

CORPORATE GOVERNANCE CODE OF PRACTICE

Definition and Purpose of the Code

Corporate governance has been defined as the system by which local authorities direct and control their functions and relate to their communities.

This Code of Practice sets out how Richmond upon Thames Council aims to meet corporate governance requirements. It has been developed following the publication of the joint CIPFA (Chartered Institute of Public Finance & Accountancy) and SOLACE (Society of Local Authority Chief Executives) Framework (revised 2007).

The Authority's Code of Practice is underpinned by the following values:

Openness in the decision-making and management processes of local authorities and of the approach of individuals within them.

Inclusivity to ensure that all stakeholders and potential stakeholders have an opportunity to engage effectively with decision-making processes and actions of local authorities.

Integrity based on honesty, selflessness and objectivity and high standards of propriety and probity in the stewardship of public funds and management of the authority's affairs.

Accountability whereby local authorities and the Members and staff within them, are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance and submit themselves to appropriate external scrutiny.

Commitments

Richmond upon Thames Council is committed to:

- Working for and with local communities.
- Exercising leadership in local communities, where appropriate.
- Undertaking an 'ambassadorial' role to promote the well being of the area.
- Ensuring that continuous improvement is sought, agreed policies are implemented and decisions carried out by maintaining arrangements to do so.
- Establishing effective political and managerial structures and processes to govern decision-making and the exercise of authority within the organisation.
- Establishing and maintaining a systematic strategy, framework and processes for managing risk.

- Exercising leadership by Members and senior officers conducting themselves as role models for others within the authority and the wider community to follow; and
- Defining the standards of personal behaviour that are expected from the Members and staff and all those involved in service delivery.

The Council's Constitution states, in Article 13.02, the Principles of Decision-Making as:

“All decisions of the Council will be made in accordance with the following principles:

- a) Proportionality (i.e. the action must be proportionate to the desired outcome)*
- b) Due consultation and the taking of professional advice from officers*
- c) Due consideration to the interests of residents and other stakeholders*
- d) Due process*
- e) In accordance with legislative requirements*
- f) Respect for human rights*
- g) A presumption in favour of openness*
- h) Clarity of aims and desired outcomes and*
- i) Integrity and high standard of propriety*

Specifically the Council undertakes to:

(Note: a number of actions apply to more than one key principle and where that is the case, they are only included once to avoid duplication)

- 1. Focus on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.**

In particular the Council will:

- a) Publish a Community Plan, in partnership with other members of the Richmond Local Strategic Partnership (LSP), which sets out a Vision for the borough area.
- b) Provide support to the LSP and its Steering Group in delivering the Local Area Agreement (LAA)
- c) Publish a Corporate Plan which sets out the Council's aspirations for the future and the priorities we will be working to achieve
- d) Publish in advance the Forward Plan of key decisions to be taken by the Executive

- e) Adopt and comply with a Corporate Governance Code of Practice
- f) Develop a governance framework for partnerships to adhere to
- g) Publish Annual Accounts (with a financial and performance summary).
- h) Produce a Medium and Long term Financial Plan which links the financial planning process to the corporate planning process to ensure that resources are allocated according to agreed priorities
- i) Publish quarterly performance monitoring reports
- j) Set and monitor efficiency targets
- k) Ensure that the Annual Audit letter, other audit reports and Inspectorate reports are properly considered and responded to in an effective and timely manner.
- l) Maintain an objective and professional relationship with external auditors and statutory inspectors
- m) Take account of the environmental impact of policies, plans and decisions

2. Support members and officers working together to achieve a common purpose with clearly defined functions and roles:

In particular the Council will:

- a) Keep the Constitution under review to ensure that roles of Members and officers are clearly defined, that the Responsibility for Functions and Scheme of Delegation is kept up to date and that decision-making procedures are clear and well documented
- b) Keep the Constitution under review to ensure that the Rules of Procedures are up to date including those relating to financial procedures and contract procedures
- c) Ensure that the Council has a Chief Executive or Head of Paid Service who is responsible for overall strategic and operational management
- d) Ensure that the Council has a Section 151 officer responsible for financial control and for producing statutory financial reports and documentation
- e) Ensure the Council has a Monitoring Officer responsible for ensuring that agreed procedures and statutes and regulations are followed, or if not, reported publicly.
- f) Ensure that the roles and responsibilities of all senior officers are clearly defined in writing (job descriptions)

- g) Maintain a performance management framework which translates priorities and objectives into performance targets for all members of staff (service plans and staff appraisals)
- h) Apply and demonstrate good employment practice and conditions of employment
- l) Keep under review the Protocol on Member / Officer Relations
- j) Operate a transparent procedure for Member level appointments to outside bodies.
- k) Develop protocols for partnership working, setting out partnership principles and objectives, and defining roles and responsibilities

3. Promote values for the authority and demonstrate the values of good governance through upholding high standards of conduct and behaviour

In particular the Council will:

- a) Ensure that the Members Code of Conduct and the Employees Code of conduct are kept up to date and applied.
- b) Maintain a system of staff appraisal system which reflects the Council's culture and values.
- c) Publish an Anti Fraud and Corruption Policy.
- d) Ensure that Contract Standing Orders and Financial Regulations are kept up to date and compliance is monitored.
- e) To maintain an effective Standards Committee, which is responsible for ensuring high standards of conduct in the authority.
- f) Maintain Departmental Registers of Interests to ensure that staff declare their pecuniary interests in accordance with the Employees' Code of Conduct and annually remind staff of this requirement.
- g) Maintain a Register of Members' interests
- h) Support the development of high standards of conduct and behaviour in partnership arrangements
- i) Produce and monitor an Equalities Scheme in accordance with relevant legislation

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

In particular the Council will:

- a) Ensure that a schedule of meetings of the Cabinet and Overview and Scrutiny Committees is published and updated.
- b) Use the Overview and Scrutiny function to review the operation of the Council and its services
- c) Ensure that decisions are recorded and published (subject to confidentiality)
- d) Operate an Audit Committee in accordance with CIPFA guidance
- e) Keep the Corporate Complaints and Compliments Procedure under review, and ensure that complaints are recorded and lessons learned
- f) Ensure that all new Members of the Council receive an induction and regular update sessions and that the Member Learning and Development Programme is continuously developed and delivered
- g) Ensure that all reports for decision by the Executive have appropriate financial and legal scrutiny, including by the Monitoring Officer, prior to decision making; all reports to the Executive will include a risk assessment
- h) Operate and comply with the Council's Risk Management Strategy and produce an annual report
- i) Comply with the agreed Assurance Framework processes
- j) Publish a How to Express Concerns at Work (Whistle Blowing) Policy

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

In particular the Council will:

- a) Ensure that a Corporate Induction programme is available to new staff
- b) Ensure that regular supervision and performance appraisal (in accordance with corporate policy) is in place for all staff.
- c) Implement the Council's Workforce Development Plan.
- d) Ensure that a Corporate Learning and Development Plan and departmental learning and development plans are produced for the authority to ensure that trained and experienced people deliver services, and that skills are developed on a continuing basis

- e) Ensure that all senior managers have clearly defined roles and responsibilities
- f) Keep under review the performance of the Executive as a whole and of Chairs & Vice Chairs of Committee, to identify any training and development needs

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

In particular the Council will:

- a) Use the Citizens' Panel to seek the views of local people.
- b) Carry out consultations with the public and other stakeholders on the quality of services provided, on budgets or on new proposals for service development
- c) Encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority
- d) Maintain an effective Communications Strategy and Service
- e) Carry out an annual review of the Scrutiny function
- f) Publish an Annual Report of the Standards Committee.