, the Procurement rules and the Scheme of Delegation.

A9) The Constitution is reviewed annually.

A10) Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular it is responsible for monitoring the corporate Complaints Procedures.

A11) All reports have to be seen by the Chief Finance Officer and the Monitoring Officer. Completion of these governance checks has to be noted on the report. The Monitoring Officer and s151 Officer sign off every committee report.

A12) Having clear documented approach to fraud and whistle-blowing, which is regularly updated and communicated to staff and is in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014).

A13) Having a policy on the Regulation of the Investigatory Powers Act (RIPA).

A14) Having a clear complaints procedure.

A15) Using complaints and compliments as a positive improvement tool.

2.2 Principle B: Ensuring openness and comprehensive stakeholder engagement

B1) Conducting as much Council business in the public as possible

B2) Providing full information on the Council's business on its website

B3) The Council meets 9 times per year. The Executive meets monthly; the committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all formal business is open to the public. Reports and Minutes are publically available

B4) Clear recording of the reasons for member decisions

B5) Having a clear Complaints Procedure

B6) Using Complaints and compliments as a positive improvement tool

B7) Ensuring all inspection and audit reports considered by Members are public documents. Any recommendations from such reports are tracked through regular reports to the Accounts and Governance Committee

B8) Having a Statement of Community Involvement

B9) Promoting citizenship by active involvement with local schools

B10) Actively consulting through a range of channels

B11) Holding a Community Conference, which includes a wider range of public, private and voluntary organisations to inform the Council Plan

B12) Using a range of customer feedback mechanisms including satisfaction surveys

B13) Maintaining and regularly updating a database of all major partnerships that the Council is involved in and that these are in accordance with the Council's Partnerships' Protocol. This database is reviewed in public annually

B14) Encouraging prospective candidates for election to come forward

B15) Communicating to the public through effective use of the media, as set out in the Council's Communication Strategy

B16) Having a community engagement and Consultation section on the website which includes using the County Council hosted Consultation Finder on our website.

B17) Having a Consultation policy and programme

B18) Using the County Council hosted Consultation Finder

2.3 Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits

C1) Having a Council Plan including Strategic Targets

C2) Having an annually updated Corporate Procurement Strategy, based on the National Procurement Strategy for Local Government

C3) Council considering its Resources Plan annually

C4) Having a published Customer Charter

C5) Having a comprehensive approach to emergency and disaster planning. The Council regularly updates its Business Continuity Plan and the Emergency Response Plan, both of which are regularly tested through an exercise

C6) Having a regular Emergency Planning Group which is responsible for maintaining the Eden Emergency Response Plan

C7) Having an 'out of hours' response service

C8) Having an Access to Services Policy

C9) Considering the economic, social and environmental benefits as part of the decision making process

2.4 Principle D: Determining the Interventions necessary to optimise the achievement of the intended outcomes

D1) An Efficiency and Value for Money Policy (reviewed biennially)
D2) Clear recording of the reasons for members decisions
D3) Stating clear and meaningful priorities and having effective arrangements in place to monitor progress against these
D4) Setting clear targets which translate the agreed priorities into outcomes. These are regularly reviewed
D5) A regular review of the Council's priorities
D6) Securing continuous improvement through regular savings/income generation exercises and the annual programme of Scrutiny Committee reviews
D7) Ensuring that the financial management of the Council is sound, by annual review of compliance with the CIPFA Financial Management Code.
D8) Regularly monitoring key service delivery indicators through regular reports to the Corporate Management Team and the Leader. Where below target performance is seen as significant, explanations and proposed corrective actions are requested.
D9) Providing strategic management through the monthly meeting of the Executive and weekly Leader and Chief Executive meetings
D10) Clearly placing policy development as the role of the Executive
D11) Having an annually updated Corporate Procurement Strategy, based on the National Procurement Strategy for Local Government
D12) Council considering its Resources Plan annually
D13) Setting a medium term financial strategy based on regularly refreshed priorities
D14) Ensuring that any new bid for resources is judged against how far it advances the corporate priorities and objectives

2.5 Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

E1) Having clear, published employee policies
E2) Maintaining and updating a triennial Asset Management Plan
E3) Holding a regular cross-departmental Asset Management Group
E4) Considering cost against a 'family' group of local authorities
E5) Adopting a 'what works' basis to service provision by using in-house provision, outsourcing, sharing service provision and partnership arrangements as appropriate
E6) Providing strategic management through the monthly meeting of the Executive and weekly Leader and Chief Executive meetings
E7) Clearly setting out the rules for the Executive, Scrutiny Committees and the regulatory committees in the Constitution
E8) The Executive meets monthly; committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all committee business is open to the public. Reports and minutes are publicly available
E9) Providing job descriptions for all Member roles within the Constitution

E10) Having a Constitution which sets our clearly the roles and duties of the Council's statutory officers, that is, the Chief Executive, chief Finance Officer (Director of Resources) and the Monitoring Officer (Assistant Director: Legal and Governance). The Constitution sets out key aspects of the Council's internal control mechanism, in particular, the Accounting and Audit Rules, the Procurement Rules and the Scheme of Delegation. Clearly stating powers delegated to officers and ensuring that these are maximised

E11) Having a Scheme of Delegation which clearly sets out decisions delegated to officers. This is annually reviewed and updated

E12) Giving effective induction training to new Elected Members and staff including Senior Officers

E13) Providing pro-active Member training

E14) Having a performance and appraisal system so that all members of staff know what is expected of them. In addition, an annual training plan is agreed as part of the appraisal process

2.6 Principle F: Managing Risks and performance through robust internal control and strong financial management

F1) The Executive received regular reports on budgets, capital scheme progress and the Risk Register

F2) The Council having a Risk Management Strategy which is annually reviewed and updated

F3) The Council maintaining a Risk Register. This is reviewed quarterly by the management Team and Executive. It is scrutinised annually by the Overview & Scrutiny Committeeand the Management Team. After each quarterly update, all staff are reminded of its presence. New risks are often identified outside the quarterly reviews, mainly through Management Team discussion on particular issues

F4) Having a 'Risk Management Implications' section in all committee reports

F5) Enabling Scrutiny to 'call-in' any Executive decisions contrary to the Budgetary and Policy framework. Having codes of conduct for officers and Members in which there is guidance on officer/Member relationships

F6) Maintaining and updating a triennial Asset Management Plan

F7) Holding regular cross departmental Asset Management Group

F8) Approving SMART targets for the Council's wholly owned company to give a basis for monitoring performance

F9) Having a dedicated contracts and procurement team to provide corporate support to the procurement process and direct oversight of a number of material out-sourced contracts.

F10) Using Key Performance Indices to manage key strategic or higher risk contracts

F11) Having a Confidential Reporting Code which clearly documents the procedure for staff to report matters of concern, which is updated and communicated to staff

F12) Having an annually updated Anti-Fraud, Theft, Bribery and Corruption Policy which is an accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014)

F13) Maintaining an effective internal audit function

F14) Maintaining robust financial control with a suitably qualified section 151 Officer

F15) Having a Data Quality Statement

F16) Having a clear and effective policy on data protection

F17) Having clear and effective information governance policies, systems and procedures

F18) Having clear and effective information security policies, systems and procedures

F19) Having and maintaining an ICT Services Risk Register

F20) Setting a medium term financial strategy based on regularly refreshed priorities

F21) Considering cost against a 'family' group of local authorities

F22) Ensuring that any new bid for resources is judged against how far it advances corporate priorities and objectives

F23) Securing continuous improvement through regular savings/income generation exercises and the annual programme of Scrutiny Committee reviews

F24) Ensuring that the financial management of the Council is sound, by regular and timely reporting to budget holders, Management Team, Leaders and the Council as whole. This includes both revenue and capital monitoring. It is the responsibility of the relevant budget holder to investigate and take action on any identified budget variance. Every budget is owned by a budget holder

F25) The Executive receives regular reports on budgets, capital scheme progress and the Risk Register

2.7 Principle G: Implementing good practices in transparency, reporting and audit to delivery effective accountability

G1) Providing full information on the Council's business on its website

G2) Compliance with the Local Government Transparency Code and Open Data

G3) The Council meets nine times per year. The Executive meets monthly; committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all committee business is open to the public. Reports and minutes are publically available

G4) Conducting as much business in public as possible

G5) Clear recording of the reasons for member decisions

G6) The Overview & Scrutiny Committee is responsible for risk management arrangements

G7) Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular, it is responsible for monitoring the corporate Complaints Procedure

G8) Council considers the Annual Audit Letter from the external auditor

G9) The Accounts and Governance Committee Approves the Annual Accounts

G10) The Accounts and Governance Committee Approves the Annual Governance Statement

G11) The Accounts and Governance Committee Receives all reports from the Internal Audit services and the external auditor

G12) The Accounts and Governance Committee approves Anti-Fraud, Theft and Corruption Strategy which is in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014).

3. Annual Review of Corporate Governance

At the end of the year, the Council will produce its Annual Governance Statement which will review the effectiveness of the actual system of internal control in place against both the Local Code of Governance and the CIPFA best practice framework. The review will draw upon various sources of evidence including:

- Detailed self-assessment against CIPFA best practice examples
- Internal Audit reports and opinion
- Relevant Reports from External Audit
- Reports from Overview & Scrutiny and Accounts & Governance Committees
- Assurances from senior management and significant partners

As part of its governance role, the Accounts & Governance Committee will oversee this review on behalf of the Council.