Suffolk Coastal District Council and Waveney District Council

Code of Corporate Governance

May 2014

1. Introduction

The Council is required to develop and maintain an up to date Code of Corporate Governance ("the Code") and to prepare an Annual Governance Statement in order to report publicly on its compliance with the Code.

This document sets out how Suffolk Coastal District Council (SCDC) and Waveney District Council (WDC) ("the Partnership") intend to apply the principles of corporate governance in the way they operate and conduct their business. It has been developed in accordance with the principles outlined in the framework and guidance notes for CIPFA/SOLACE "Delivering Good Governance in Local Government (2012).

2. What is Governance?

Governance is about how the Partnership ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which such bodies are directed and controlled and through which they account to, engage with, where appropriate, lead their communities.
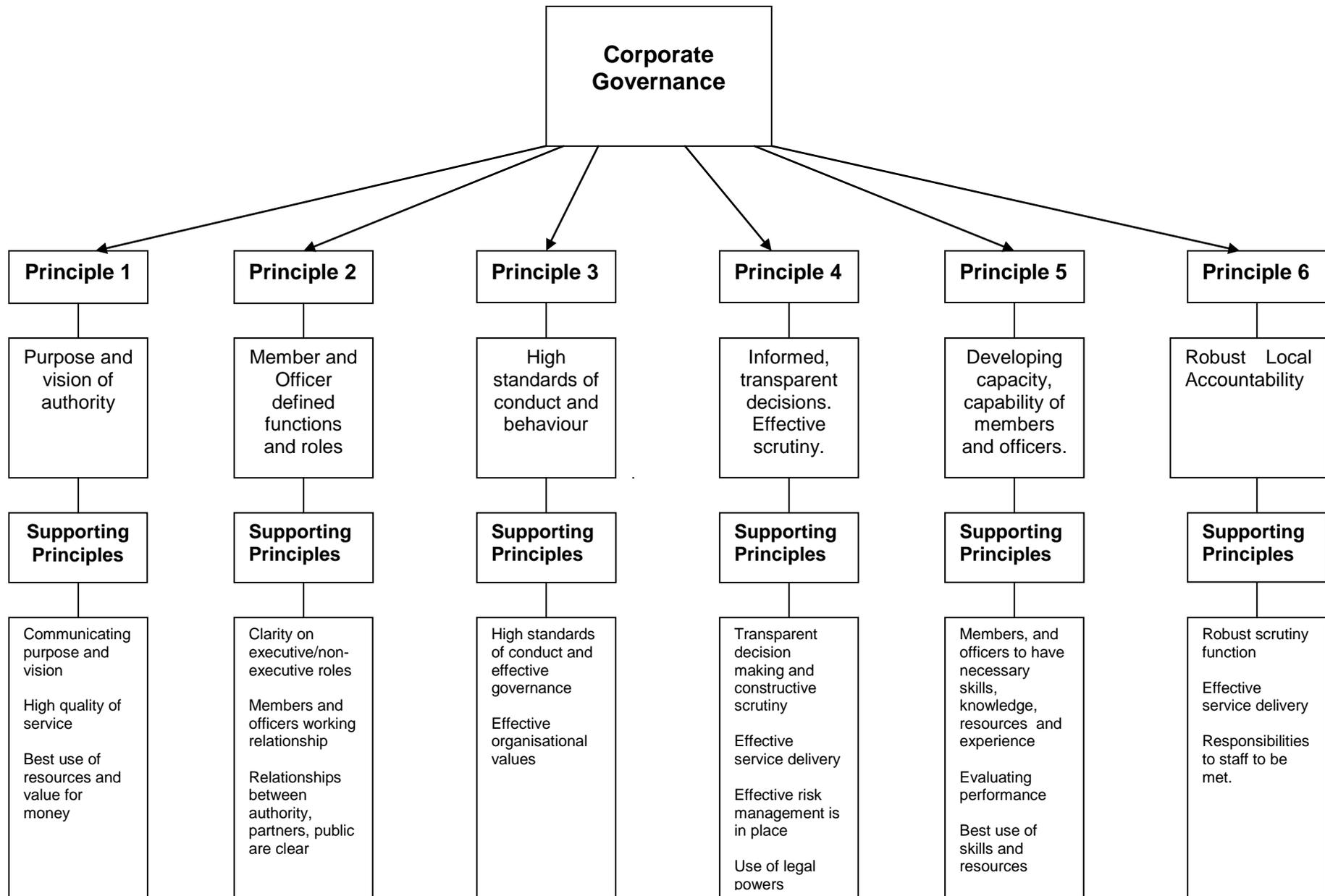
Good governance enables the Partnership to define and pursue its vision more effectively. It leads to improvements in management, performance, stewardship of public money and public engagement and outcomes for individuals and the community. It ensures that appropriate mechanisms for control are in place and that risks and opportunities are managed effectively.

3. Core Principles of Good Governance

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

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

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

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

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

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

4. Applying the Principles of Good Governance

Each of the six core principles of good governance has a number of supporting principles, which in turn, translate into a range of specific requirements that apply across the various aspects of the Partnership's business. The tables below show how each of these principles should be applied.

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                          │   Governance    │
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Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6
Purpose and vision of authority	Member and Officer defined functions and roles	High standards of conduct and behaviour	Informed, transparent decisions. Effective scrutiny.	Developing capacity, capability of members and officers.	Robust Local Accountability
Supporting Principles	**Supporting Principles**	**Supporting Principles**	**Supporting Principles**	**Supporting Principles**	**Supporting Principles**
Communicating purpose and vision High quality of service Best use of resources and value for money	Clarity on executive/non-executive roles Members and officers working relationship Relationships between authority, partners, public are clear	High standards of conduct and effective governance Effective organisational values	Transparent decision making and constructive scrutiny Effective service delivery Effective risk management is in place Use of legal powers	Members, and officers to have necessary skills, knowledge, resources and experience Evaluating performance Best use of skills and resources	Robust scrutiny function Effective service delivery Responsibilities to staff to be met.

Principle 1: Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

Supporting Principles	Requirement of Local Authorities
Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcome for citizens and service users.	Develop and promote the authority's purpose and vision
	Review on a regular basis the authority's vision for the local area and its implications for the authority's governance arrangements.
	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.
	Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance.
Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.	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.
Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.	Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively.
	Measure the environmental impact of politics, plans and decisions.

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

Supporting Principles	Requirement of Local Authorities
Ensuring effective leadership throughout the authority and being clear about executive and non executive functions and of the roles and responsibilities of the scrutiny function.	Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into place.
	Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and senior officers.
Ensuring that constructive working relationship exists between selected members and officers and that the responsibilities of authority members and officers are carried out to a high standard.	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 authority taking account of relevant legislation and ensure that it is monitored and updated when required.
	Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management.
	Develop protocols to ensure that the leader and chief executive (or equivalent) negotiates their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.

Supporting Principles	Requirement of Local Authorities
	Make a senior officer (the section 151 officer) responsible to the authority 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 control.
	Make a senior officer (usually the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.
Ensuring relationships between the authority, its partners and the public are clear so that each other know what to expect of the other.	Develop protocols to ensure effective communication between members and officers in their respective tasks.
	Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel.
	Ensure that effective mechanisms exist to monitor service delivery.
	Ensure that the organisation'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 authority.
	Ensure that there is clarity about the legal status of the partnership.
	Ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.

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

Supporting Principles	Requirement of Local Authorities
Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.	Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.
	Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols.
	Put in place arrangements to ensure that members and employees of the authority 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.
Ensuring that organisational values are put into practice and are effective.	Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicate these with members, staff, the community and partners.

Supporting Principles	Requirement of Local Authorities
	Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.
	Develop and maintain an effective standards committee.
	Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority. 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.

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

Supporting Principles	Requirement of Local Authorities
Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.	Develop and maintain and effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisations 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 employees 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 committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee.
Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.	Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.
Having good quality information, advice and support to ensure that services are delivered effectively and are what the community/wants/needs.	Ensure that those making decisions, whether for the authority of the partnership, are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical and financial 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.
Ensuring that an effective risk management system is in place.	Ensure that risk management is embedded into the culture of the authority; with members and managers at all levels recognising that risk management is part of their jobs.
	Ensure that effective arrangements for whistleblowing are in place to which officers, staff and all those contracting with or

Supporting Principles	Requirement of Local Authorities
	appointed by the authority have access.
Using their legal powers to the full benefit of the citizens and communities in their area.	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine, but also strive to utilise their powers to the full benefit of their communities.
	Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law.
	Observe all specific legislative requirements placed upon them, 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 their procedures and decision making processes.

Principle 5: Developing the capacity and capability of members and officers to be effective

Supporting Principles	Requirement of Local Authorities
Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.	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 are properly understood throughout the authority.
Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group.	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 arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan, which might for example aim to address any training or development needs.
Ensuring new talent for membership for the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.	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 authority.
	Ensure that career structures are in place for members and officers to encourage participation and development.

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

Supporting Principles	Requirement of Local Authorities
Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.	Make clear to themselves, all staff and the community to whom they are accountable and for what.
	Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required.
	Produce an annual report on the activity of the scrutiny function.
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.	Ensure clear channels of communication are set in place with all sections of the community and other stakeholders, including monitoring arrangements, and ensure that they operate effectively.
	Ensure that arrangements are in place to enable the authority 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.
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.	Establish a clear policy on the types of issue on which they 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.
	Publish an annual performance plan giving information on the authority'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 authority as a whole is open and accessible 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.
Making best use of human resources by taking an active and planned approach to meet responsibilities to staff.	Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.

5. Annual Review and Reporting

5.1 Each year both Councils will carry out a review of their Governance arrangements to ensure compliance with this Code in accordance with Delivering Good Governance within the Local Government CIPFA/ SOLACE Framework. The purpose of the review will be to provide assurance that governance arrangements are adequate, operating effectively and to identify action for improvement

which will develop and shape governance within the Authorities. Appendix A, The Corporate Policy Framework, provides an overview of the policies in place to ensure that both Authorities have in place sufficient governance arrangements.

5.2   The outcome of the review will take the form on a Governance Statement prepared on behalf of the Leader of the Council and Chief Executive. It will be submitted to the Cabinet for consideration and review.

5.3   The preparation and publication of the Governance Statement will meet the statutory requirement of the Accounts and Audit Regulations which requires authorities to "conduct a review at least once in a year of the effectiveness of its system of internal control" and to prepare a statement on internal control "in accordance with proper practices". As such the Governance Statement will be prepared in accordance with the timetable in participation of financial statements in accordance with the Audit and Accounts Regulations.

Suffolk Coastal District Council
Governance Assurance Corporate Framework
Supporting Evidence & Processes

Policies, Strategies, Rules & Codes	Processes and Frameworks	Key documents	Functions
• Anti-theft, fraud & corruption policy • Capital Strategy • Code of Conduct • Code of Corporate Governance • Constitution • Customer Access Strategy • Data Quality Strategy • Employment rules • Equality & diversity policies • Financial procedure rules and standing orders (within Constitution) • Financial regulations • Health and Safety policies • ICT strategy and action plan • Medium Term Financial Strategy • Members' allowances scheme (Constitution) • Members' code of conduct (Constitution) • Officers' code of conduct (Constitution) • Pay policy statement • Procedure rules (contracts, employment, meetings) (Constitution) • Procurement regulations • Procurement strategy • Protocol on member / officer relations (Constitution) • Prudential code • Risk Management Strategy • Scheme of Delegation (within Constitution) • Treasury Management Policy statement • Treasury Strategy	• Budget process • Business case appraisal process • Business continuity framework • Competency frameworks (part of Managing Performance – people – framework) • Complaints process • Customer feedback process • Health and Safety audit process • Induction process • Job evaluation process • Managing performance (people) framework (including appraisal process) • Member training • Partnership framework • Performance Management (business) framework (including team and service plans) • Risk management process • Scrutiny framework (Constitution)	• Annual audit letters • Annual Governance Statement • Assurance Statements • Business Plan • Committee reports, agendas and minutes • Complaints reports • Consultation register • Corporate Risk Register • Council newsletter • Council tax booklet 2013-14 • Council website • East Suffolk Partnership priorities • External inspection / review reports • Ideas scheme • IiP accreditation report • Intranet • JNC terms & conditions • Job descriptions • Key decisions (within Constitution) • Law & governance • Publication Scheme (Freedom of Information) • Quarterly performance reports • Record of decisions • Registers of interest • Salary scales • Senior management remuneration report • Service level agreements • Service plans • Staff surveys • Statement of Accounts • Statement of Internal Control (part of AGS) • Statement of Partnership Intent • Suffolk Code of	• Audit and Governance Committee • Corporate Governance Group • Director of Resources • External audit (and other reviews) • Finance service • Functions and responsibilities of senior officers and councillors (within Constitution) • Head of Paid Service • Health and Safety officer • Human Resources • Independent remuneration panel • Internal audit • Local Government Ombudsman (report) • Monitoring officers • S151 officer • Standards Committee • Terms of reference for committees (Constitution) • Transformation & Corporate Services

Policies, Strategies, Rules & Codes	Processes and Frameworks	Key documents	Functions
• Whistleblowing policy		Conduct • Suffolk Compact • Timetable of council meetings • Training programmes • Transforming Suffolk priorities • Transparency publications • Workforce development and plans	

Key

Hyperlink to information on internet