

LOCAL CODE OF

CORPORATE

GOVERNANCE

SEPTEMBER 2022

**St. Albans City and District Council**

**Local Code of Corporate Governance**

1. **What is Corporate Governance?**
   1. The Corporate Governance framework comprises of the systems and processes, culture and values by which an organisation is directed and controlled. For local authorities this includes how a council relates to the community it serves.
   2. Good Corporate Governance requires the Council to be open, transparent, effective, inclusive of all sectors of the community, accountable to the public it serves and to demonstrate integrity.
   3. This Code is a public statement of the ways in which the Council demonstrates good corporate governance.
2. **The Principles of Corporate Governance**
   1. The Code is based around seven principles which were identified in the April 2016 joint publication by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). Their published guidance 'Delivering Good Governance in Local Government' identified the following as the essential criteria for the provision of good governance.
3. Behaving with integrity, demonstrating a strong commitment to ethical values and respect the rule of law
4. Ensuring openness comprehensive stakeholder engagement
5. Defining outcome in terms of sustainable economic, social and environmental benefits
6. Determining the interventions necessary to optimise the achievement of the intended outcomes
7. Developing the entity’s capacity, including the capability of its leadership and the individuals within it
8. Managing risks and performance through robust internal control and strong public financial management
9. Implementing good practices in transparency, reporting and audit to deliver effective accountability.
   1. By aligning to the CIPFA framework the Council ensures that:

* Resources are directed in accordance with agreed policy and according to priorities;
* There is sound and inclusive decision making;
* There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
  1. The tables below demonstrate the Council’s response to these Core Principles.

1. **Reporting and Monitoring Arrangements**
   1. The Accounts and Audit Regulations 2015 require the Council to review at least once a year the effectiveness of its system of internal control and to approve and publish an Annual Governance Statement (AGS)
   2. This Code facilitates the Council’s review of its corporate governance arrangements for the purpose of the AGS. The AGS is reviewed and monitored by the Audit Committee.
   3. The Code will be reviewed and, where required, updated annually. The Council (via the Audit Committee) will discuss any significant revisions to the Code before its approval.

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

|  | **Supporting Principle** | **The Council does this by:** | **Evidence of Compliance** |
| --- | --- | --- | --- |
| 1A | Behaving with integrity | * Having in place an agreed and periodically reviewed Code of Conduct for councillors and staff, which build on the Seven Principles of Public Life (the Nolan Principles) and are part of the Constitution * Programme of Councillor training on the Code * Having in place well-structured and transparent decision making processes and delegation arrangements * Regularly reviewing its policies to ensure that they remain effective and compliant * Having regular meetings between the Strategic Leadership Team and the Lead Councillor Team * Service Committees to ensure coherent political direction * Having an established Values and Behaviours Framework setting Council expectations for how staff conduct their work * Having established HR procedures for staff and line managers; having regular one to one’s, performance conversations and annual reviews for all staff | The Corporate Plan  Annual Report  Constitution  Service Committee reports and minutes circulated to staff and available online for the public and staff to view  Induction and training programme for Councillors  Officer Code of Conduct Councillors’ Code of Conduct Contracts Register  Anti-Fraud and Corruption Strategy and Action Plan  Corporate Information Security and Computer Use policies  Social Media policy  Register of Interests and Register of Gifts and Hospitality for both Councillors and Staff  Personnel policies and training programme  Investors in People Accreditation  Internal Audit plan, annual report and review of effectiveness |
| 1B | Demonstrating strong commitment to ethical values | * Appointing Experienced Section 151 / Monitoring Officers with appropriate qualifications and seniority within the Council to promote ethical values * Asking Council to appoint an Audit Committee, and appointment of an Independent Member onto the Committee * Having a Standards Committee that consists of District Councillors and non-voting town/parish councillors who are not also District Councillors * Providing advice on ethical standards to Parish and Town Councils * Having established processes for quickly investigating complaint / ethical standards issues * Having a supported, effective and periodically reviewed whistleblowing policy * Promoting ethical values through open tendering standard contract documentation | Constitution  Publicly available Standards Committee agenda and minutes  Corporate Equalities Scheme Whistleblowing Policy  Financial Regulations and Contract Standing Orders  Corporate Complaints procedure Policy and committee reports  Procurement Strategy |
| A3 | Respecting the Rule of Law | * Having a modern, up to date, Constitution approved by Full Council * Ensuring Councillors and Officers demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations * Creating the conditions that the statutory Officer, other key post holders, and Councillors, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements * Ensuring all decision making reports containing relevant legal constraints * Ensuring decisions are only taken after advice from appropriate officers * Ensuring Section 151 / Monitoring Officers are part of report clearing process * Ensuring corruption and misuse of power are dealt with effectively * Dealing with any breaches of legal and regulatory provisions effectively | Constitution  Financial Regulations and Contract Standing Orders  Policy and committee reports  Anti-Fraud and Corruption Strategy and Action Plan – including Money Laundering and Terrorism Financing  Codes of Conduct  Declarations of Pecuniary Interests for Councillors publicly accessible Declarations of Gifts and Hospitality for Officers and Councillors publically accessible  Transparency Agenda |

Core Principle B – Councillors and officers working together to achieve a common purpose with clearly defined functions and roles.

|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| --- | --- | --- | --- |
| B1 | Openness | * Providing effective ‘critical friend’ challenge through the Council’s scrutiny processes * Responding to FOI (Freedom of Information) and Subject Access Requests in accordance with legal provision * Using open data standards in our on-line data sites including spend and contract information * Publishing on-line and properly documenting all decisions taken by the Service Committees * Ensuring that emergency decisions made by the Head of the Paid Service follow constitutional arrangements * Webcasting of Council meetings * Maintaining an effective website * Making publicly available agenda of and clear minuting of all meetings in accordance with statutory regulations. * Adhering to the Transparency Agenda | Corporate and Service Plans Communications protocol Constitution  Overview and Scrutiny Committee reports to Council  Customer care standards  Website Corporate Equalities Scheme and Equality Impact Assessments  St Albans magazine for residents Publication of agendas and minutes of meetings  Annual Statement of Accounts Annual report  Medium Term Financial Strategy  Published Freedom of Information / Environmental Information scheme Service Committee workplans  Staff training  Publication Scheme |
| B2 | Engaging comprehensively with institutional stakeholders | * Developing formal partnerships / making arrangements where an effective business case can be demonstrated * Ensuring that partnerships are based on trust; a shared commitment to change; a culture that promotes and accepts challenge among partners; that the added value of partnership working is explicit * Attending and participating in meetings with other local authorities under ‘duty to cooperate’ * Engaging with local organisations by Officer attendance / participation * Appointing Councillors to other community organisations that request it. * By monitoring and maintaining an effective record of the partnerships we participate in * By providing effective ‘critical friend’ challenge through the Council’s scrutiny processes | Partnership strategy and register  Various Service Level Agreements (SLAs)  Service Committee reports  Constitution  Board arrangements for key partnerships |
| B3 | Engaging with individual citizens and service users | * Having a consultation policy and plans * Ensuring meaningful consultation takes place during key service changes that involves communities, individual citizens, service users and other stakeholders to ensure that service provision is contributing to the intended outcomes * Ensuring statutory consultation processes are followed and consistently applied * Ensuring that communication methods are effective and that Councillors and Officers are clear about their roles in community engagement * By having clear feedback mechanisms in order to demonstrate how views have been taken into account. * Using a combination of communication methods to engage with citizens * Having clear compliment and complaint procedures * Ensuring the Council and its Councillors take account of consultation in the context of its decision making and the financial impact on tax payers | Magazine for residents  Council website  Corporate complaints procedure  Residents’ surveys  Range of consultation outcomes including Local Plan, planning policy, leaseholders and tenant forums  Team that provides advice on designing, running and analysing consultations and surveys |

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| C1 | Defining outcomes in terms of sustainable economic, social and environmental benefits. | * Having a Corporate Plan that has a clear vision of the economic, social and environment of the District, with supporting service plans * Draft Local Plan that supports the Council’s vision * Decision making takes account of these effects on its residents * Paying due regard to the Public Sector Equality Duty by ensuring the Council provides fair access to the services it provides * Full engagement with the St Albans Community Safety Partnership * Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available | Corporate Plan and Service Plans Sustainability Strategy  Carbon Management Plan  Magazine for residents  Tenant and leaseholder forums  St Albans Community Safety Partnership  Emerging Local Plan |

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

|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| --- | --- | --- | --- |
| D1 | Determining interventions  Planning interventions | * Decision making processes that receive objective and rigorous analysis including involvement of the Monitoring Officer and the Section 151 Officer * Processes that take account of service users when making decisions * Retaining control over preparation of strategic and operational plans * Developing a corporate approach to project management * Ensure decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks * Ensuring best value is achieved no matter how services are delivered * A Corporate Plan with measurable objectives * Key Performance Indicators that are measurable / SMART and take account of Councils objectives * A robust budget preparation process that reflects the Council’s objectives and the Medium Term Financial Strategy * Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets * Ensure capacity exists to generate the information required to review service quality regularly * Considering and monitoring risks facing each partner when working collaboratively, including shared risks * Ensuring the achievement of “social value” through service planning and commissioning | Annual Report  Quarterly and annual Finance and Performance Reports  Budget setting and approval process  Annual Governance Statement Risk registers  Council website  Corporate and Service Plans Service Committee agendas, reports and minutes  Workforce Plan  Procurement Strategy  Slavery and Human Trafficking Statement |

Core Principle E – Developing the Council’s capacity, including the capability of its leadership and the individuals within it

|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| --- | --- | --- | --- |
| E1 | Developing the Council’s capacity  Developing the capability of the Council’s leadership and other individuals | * Councillors and staff have appropriate induction processes, access to personal development appropriate to their roles * Staff have annual reviews, performance conversations, regular 1:1s and access to arrangements to maintain their health and wellbeing * Statutory Officers having the qualifications, skills, resources and support necessary to perform effectively in their roles * The Leader/ Head of Paid Service / Strategic Directors and their direct reports having clearly defined leadership roles * Having job descriptions with candidate specifications, and using interviews and tests during the recruitment process to assess the ability of candidates to carry out the duties set out in the job description * That the Council operations, performance and use of its assets are reviewed regularly to ensure their effectiveness * Effective workforce planning to enhance resource allocation so that defined outcomes are achievable * Having clear systems of decision making and publishing effective delegation schemes * Participate in partnerships where there is a sound business case that it will add value | Workforce Plan  Corporate and Councillor training programme  Councillor and Staff training records and development plans  Recruitment process  Job description and person specifications  Continuous Professional Development for professional Officers  Annual Learning and Development Plan  Investors in People Accreditation  Constitution Reports to SLT, Service Committees |

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

|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| --- | --- | --- | --- |
| F1 | Managing risk  Managing performance  Robust internal control  Managing data  Strong public financial management | * Ensuring risk management is an integral part of the Council’s activities and decision making * Having robust and integrated risk management arrangements with regular and dynamic consultation of risk by SLT and managers * Having clear responsibilities for managing individual risks and a Risk plan that allocates responsibility against each risk * Having an effective Overview and Scrutiny function to provide constructive challenge on policy and performance * Councillors receiving regular reports on Service / Council delivery plans * Having Anti- Fraud and Corruption arrangements in place and a Whistleblowing policy * Having an effective Money Laundering and Terrorism Financing policy in place * Having an effective Internal Audit function to provide independent assurance on governance, risk management and control that takes account of areas of risk including those associated with emergency response and recovery * Having an Audit Committee that is independent of the Service Committees providing additional assurance within its power to ensure its recommendations are listened to and acted upon * Having effective arrangements in place for the safe management of data particularly Data Sharing with other bodies and a designated Data Protection Officer * Having effective financial management systems that include management of financial risks * Making decisions based on relevant clear objective analysis and advice pointing out the implications and risks inherent in the financial, social, environmental, legal position and outlook | Constitution  Risk Management Strategy Corporate Risk Register  Regular risk management reports to Audit Committee  Business Continuity Plans  Data Sharing Agreements  Internal Audit Plan, annual report and recommendations tracker  Anti-Fraud and Corruption Strategy and Action Plan  Whistleblowing Policy  External Audit reports  Annual Governance Statement Reports to Council and Service Committees of the Council with implications provided that are clear and measured. |

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Supporting Principles** | **The Council does this by:** | **Evidence of Compliance** |
| G1 | Implementing good practice in transparency  Implementing good practice in reporting Assurance and effective accountability  Managing data. | * Having a defined process to ensure that reports for the public / stakeholders are fair, balanced and easy to access and understandable for the audience * Reporting regularly on performance, value for money and on the use of resources * Requiring Managers to produce annual assurance statements * Ensuring that Management and Councillors have clear lines of responsibility for the performance results * Preparing an Annual Governance Statement on the robustness of this framework * Having processes to ensure external / internal audit recommendations are acted upon / responded to by Managers and the Council * Having effective internal audit and annual audit programs that are accessible for Councillors scrutiny and tracked subsequently * Ensuring that arrangements are in place for confidential reporting or ’whistleblowing’ which are published to staff * The Overview and Scrutiny Committee undertaking constructive challenge * Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met | Constitution  Agenda and minutes of Service Committee meetings  Transparency Code  Data Sharing Agreements  Internal Audit Plan, annual report and recommendations tracker  Anti-Fraud and Corruption Strategy and Action Plan  Whistleblowing Policy  Agenda and minutes of Overview and Scrutiny Committee  Annual work programme of the Overview and Scrutiny Committee External Audit reports  Annual Governance Statement |