

## SOUTH DERBYSHIRE DISTRICT COUNCIL

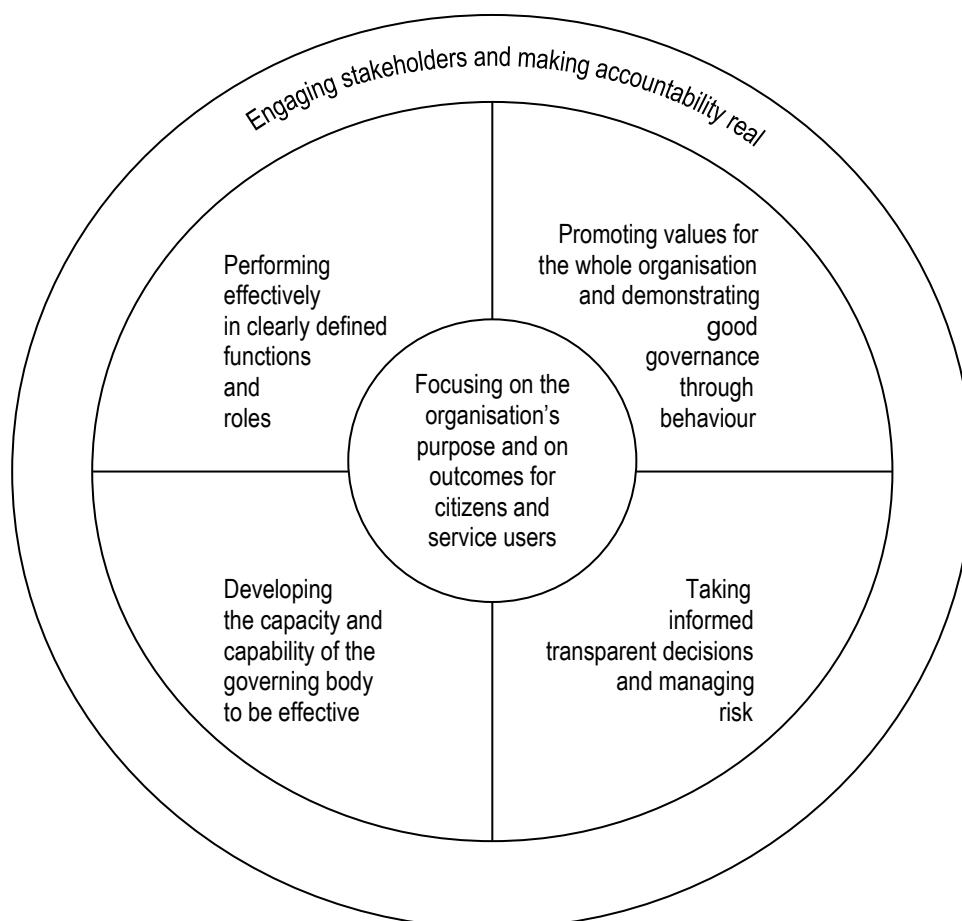
# LOCAL CODE OF CORPORATE GOVERNANCE

## Introduction

Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Governance comprises the systems and processes, and cultures and values, by which we are directed and controlled and through which we account to, engage with and, where appropriate, lead our community.

## Core Principles of Good Governance

The Council supports the six core principles set out in *The Good Governance Standard for Public Services* (2004), developed by the Independent Commission on Good Governance in Public Services, as set out in the diagram below.



The Council is committed to do the following in respect of these six core principles:

**1. Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area**

1.1 In order to exercise strategic leadership, we will:

- develop and promote the Council's purpose and vision
- review on a regular basis the Council's vision for the local area and its impact on the Council's governance arrangements
- ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties
- publish an annual report on a timely basis to communicate the Council's activities and achievements, its financial position and performance

1.2 In order to ensure users receive high quality services, we will:

- decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- put in place effective arrangements to identify and deal with failure in service delivery

1.3 In order to ensure the Council makes best use of resources, we will:

- decide how value for money is to be measured and make sure that the Council or partnership has the information needed to review value for money and performance effectively
- measure the environmental impact of policies, plans and decisions

**2. Members and officers working together to achieve a common purpose, with clearly defined functions and roles**

2.1 In order to ensure effective leadership throughout the Council, we will:

- set out a clear statement of the respective roles and responsibilities of Council members and of senior officers

2.2 In order to ensure a constructive working relationship exists between members and officers, we will:

- determine a scheme of delegation and reserve powers within the Constitution, including a formal schedule of those matters specifically reserved for collective decision of the Council, taking account of relevant legislation and ensure that it is monitored and updated when required
- ensure the Chief Executive, as Head of Paid Service, is fully responsible and accountable to the Council for all aspects of its operational management

- develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained
- ensure the Director of Corporate Services, as the Section 151 Officer, is fully responsible and accountable to the Council for giving appropriate advice on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control
- ensure the Head of Legal and Democratic Services, as the Monitoring Officer, is fully responsible and accountable to the Council for making sure that agreed procedures are followed and that all applicable statutes and regulations are complied with

2.3 To ensure our relationships with partners and the public are clear, we will:

- develop protocols to ensure effective communication between members and officers in their respective roles
- set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective job evaluation process for officers' remuneration and a remuneration panel for members
- ensure that effective mechanisms exist to monitor service delivery
- ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated
- when working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Council
- when working in partnership:
  - ensure that there is clarity about the legal status of the partnership
  - ensure that representatives of organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions

### **3. Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

3.1 To ensure members and officers exercise leadership, exemplifying high standards of conduct, we will:

- ensure that the Council's leadership sets a tone for the Council by creating a climate of openness, support and respect

- ensure that standards of conduct and personal behaviour expected of members and officers, of work between members and officers, and between the Council, its partners and the community are defined and communicated through codes of conduct and protocols
- put in place arrangements to ensure that members and officers of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice

3.2 To ensure organisational values are put into practice and are effective, we will:

- develop and maintain shared values, including leadership values, both for the Council and officers, reflecting public expectations and communicate these with members, officers, the community and partners
- have in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice
- develop and maintain an effective 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
- in pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively

#### **4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

4.1 In being rigorous and transparent about how decisions are taken, we will:

- develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall and of any organisation for which it is responsible
- develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based
- put in place 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
- develop and maintain an effective Audit Sub-Committee
- put in place effective, transparent and accessible arrangements for dealing with complaints

4.2 In order to ensure we have good quality information and advice, we will:

- ensure that those making decisions, whether for the Council or partnerships, are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications
- ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately

4.3 In order to ensure there is an effective system of risk management, we will:

- ensure that risk management is embedded into the culture of the Council, with members and officers at all levels recognising that risk management is part of their jobs
- ensure that arrangements are in place for whistle blowing to which officers and all those contracting with the Council have access

4.4 In order to use our legal powers for the full benefit of the community, we will:

- actively recognise the limits of lawful activity placed on us by, for example, the ultra vires doctrine, but also strive to utilise powers to the full benefit of our communities
- recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on us by public law
- observe all specific legislative requirements placed upon us, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into our procedures and decision making processes

## **5. Developing the capacity and capability of members and officers to be effective**

5.1 To make sure members and officers have the necessary skills and resources, we will:

- provide induction 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, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council

5.2 To develop the capability of people with governance responsibilities, we will:

- assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively
- develop skills 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 the Council as a whole and of individual members and agreeing an action plan which might for example aim to address any training or development needs

5.3 To encourage new members to join the Council, we will:

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

6.1 To exercise leadership through a robust scrutiny function, we will:

- make clear to ourselves, all officers and the community to whom we are accountable and for what
- consider those institutional stakeholders to whom we are accountable and assess the effectiveness of the relationships and any changes required
- produce an annual report on the activity of the scrutiny function

6.2 To take an active approach to dialogue with, and accountability to, the community, we will:

- establish clear and accessible channels of communication with all sections of the community and other stakeholders, including monitoring arrangements, to ensure that they operate effectively
- hold meetings in public, unless there are good reasons for confidentiality
- ensure arrangements are in place to enable the Council to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands

- establish a clear policy on the types of issues we will meaningfully consult on or engage with the public and service users, including a feedback mechanism for those consultees to demonstrate what has changed as a result
- on an annual basis, publish an annual report 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 accessible to the community, service users and its officers 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

6.3 In order to make best use of human resources, we will:

- develop and maintain a clear policy on how officers and their representatives are consulted and involved in decision making

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