



## **District of Easington**

# **Local Code of Corporate Governance**

**2008**

## **The council's commitment**

Governance is about how the Council 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 of the systems, processes, cultures and values, by which the Council is directed and controlled and through which it accounts to, engages with and, where appropriate, leads the community.

Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately, good outcomes for citizens and service users. Good governance enables the authority to pursue its vision effectively as well as underpinning that vision with mechanisms for control and management of risk.

The Council aims to meet the standards of the best and have governance arrangements in place that are not only sound but also seen to be sound.

## **About this document**

This Code of Corporate Governance, which takes account of the guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE), provides the structure and outline of the Council's approach to corporate governance.

## **Roles and Responsibilities**

Overall responsibility for the policy will rest with the Council (as the body responsible for corporate governance) and in particular the Leader of the Council and Chief Executive.

The Corporate Governance Group will be responsible for monitoring and providing assurance on the governance process. Current guidance on the functions of audit committees and standards committees requires that they also receive assurances on the effectiveness of the Council's corporate governance arrangements.

## The Principles of Governance

The Council operates through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes.

The Council will apply six core principles in performing its key roles and other duties as a Local Authority. These core principles are:-

<b>Principle A</b>	Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.
<b>Principle B</b>	Members and officers working together to achieve a common purpose with clearly defined functions and roles.
<b>Principle C</b>	Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
<b>Principle D</b>	Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
<b>Principle E</b>	Developing the capacity and capability of members and officers to be effective.
<b>Principle F</b>	Engaging with local people and other stakeholders to ensure robust public accountability.

Supporting each of the six principles is a series of supporting principles, each of which in turn translates into a range of specific requirements of the Code. The details of this are attached as Appendix 1- "Delivering the Principles of Governance through the Council's Governance Workplan".

# Attributes of an effective governance framework

The Council will develop and promote an effective governance framework that will demonstrate the following attributes:

1	There is clear vision of the authority's purpose and intended outcomes for citizens and service users that is clearly communicated, both within the organisation and to external stakeholders
2	Arrangements are in place to review the authority's vision and its implications for the authority's governance arrangements
3	Arrangements exist for measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources.
4	The roles and responsibilities of the executive, non executive, scrutiny and officer functions are clearly defined and documented with clear delegation arrangements and protocols for effective communication.
5	Codes of conduct defining standards of behaviour for members and staff are in place, conform with appropriate ethical standards, and are communicated and embedded across the organisation
6	Standing orders, financial regulations, a scheme of delegation and supporting procedures notes/manuals which are reviewed and updated as appropriate, clearly define how decisions are taken and the processes and controls to manage risks.
7	The core functions of an audit committee as defined in CIPFA's Audit Committees – A Practical Guide for Local Authorities , are undertaken by members
8	Arrangements are in place to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful. All reports are considered for legal issues before submission to members
9	Arrangements for whistle-blowing and for receiving and investigating complaints from the public are in place and are well publicised
10	Arrangements are in place for the needs of members and senior officers in relation to their strategic roles, and are supported by appropriate training
11	Clear channels of communication have been established with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation
12	Governance arrangements with respect to partnerships and other group working incorporate good practice as identified by the Audit Commission's report on the Governance of partnerships and are reflected in the authority's overall governance arrangements

## Sources of assurance

Management from across the organisation will provide the primary source of assurance and members need to ensure that there are appropriate assurance gathering arrangements in place to enable those assurances to be mapped against the principles in the framework.

An effective internal audit will also be a significant source of assurance.

Further assurances from a wide range of external sources including:

- Corporate assessments and direction of travel statements
- Inspections
- External audit (Annual Accounts and Use of Resources)

## Annual review and reporting arrangements

The Council will undertake regular, at least annual, reviews of their governance arrangements to ensure continuing compliance and such reviews will be reported within the Council to the Audit Committee. Such review work will be proportional and appropriate taking into account the limited lifespan of the Council as a result of the Local Government Review

An Annual Governance Statement on the extent to which the Council complies with this Code and how it has monitored the effectiveness of its governance arrangements will be prepared and reported externally with the statement of accounts.

To ensure that the process of preparing the governance statement will, in itself, add value to the corporate governance and internal control framework of the Council, the statement will be prepared in accordance to “Delivering Good Governance in Local Government Framework”, published by CIPFA/SOLACE.

# **Appendix 1 - Delivering the Principles of Governance District of Easington Governance Workplan**