

Do The Right Thing



The Code of Corporate Governance for Warwickshire County Council 2008

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1. What is 'governance'

- 1.1 Governance is about how the County Council ensures it is doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner. It is all made up of all the systems, processes, culture and values which direct and control the way in which we work and through which we account to, engage with and lead our communities.
- 1.2 This Code of Corporate Governance applies to the Council's elected members and officers. It describes how the Council makes sure we do the right things, in the right way, for the right people. The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) recommend that every Council has a local Code of Corporate Governance to ensure that we are accountable for the proper conduct of public business and that we review the effectiveness of our arrangements. A summary of the Code, and related corporate governance guidance, is available from the Council's Law and Governance Division and is also accessible on the Council's intranet and internet.

2. Why we do it

- 2.1 The way in which Warwickshire County Council is 'governed', determines our output and performance. It determines our ability to realise our vision.
- 2.2 Good governance can lead to good management, good performance, good stewardship of public money, good public engagement and good outcomes for the citizens and service users of Warwickshire.
- 2.3 Good governance is about delivery on our promise to make a real and lasting difference to the wellbeing of the people living in Warwickshire and it is about doing that in a timely, inclusive, open, honest and accountable manner.

3. Our Values

- 3.1 Warwickshire County Council is committed to doing the right thing, to delivering the priorities of local people, improving their quality of life and making a real difference to their communities. Working together, we aim to make a real and lasting difference to the wellbeing of people living in Warwickshire.
- 3.2 In working towards realising our vision, we at Warwickshire County Council are committed to the following values, which underpin all our activities;
 - Leading the way;
 - Working together;
 - Openness and honesty;
 - Listening to people;
 - Caring, supporting and respecting;

- Aiming for excellence;
- Holding our decision making and stewardship to account;
- Pursing fairness, valuing both diversity and equality

4. How we do it and do it right

4.1 The CIPFA/ SOLACE Framework Delivering Good Governance in Local Government sets out six core principles on which effective governance should be built;

1. *Focusing on the purpose of the Council, on implementing our vision for the local area and on outcomes for the community;*
2. *Ensuring members and officers work together, with partners, to achieve the Council's common purpose, with clearly defined functions and roles of members and officers;*
3. *Promoting the values of the Council and demonstrating those values by upholding high standards of conduct and behaviour;*
4. *Taking informed and transparent decisions which are subject to effective scrutiny and risk assessments;*
5. *Developing the capacity and capability of members and officers to be effective;*
6. *Engaging with local people and other stakeholders to ensure robust public accountability*

4.2 To achieve this, the Council has developed this framework which ensures that these principles are fully integrated in the conduct of the Council's business as well as establishing a means of demonstrating compliance.

4.3 The Council can also demonstrate that the systems and processes in place are monitored for their effectiveness in practice and subject to review to ensure that they remain up to date.

4.4 The way in which each of the six core principles of good governance is put into practice by the Council is set out below;

1. *The Council aims to focus on the purpose of Warwickshire County Council, on implementing our vision for the local area and on outcomes for the community*

To achieve this the Council will;

- Lead the way through the development, promotion and regular review of our purpose and vision for the area
- Ensure our purpose and vision is reflected in Warwickshire's Local Area Agreement and Corporate Business Plan and is communicated to and understood by all our partners

- Establish and maintain sound systems for the regular assessment, reporting on and communication of the Council's activities, achievements, financial position and performance
- Establish and maintain sound management information systems and measures for the assessment and monitoring of service delivery, whether delivered directly or in partnership
- Put in place effective arrangements to identify and manage failings in service delivery
- Ensure that we and the partnerships in which we are involved make the best use of our resources and that citizens and service users receive value for money
- Respond positively to the findings and recommendations of external auditors and statutory inspectors regarding our performance and strive to effectively implement any agreed actions

2. *Ensure members and officers work together, with partners, to achieve our common purpose, clearly define the functions and roles of members and officers*

To achieve this the Council will;

- Establish and maintain clearly documented protocols governing relationships and effective communication between members and officers
- Clearly define the roles and responsibilities for the executive and for other members and senior officers,
- Set out the terms and conditions for remuneration for members and officers and maintain an effective structure for managing the process including an effective remuneration panel
- Ensure that effective mechanisms exist to set the Council's strategic direction and to monitor service delivery
- Regularly review, maintain and update our scheme of delegated powers, which includes those matters specifically reserved for collective decision by the Council, taking into account relevant legislation
- Ensure that the Chief Executive or equivalent is made responsible to the Council for all aspects of the operational management of the Council
- Ensure that we appoint a Chief Finance Officer who is responsible to the Council for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control
- Ensure that we appoint a Monitoring Officer who is responsible to the Council for ensuring that the Council follows agreed procedures and complies with all applicable statutes, regulations and other relevant statements of good practice
- Ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms and in consultation with the local community and key stakeholders and are clearly communicated
- Ensure that when working in partnership, members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Council, that there is clarity regarding the legal status of the partnership and that representatives on the partnership are clear about the extent of their authority to bind the Council to partner decisions.

3. Promote the values of Warwickshire County Council and demonstrate those values by upholding high standards of conduct and behaviour

To achieve this the Council will;

- Ensure that members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance and create a climate of openness, support and respect
- Establish and maintain formal codes of conduct defining expected standards of behaviour for members, staff and the Council's agents and partners
- Regularly review and maintain our arrangements to ensure that members and staff are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders
- Regularly review and maintain our arrangements to ensure that our procedures and operations conform to appropriate ethical standards and work in practice
- Ensure that the Council's values reflect public expectations, are communicated to members, staff, the community and partners and are put into effective practice
- Establish and maintain an effective audit and standards committee
- Use the Council's shared values to act as a guide for decision-making and as a basis for developing positive and trusting relationships within the Council
- Agree a set of values against which decision-making and actions can be judged when working in partnership and ensuring that such values can be demonstrated by partners' behaviours both individually and collectively

4. Ensure the taking of informed and transparent decisions, which are subject to effective scrutiny and risk assessments

To achieve this the Council will;

- Be rigorous and transparent about how decisions are taken and listen and act on the outcome of constructive scrutiny
- Maintain an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall and that of any organisation for which it is responsible
- Maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based
- Maintain arrangements to safeguard members and officers against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice
- Maintain an effective audit and standards committee that is independent of the executive and scrutiny functions
- Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints
- Ensure that those making decisions, whether for the Council or a partnership, are provided with information that is fit for purpose – relevant, timely and gives clear explanations of technical issues and their implications

- Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately
- Ensure that an effective risk management system is in place, which identifies and evaluates all significant risks and ensures that members and managers at all levels recognise that risk management is part of their jobs
- Ensure that effective arrangements for whistle-blowing are in place, to which officers, staff and all those contracting with or appointed by the authority have access, and regularly review and update those arrangements
- Use the Council's legal powers to the full benefit of citizens and communities in our area whilst observing both the specific requirements of legislation and the general responsibilities placed on the Council by public law as well as actively recognising the limits of lawful activity placed on us

5. Develop the capacity and capability of members and officers to be effective

To achieve this the Council will;

- Provide induction and training programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis
- Ensure that the statutory officers have the skills, knowledge, experience, support and resources they need to perform effectively in their roles and that those roles are properly understood
- Assess the skills required by members and officers to perform effectively in their roles and make a commitment to develop those skills
- Develop the skills of members and officers on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- Ensure that effective arrangements are in place for reviewing the performance of members and ensuring steps are taken to address any training or development needs that emerge
- Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Council
- Ensure that career structures are in place for members and officers to encourage participation and development

6. Engage with local people and other stakeholders to ensure robust public accountability

To achieve this the Council will;

- Ensure that arrangements are in place to enable the Council to engage effectively with all sections of the community. These arrangements should recognise that different sections of the community have different priorities and include processes for dealing with these competing demands

- Exercise leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships
- Ensure that all staff and the community are aware who the Council is accountable to and for what
- Consider the institutional stakeholders to whom the Council is accountable and consider the effectiveness of those relationships
- Produce an annual report on the activity of the scrutiny function
- Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively
- Hold meetings in public unless there are good reasons for confidentiality
- Establish a clear policy on the types of issues the Council will meaningfully consult on or engage with the public and service users about, including establishing a feedback mechanism
- On an annual basis, publish a performance plan giving information on the Council's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period
- Ensure that the Council as a whole is open and accountable to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so
- Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making

5. Arrangements for checking we have done the right thing in the right way

5.1 The Council has put in place the arrangements set out below to review the effectiveness of the Code of Corporate Governance.

5.2 The Council;

- is responsible for approving key corporate governance documents and policies such as the Council's Constitution and its Standing Orders;
- has appointed an executive portfolio holder whose responsibilities include corporate and community governance and law and probity;
- appoints an Audit and Standards Committee which includes independent members;
- considers the Council's annual governance statement which includes assurance statements from Heads of Service;
- receives annual reports on the effectiveness and impact of scrutiny.

5.3 The Audit and Standards Committee;

- is responsible for maintaining and promoting high standards of conduct and for compliance issues
- has a terms of reference which also includes responsibility for monitoring the operation of the Members' Code of Conduct, assessing the effectiveness of the Council's control environment, risk management and corporate governance arrangements and monitoring performance in relation to any action required;
- has an independent Chair;
- receives the results of the corporate governance audit and other audits such as the annual review of compliance with Contract Standing Orders.

- 5.4 The Cabinet;
- includes an executive portfolio holder whose responsibilities include corporate and community governance and law and probity
 - is responsible for approving the Council's corporate governance action plan
 - monitors progress against the action plan through the Council's report card which is reported to Cabinet on a quarterly basis as part of the Council's performance management arrangements;
 - approves amendments to the Code of corporate governance taking into account the results of the corporate governance audit.
- 5.5 Overview and Scrutiny Committees;
- Receive six monthly performance reports to monitor performance against Directorate report cards;
 - Report annually to full Council on the effectiveness of scrutiny;
 - Monitors performance of the Council to identify areas for improvement;
 - Publish the outcomes of their reviews in relevant Council publications.
- 5.6 Internal Audit;
- Undertakes risk based reviews of internal control procedures across all Directorates and across a range of functions in the Council;
 - Gives opinions on the standards of internal control as part of the review process;
 - Reports on the standards of the Council's internal control arrangements to the Audit and Standards Committee;
 - Has an Audit and Risk Manager who undertakes an annual review of the effectiveness of internal control, including corporate governance.