

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS & AUDIT COMMITTEE

Agenda Item No 5

meeting date: 25 JUNE 2014
title: LOCAL CODE OF CORPORATE GOVERNANCE
submitted by: DIRECTOR OF RESOURCES
principal author: SALMA FAROOQ

1 PURPOSE

1.1 To consider the revised Local Code of Corporate Governance.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities – a well-managed Council.
- Other Considerations – none identified.

2 BACKGROUND

2.1 The Council has previously approved and adopted a Code of Corporate Governance, which was consistent at the time with the principles of the CIPFA/SOLACE Framework for Corporate Governance in Local Government: A Keystone for Community Governance.

2.2 This framework was revised in 2007 and replaced by the CIPFA SOLACE Framework Delivering Good Governance in Local Government. In December 2012 further revised guidance and an addendum were issued and the Council's local code of Corporate Governance has been further reviewed and updated in line with this revised guidance.

3 ISSUES

3.1 The code is a public statement that sets out the way the Council will meet its commitment to demonstrating that it has the necessary Corporate Governance arrangements in place to perform effectively. It represents a key component of the Council's governance arrangements. It applies to all Council members, Officers, Partners and Stakeholders in their dealings with the Council. The Council is not required to include the local code in the constitution and it is proposed that this revised code is published separately on the Council's website.

3.2 The Council must conduct a review at least once a year of the code. The Code for Corporate Governance is attached at Annex 1 and has been developed based upon the requirements and guidance received from CIPFA.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – None
- Technical, Environmental and Legal – None
- Political – None
- Reputation – The Council must ensure that it has a sound system of internal control in place.
- Equality & Diversity – None

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve the attached revised Local Code of Corporate Governance, which is attached at Annex 1.

SENIOR AUDITOR

DIRECTOR OF RESOURCES

AA11-14/SF/AC
13 June 2014

BACKGROUND PAPERS

None

For further information please ask for Salma Farooq.

Local Code of Corporate Governance

Corporate Governance is the system by which the Council directs and controls its functions and relates to the community. Ribble Valley Borough Council is committed to the highest standards of good governance.

The Council has developed and adopted a local code of corporate governance which reflects the key components as set out in the CIPFA/SOLACE Delivering Good Governance in Local Government Framework.

Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

In carrying out its duties and responsibilities, the Council will:

- Exercise strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users.
- Ensure that users receive a high quality of service, whether directly, or in partnership, or by commissioning.
- Ensure that the authority makes best use of resources and that tax payers and service users receive excellent value for money.

Members and officers working together to achieve a common purpose with clearly defined functions and roles

The Council will monitor the implementation of its agreed policies and decisions and aim to achieve continuous improvement in the delivery of services by maintaining arrangements which:

- Ensure effective leadership throughout the authority and are clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.
- Ensure that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard.
- Ensure relationships between the authority its partners and the public are clear so that each knows what to expect of the other.

Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

The Council will put into place effective political and managerial structures and processes to govern its decision-making and the exercise of its authority, through:

- Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.
- Ensuring that organisational values are put into practice and are effective.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

The Council will establish and maintain a systematic strategy, framework and processes for managing risk, by:

- Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.
- Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants / needs.
- Ensuring that an effective risk management system is in place.
- Using their legal powers to the full benefit of the citizens and communities in their area.

Developing the capacity and capability of members and officers to be effective

The Council will:

- Make sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.
- Develop the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.
- Encourage new talent for membership of the authority so that best use can be made of individual skills and resources, balancing continuity and renewal.

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

The Council will:

- Exercise leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.
- Take 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.
- Make best use of human resources by taking an active and planned approach to meet responsibility to staff.

Ribble Valley Borough Council will deliver these outcomes through:

- Reviewing on annual basis, its Governance arrangements to ensure compliance with this Code, the delivery of Good Governance within the Local Government Framework and current good practice. The purpose of the review will be to provide assurance that governance arrangements are adequate and operating effectively or to identify action which is planned to ensure effective governance in the future.
- Reporting bi-annually to members and management team the corporate governance arrangements in place.
- Annually assessing the 'Role of the Chief Financial Officer' and the 'Role of the Head of Internal audit', using guidance published by CIPFA.
- Producing an Annual Governance Statement documenting the extent to which the local code has been adhered to and the actions required where adherence has not been achieved.

Key Elements of Local Code of Corporate Governance

- Standing Orders relating to meetings of the Council
- The Member/Officer Protocol
- Constitution of the Council
- Corporate Strategy
- Sustainable Community Strategy
- Budgetary Procedures
- Scheme of Delegation
- Access to Information Procedure Rules
- Financial Regulations
- Contract Regulations
- Code of Conduct for Members and Standards Committee
- Code of Conduct for Employees
- Medium Term Financial Strategy
- Anti-Fraud Policy
- Whistleblowing Policy
- Complaints Procedure
- Disciplinary Procedure
- Corporate Health and Safety Policy
- Risk Management Statement
- Risk Management Policy
- Risk Management Working Group
- Internal Audit Charter
- Internal Audit Plan
- Internal Audit Report
- External Audit Annual Plan
- External Audit Reports
- External Audit Annual Letter to Members
- Annual Financial Reports (Budget and Final Accounts)
- Performance Management System
- Performance Management Reporting (Performance Indicators)
- Citizen's Panel
- Feedb@ck Online
- Register of Interests
- Annual Governance Statement
- Principles of Corporate Governance Framework (Review Document)
- Crime Reduction Strategy
- Partnership Protocols
- Business Continuity Plans

Devised: August 2005
Reviewed & amended: September 2007
Reviewed & amended: April 2009
Reviewed & amended: July 2014