

South Cambridgeshire District Council - Code of Corporate Governance

Presented to Audit and Corporate Governance Committee: 29 September 2017

A Council's Code of Corporate Governance is:

“The system by which local authorities direct and control their functions and relate to their communities”

Guidance from CIPFA and SOLACE suggests each local authority should develop and maintain a Code of Corporate Governance based on seven *new* core principles, supported by sub-principles, that should underpin the governance structure for the whole Council. The seven new core principles of good governance are as follows:

1. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.

The Council's governance arrangements during 2016-2017 have been evaluated against the seven new principles above. The Council's Audit and Corporate Governance Committee will be asked to approve the Code at its meeting on 29 September 2017.

This Code takes each of the principles of good governance in turn and sets out the systems, processes and principles the Council has put in place to ensure good corporate governance. The Code will be reviewed annually through the Annual Governance Statement process, which will identify the actions to be taken to enhance the code or address any limitations with in it.

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September 2017

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Principle A – Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Sub-principles	How does the District Council achieve this?	Supporting Evidence
<ul style="list-style-type: none"> - Behaving with Integrity - Demonstrating Strong - Commitment to Ethical Values - Respecting the rule of Law 	<p>The Council expects the authority's leadership – both Members and Officers - to create a climate of openness, support and respect and to uphold the Council's values.</p>	<p>Constitution</p>
	<p>The standards of conduct and personal behaviour expected of Members and staff is set out in the Employee Code of Conduct, the Member Code of Conduct and in the Member/ Officer protocol. An up-to-date register of Member and Officer Senior Officer Interests is maintained.</p>	<p>Employee Code of Conduct Member Code of Conduct Member/Officer Protocol Register of Interests</p>
	<p>The Council has appointed two “independent persons” to support this, in accordance with the requirements of the Localism Act, 2011.</p>	
	<p>The Council has put in place procedures for considering complaints so that members of the public can express dissatisfaction with Council services and their concerns can be monitored and addressed. SCDC has a key performance measure for the timeliness of complaint responses.</p>	<p>Complaints Procedure Quarterly Performance Reports</p>
	<p>The Council's Civic Affairs Committee is responsible for constitutional issues and ensures that the constitution is monitored and updated when required.</p>	<p>Terms of Reference for Civic Affairs Committee</p>
	<p>The terms of reference of the Civic Affairs committee are detailed in the Constitution and include responsibility for advising on the Council's ethical framework and the promotion of openness, accountability and probity to ensure the highest standards of conduct.</p>	<p>Constitution</p>
<p>The Council maintains a Whistleblowing policy to enable confidential</p>	<p>Whistleblowing Policy</p>	

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	<p>reporting of suspected breaches of the Employee Code of Conduct or unethical behaviour. It also maintains an Anti-Fraud and Corruption Policy. Both policies are reviewed periodically by the Audit and Corporate Governance Committee.</p> <p>The Council’s standing orders and financial regulations put in place processes designed to ensure that Members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.</p> <p>The Council operates within the legal framework for local councils complying with its statutory duties and making the most of its powers to meet the needs of the District and its residents.</p> <p>The Head of Legal Practice is the Council’s Monitoring Officer, responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p> <p>The Council ensures that 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.</p> <p>The Council has a clear Procurement Strategy designed to meet the Council’s wider objectives and Contract Procedures Rules designed to deliver robust and fair procurement processes.</p>	<p>Anti-Fraud and Corruption Policy</p> <p>Financial Regulations</p> <p>Constitution</p> <p>Monitoring Officer Role Description and Article 12 of Constitution</p> <p>Recruitment, selection and training policies</p> <p>Procurement Strategy. Contract Procedure Rules</p>
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Principle B – Ensuring openness and comprehensive stakeholder engagement		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<p>-Openness - Engaging comprehensively with Institutional stakeholders -Engaging stakeholders effectively, including citizens and service users</p>	<p>The Council holds its meetings, and those of its committees and Cabinet Portfolio Holders in public unless there are good reasons for confidentiality or a relevant exemption applies. The public are allowed to ask questions at all Council and committee meetings.</p> <p>The Council records the deliberation of scrutiny committees and the reasons for Executive and Regulatory decisions and makes agenda papers and minutes available on the Council’s website. The Council also records and publishes on the website written questions asked at Council meetings and their answers, and oral questions and answers where these are available.</p> <p>Officers use standard report templates for committee and executive reports to help ensure that readers are provided with information that is accurate, complete and unbiased. Reports make clear the options available so that the implications of all decisions and strategic risks can be assessed before those decisions are made.</p> <p>The Council has a Joint Development Control Committee with the County Council and Cambridge City Council for decisions affecting growth sites bordering South Cambridgeshire and Cambridge City.</p> <p>The Council has a clear understanding of the needs of the district, strategically and locally, gathered from an understanding of our communities and the wider sub-region; ability to ‘drill-down’ to contextualise data which, at district-level, may hide vulnerability</p> <p>The Council uses local intelligence to shape services and partnerships.</p>	<p>Committee Agendas Constitution Committee Forward Plan</p> <p>Agendas and Minutes of Committees Council Website</p> <p>Standard Report Templates</p> <p>Terms of Reference of Joint Development Control Committee</p> <p>Corporate Plan</p> <p>Case studies identified in Position Statement 2016</p>

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	<p>The Council has valued engagement mechanisms in place e.g. agents and parish forums, tenant participation group</p> <p>The Council tailors its 'offer' to suit customer need e.g. Business Hub, Key Accounts, major developments, demand-led charging structures</p> <p>The Council operates in accordance with principles of partnership working agreed with our key partner organisations.</p> <p>The Council proactively leads local partnerships e.g. monthly multi-agency meetings to share intelligence and take action on issues such as anti-social behaviour and fly-tipping</p> <p>The Council ensures that the authority as a whole is open and accessible to the community, service users and its staff.</p> <p>The Council promotes the role of Councillors and lets the public know who the Councillors are, what roles they have on the Council and how to contact them.</p> <p>The Council makes clear through its website and other Council publications the services that it is responsible for, how people can contact the Council and the service standards they can expect.</p> <p>The Council undertakes surveys of residents to ensure that it has up to date information about their priorities and levels of satisfaction with the Council and its services.</p>	<p>(prepared for LGA Peer Challenge)</p> <p>Constitution Cambridgeshire Compact</p> <p>Terms of Reference for multi-agency groups</p> <p>Customer Contact Centre, service standards and South Cambridgeshire Hall access.</p> <p>Council website. South Cambs magazine</p> <p>Council website Council Tax leaflet South Cambs magazine</p> <p>Consultation Panel. Corporate Plan annual consultation and engagement. Statement of Community Involvement</p>
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	<p>The Council’s consultation programme ensures that the Council proactively seeks the views of a wide range of people and engages with all sections of the community effectively.</p> <p>The Council seeks to ensure all views are actively considered when making decisions, recognising that it is not always possible to reconcile conflicting viewpoints. The Council ensures it makes feedback available to consultees on the outcomes of consultation, what has changed as a result and explaining how it has reached decisions.</p> <p>The Council undertakes Equality Impact Assessments of all major policies and decisions and takes action to implement changes required, to ensure that council services and policies consider the diverse needs of its service users and citizens.</p> <p>It has an Equality Scheme covering all protected characteristics under the Equality Act 2010, containing commitments which are aligned to Corporate Plan objectives and reviewed annually.</p> <p>The Council recognises two Trade Unions and holds regular liaison meetings involving the Chief Executive and Head of People and Organisational Development.</p>	<p>Regular customer satisfaction surveys by directorates and associated key performance measures</p> <p>Cabinet reports. Statement of Community Involvement South Cambs Magazine</p> <p>Equality Implications section in standard report template. Completed Equality Impact Assessments published on SCDC website</p> <p>Equality Scheme 2015-2020</p> <p>Trade Union Agreements</p>
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Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<p>-Defining Outcomes - Sustainable economic, social and environmental benefits</p>	<p>The Council has a clear vision for the District and sets objectives to guide the Council's activities.</p> <p>It reviews those objectives each year, through Quarterly Position Report and the Corporate Plan and budget planning cycles.</p> <p>The Council proactively contributes to key strategic partnerships, reflecting partnership objectives within its Corporate Plan where appropriate e.g. Health and Well-being, Local Enterprise Partnership, Greater Cambridge Partnership, Cambridgeshire and Peterborough Combined Authority</p> <p>Council Business Plans assess improvement projects for their economic, social and environmental benefits</p>	<p>Vision Corporate Plan Medium Term Financial Strategy</p> <p>Business Planning Cycle and associated guidance</p> <p>Partnership objectives and websites</p> <p>Business Plans</p>
Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<ul style="list-style-type: none"> • Determining Interventions • Planning Interventions • Optimising achievement of intended outcomes 	<p>The Council has a Medium Term Financial Strategy to resource its aspirations and to assess and plan for any financial risks. The strategy is reviewed annually.</p> <p>The Council puts service to the public first. The annual business planning process is used to agree the priorities for the Council. The Corporate Plan expresses the strategic objectives for the Council over the financial year 2017/18 and beyond.</p> <p>Alongside each of the objectives are detailed the particular outcomes to be achieved and performance measures that provide evidence that the outcomes are being delivered.</p>	<p>Medium Term Financial Strategy</p> <p>Corporate Plan Agendas for Cabinet and Council – February 2017</p> <p>Quarterly Position Reports on Finance, Performance and Risk</p>

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	<p>This information enables members and the services contributing to the delivery of the plan to be clear about the priorities for the Council and assists in decisions about where resources should be focussed.</p> <p>Directors and Heads of Service prepare annual Business Plans indicating how they will meet objectives set in the corporate plan and setting out their priorities and work programmes for the year ahead.</p> <p>The Council’s overall spending plans are set out in an annual Budget Setting report for both revenue and capital expenditure.</p> <p>There are arrangements in place for regular budget monitoring and the reporting of significant variances to senior management.</p> <p>The Council works to maximise its resources by delivering services as efficiently as possible, working in partnership with others and using other providers where these are the best options.</p> <p>The Council seeks expertise from outside the authority when it does not have the necessary skills in-house, making use of peer reviews and other mechanisms for ensuring challenge of Council services. The Council has LGA membership.</p> <p>Performance against key Performance Indicators for each service are prepared for and presented to the Corporate and Executive Management Teams and Members to consider necessary remedial action.</p>	<p>Business Plans</p> <p>Budget Setting Report</p> <p>Quarterly Position Reports on Finance, Performance and Risk</p> <p>Efficiency Plan</p> <p>LGA Peer Challenge, November 2016 (Position Statement and Final report) Housemark, CIPFA and Rural Services Network benchmarking.</p> <p>Quarterly Position Reports on Finance, Performance and Risk</p>
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Principle E – Developing the Council’s capacity, including the capability of its leadership and the individuals within it		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<ul style="list-style-type: none"> •Developing the Council’s capacity •Developing the capability of the entity’s leadership and other individuals 	The Council sets out a clear statement of the roles and responsibilities of Executive Members, other Members and Council Officers in its Constitution.	Constitution
	The scheme of delegation within the Constitution makes clear which matters are reserved for collective decision-making by Council.	Constitution
	A Member/Officer protocol is used to aid effective communication between Officers and Members and to clarify their respective roles and appropriate ways of working.	Member/Officer Protocol
	The Council’s Chief Executive is its Head of Paid Service responsible and accountable to the authority for its operational management.	Constitution
	When working in partnerships the Council ensures that Members are clear about their roles and responsibilities, both individually and collectively, in relation to the partnerships and to the Council.	Partnership Terms of References
	The behaviour expected of staff and managers is set out in the Council's competency framework and this is used as the basis for staff performance appraisal.	Corporate Values Management Competency Framework Grievance and Disciplinary Procedures
	The Council holds the Gold level of the Investors in People standard.	IIP Accreditation
	The Council’s Organisational Development Strategy sets out how the Council will recruit, reward and develop its staff to reach their full potential.	Organisational Development Strategy
Staff joining the Council are offered an induction programme and their training and	Council Induction	

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	<p>development needs are reviewed regularly through the Council’s annual performance review process, which applies to all staff.</p> <p>The Council has up-to-date job descriptions. It sets and monitors clear objectives for Officers through the annual performance review process.</p> <p>It agrees appropriate remuneration for officers based on a nationally-recognised job evaluation scheme for the public sector, supplemented with local conventions.</p> <p>The Council runs a Leadership Development programme for current and aspiring managers</p> <p>The Council offers all new Members an induction programme and the opportunity to develop, with a briefing and development programme to meet their needs. The Council also provides resources for training, attending conferences/seminars and briefings in-house for all elected Members. It keeps a register of the training received by Members and involves Members in reviewing training needs and the resources available during the year.</p> <p>The Council obliges Members to have appropriate training or briefing before performing certain roles (e.g. dealing with staff recruitment or disciplinary issues, being a member of the Planning or Licensing Committees).</p>	<p>Programme</p> <p>Performance and Development Review Scheme</p> <p>Job Evaluation Scheme Pay Policy</p> <p>Leadership Development Programme</p> <p>Member Induction Programme</p> <p>Member Training Programme</p>
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Principle F – Managing risks and performance through robust internal control and strong public financial management		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<ul style="list-style-type: none"> •Managing Risk •Managing Performance •Robust Internal Control •Managing data •Strong public financial management 	The Council has a Risk Management Strategy, supplemented by procedures and guidance.	Risk Management Strategy, Procedures and guidance
	It undertakes systematic risk assessments in all areas of Council activity, including those covered by Health and Safety legislation.	Risk Assessments
	It maintains strategic and service risk registers which are reviewed regularly.	Strategic and Service Risk Registers
	The Council ensures that risk management is embedded into the culture of the authority, with managers at all levels recognising that risk management is part of their job.	Risk Management Strategy and Guidance
	Risk assessment is incorporated into the Council’s decision making and Members are advised of the Council’s risk profile at key stages.	Report template
	The Council respects the personal data of its citizens, employees, suppliers and others. The Council may communicate with in line with the principles of the Data Protection legislation and makes this clear in its own Data Protection Policy.	Information Governance Policies
	The Council respects the privacy of members of the public when carrying out investigations and ensures that privacy is only interfered with when the law permits and there is clear public interest justification.	Regulation of Investigatory Powers Act 200 – Guidance
The Executive Director (Corporate Services) is the Council’s Chief Financial Officer and S151 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 financial control.	Constitution and Job Description for Executive Director	

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	<p>The Council’s Scrutiny and Overview and Partnerships Review Committees undertake constructive challenge to enhance the Council’s performance.</p> <p>The Council also has clear protocols about Members’ access to information and officer advice to enable them to perform their roles.</p>	<p>Constitution</p> <p>Member-Officer Protocol</p>
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Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability		
Sub-Principles	How does the District Council achieve this?	Supporting Evidence
<ul style="list-style-type: none"> ●Implementing good practice in transparency ●Implementing good practices in reporting ●Assurance and effective accountability 	<p>The Council makes sure members of the public have access to information about the workings of the Council. It makes clear what information is routinely published through its Freedom of Information Publication scheme and responds promptly to requests for information. The Council publishes on its website all responses to Freedom of Information requests.</p> <p>Each year the Council publishes a Year-End Position Report and Statement of Accounts giving information on the authority's vision, strategy, performance, future plans and financial statements.</p> <p>Shared services arrangements with other local authorities or partners document their governance arrangements, which are clear, open and accountable.</p> <p>The Council maintains an independent Internal Audit function, with a risk-based annual audit plan, designed to test regularly that the Council’s policies and processes operate in practice and that the Council complies with legislation and good practice.</p> <p>The Head of Internal Audit produces an annual opinion on the Council’s internal control environment and the risk management framework to meet the requirements of the</p>	<p>Publication Scheme</p> <p>Freedom of Information Requests</p> <p>Year-End Position Report and Statement of Accounts</p> <p>Shared Services Collaboration Agreements</p> <p>Annual Audit Plan</p> <p>Head of Internal Audit Annual Opinion</p>

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	<p>Public Sector Internal Audit Standards.</p> <p>The Head of Internal Audit Opinion is used to inform an Annual Governance Statement and this is signed off by the Chief Executive and Leader of the Council.</p> <p>The Council also agrees an annual work plan with its External Auditors to test the Council’s response to major legislation and the soundness of its financial and governance processes.</p> <p>Recommendations arising from internal and external audit and inspection processes are used to inform future decision-making.</p> <p>The Major Opposition Group Leader makes an Annual Report to Council.</p> <p>The Council uses an Independent Remuneration Panel to give advice on payments to Members and considers their advice when setting the Members’ Allowance Scheme. The Panel’s recommendations are set out in a public report to Council. The Scheme is available to view on the Council’s website and is subject to regular review.</p>	<p>Annual Governance Statement</p> <p>Audit and Corporate Governance Committee Terms of Reference, Reports and Minutes</p> <p>Annual Council Agenda</p> <p>Members’ Allowances Scheme</p>
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