

NFDC CODE OF GOOD GOVERNANCE

1. INTRODUCTION

- 1.1 Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.2 It comprises the systems and processes, and culture and values, by which local government bodies are directed and controlled and through which they account to, engage with and where appropriate, lead their communities.
- 1.3 The Council's Good Governance Code covers the six core principles recommended for adoption by CIPFA/SOLACE:
 - Focussing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.
 - Members and Officers working together to achieve a common purpose with clearly defined functions and roles.
 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
 - Developing the capacity and capability of members and officers to be effective.
 - Engaging with local people and other stakeholders to ensure robust public accountability.
- 1.4 The Audit Manager and Monitoring Officer will review compliance with the Code annually and the outcomes and actions required will be reported to the Standards Committee.
- 1.5 The annual review of compliance with the Code will take the form of a self assessment. The proposed framework for this review is attached in Annex 1.

2.0 THE CODE

2.1 The Council will create and implement a vision for the local area, focussing on the purpose of the authority and outcomes for the community by

- Exercising strategic leadership by developing and articulating the authority's purpose and vision and its intended outcomes for citizens and service users;
- Ensuring that users receive a high quality service, whether those services are delivered directly or in partnership or by commissioning external suppliers;
- Ensuring the authority makes the best use of resources and that tax payers and service users receive excellent value for money

To ensure these principles are complied with, the Council will:

- Develop, and publish a Corporate Plan which clearly identifies the Council's key objectives and reflects community needs;
- Consult the local community and other key stakeholders in setting the vision, priorities and targets within the strategic plan;
- Assess and publish its achievements against key objectives at the end of each financial year;
- Publish by 30th June each year a Statement of Accounts and Annual Governance Statement which reflects the Council's compliance with relevant professional standards and corporate governance arrangements;
- Establish relevant performance indicators to measure service quality and costs and monitor these on a regular basis, ensuring effective arrangements are in place to deal with poor service delivery;
- Establish appropriate relationships and arrangements with voluntary groups, town and parish councils, other public sector organisations and local interest groups to ensure they are able to engage with and contribute to the work of the council;

2.2 The Council will ensure effective leadership and common purpose throughout the authority, establishing political and managerial structures and processes to govern decision making by:

- Defining clearly the roles and responsibilities of members and officers to ensure clarity and accountability of its business
- Ensuring a constructive working relationship exists between authority members and officers that demonstrates integrity within the authority by ensuring high standards of conduct are achieved by members and officers

- Ensuring the expectations of the authority and its individual partners are clearly defined and understood

To ensure these principles are complied with the Council will:

- Ensure there are formal protocols and a Constitution in place which clearly define the roles, responsibilities and the relationships between the Executive, ordinary members and officers;
- Develop and maintain a scheme of delegation that reserves appropriate responsibilities to the Executive and also provides the powers necessary to officers to conduct routine business -
- Ensure that one officer is responsible and accountable for all aspects of operational management and that the respective roles of the Leader of the Council and its Chief Executive are clearly defined
- Designate a Monitoring Officer, with responsibility for ensuring that agreed procedures are followed and all applicable statutes and regulations are complied with;
- Ensure that one officer is designated as the S151 Officer, responsible 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
- Ensure that partnerships are based on shared vision, there is clarity about the legal status of the relationship through the adoption of partnership framework agreements and there are clearly identified roles for officers and members in the context of involvement on behalf of the partnership and the authority
- Meet on a regular basis, with meetings open to the public except where reasons of confidentiality require the meetings to be closed

2.3 The Council will uphold high standards of conduct and behaviour, demonstrating and promoting the values of good governance through:

- Ensuring authority members and officers exercise leadership through adopting high standards of conduct
- Ensuring that organisational values are promoted and are effective
- Adoption of arrangements to safeguard members and employees against conflicts of interest

To ensure these principles are complied with the Council will:

- Ensure members and officers are properly trained for their responsibilities and have access to relevant information, advice and resources as necessary to undertake an effective role;

- Have in place formal codes of conduct which define the standards of personal behaviour which members, staff and agents of the Council are required to adopt;
- Implement appropriate processes and systems to ensure all ethical codes of conduct are complied with and can be monitored and enforced;
- Adopt Standing Orders as to Contracts Financial Regulations and other Codes as appropriate to ensure members and officers are not prejudice, biased or subject to conflict of interest in their dealings on behalf of the Council
- Adopt arrangements for reporting concerns at work are accessible to all staff and contractors;
- Develop and maintain an effective standards committee

2.4 The Council will take informed and transparent decisions which are subject to effective scrutiny and manage risk through:

- Effective risk management systems which are embedded in the culture of the organisation
- Adopting appropriate procedures to ensure decisions made by members are implemented and resources are used efficiently;
- Operating within the specific legislative framework and general powers vested in it for all decisions taken and ensuring the community benefits from the use of the legal powers available;
- Adoption of a proper scrutiny function which reviews of all aspects of its performance and effectiveness
- Transparency in all decisions made which are supported by proper open debate, documentary evidence which records the criteria, rationale and financial and legal considerations taken into account
- Demonstrating inclusiveness and openness by consultation with key stakeholders where appropriate

To ensure these principles are complied with the Council will:

- Adopt a strategy and robust systems for identifying and controlling significant strategic and operational risks and ensure business continuity plans are in place for all critical areas of operation;
- Monitor and review regularly risk management arrangements as part of the performance management system;
- Develop and maintain an effective audit committee which is independent of the executive and scrutiny functions

- Ensure effective and transparent arrangements are in place for dealing with complaints
- Ensure accountability through establishing systems for investigating breaches and disciplinary problems and taking action where appropriate, including arrangement for redress

2.5 The Council will develop the capacity and capability of members and officers to be effective by:

- Developing the skills, knowledge, experience and resources needed to perform well in their roles
- Evaluating and improving the performance of individuals and political groups through training and development
- Ensuring membership of and participation in activities of the Council is open to all sections of the community

To ensure these principles are complied with the Council will:

- Provide opportunities for members and officers to update and enhance their knowledge through appropriate development and training
- Adopt and promote an equal opportunities policies
- Adopt proper career structures and opportunities for promotion to ensure the retention of skilled and experienced officers and members

2.6 The Council will engage with local people and other stakeholders to ensure robust public accountability by:

- Effectively engaging local people and stakeholders in the scrutiny of the democratic process;
- Establishing a clear policy on issues and processes for consultation with citizens on service delivery
- Establishing a consultation process with staff and their representatives to ensure involvement in decision making

To ensure these principles are complied with the Council will:

- Publish annually, performance results and outcomes against targets and key performance indicators;
- Undertake consultation within the community through use of Citizens' Panels and other appropriate methods of communication,

NFDC GOOD GOVERNANCE FRAMEWORK – REVIEW OF COMPLIANCE

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

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
1.1	Develop and Promote the authority's purpose and vision	Corporate and Service Planning Shaping the Community Strategy Local Area or Performance Agreements		
1.2	Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements	Code of good governance		
1.3	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties	Partnership Protocol Code of good governance		
1.4	Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance.	Annual Financial Statements Annual Business Plan		
1.5	Decide how the quality of service to users is to be measured and make sure that the information needed to review service quality effectively and regularly is available	Corporate Plan Annual Business Plan Medium Term Financial Strategy Resourcing Plan		

1.6	Put in place effective arrangements to identify and deal with failure in service delivery	Complaints Procedure		
1.7	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 policies, plans and decisions.	Performance Plans Reviewing the work of the authority.		

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

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
2.1	Set out a clear statement of the roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice Set out a clear statement of the respective roles and responsibilities of the other members, members generally and senior officers	Constitution Record of Decisions and supporting materials		

2.2	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.	Constitution		
2.3	Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management	Conditions of employment Scheme of delegation Statutory Provisions Job Descriptions/Specification Performance Management System		
2.4	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.	New Chief Executive and Leader pairing Consider how best to establish and maintain communication		
2.5	Make a senior officer (S 151 officer) responsible to the authority for ensuring that appropriate advice is given for all financial matters, and for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.	S 151 responsibilities Statutory Provision Statutory Reports Budget Documentation Job description/specification S 151 Officer		

2.6	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	Monitoring Officer provisions Statutory Provision Job description/specification Monitoring Officer		
2.7	Develop protocols to ensure effective communication between members and officers in their respective roles	Member/Officer Protocol.		
2.8	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 (if applicable) Ensure that effective mechanisms exist to monitor service delivery	Pay and Conditions Policies and Practices		
2.9	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.	Vision Strategy Corporate Plans Budgets Performance Plan/Regime		

2.10	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 and organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions	<p>Protocols for partnership working.</p> <p>For each partnership there is:</p> <ul style="list-style-type: none"> A clear statement of the partnership principles and objectives Clarity of each partners role within the partnership Definition of roles of partnership board members Line management responsibilities for staff who support the partnership A statement of funding sources for joint projects and clear accountability for proper financial administration A protocol for dispute resolution within the partnership 		
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3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
3.1	Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect			

3.2	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	Members/Officers Codes of conduct Performance Management system Performance appraisal Complaints procedures Anti-fraud and corruption policy Member/officer protocols		
3.3	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	Standing Orders Codes of Conduct Financial Regulations		
3.4	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	Codes of Conduct		
3.5	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	Codes of Conduct		

3.6	Develop and maintain an effective standards committee.	Terms of Reference Regular reporting to the Council		
3.7	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	Decision making practices		
3.8	In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values can be demonstrated by partner's behaviour both individually and collectively.	Protocols for partnership working.		

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

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
4.1	Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible.	Scrutiny is supported by robust evidence and data analysis		

4.2	Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	Decision making protocols Record of decisions and supporting materials		
4.3	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	Members code of conduct		
4.4	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	Terms of Reference Membership Training for committee members		
4.5	Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints	Complaints procedure		
4.6	Ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose-relevant, timely and gives clear explanations of technical issues and their implications	Members Induction Scheme Training for Committee chairs		

4.7	Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	Record of decision making and supporting materials		
4.8	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	RISK Management Protocol Financial Standards and regulations		
4.9	Ensure that arrangements are in place for whistle-blowing to which staff and all those contracting with the authority have access	Whistle-blowing Policy		
4.10	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities	Constitution Monitoring Officer Provisions Statutory Provision		
4.11	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			

4.12	Observe all specific legislative requirements place 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.	Monitoring officer provisions Job description/specification Statutory provision		
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5. Developing the capacity and capability of members and officers to be effective.

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
5.1	Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis	Training and Development Plan Induction Programme Update courses/Information		
5.2	Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority	Job description//personal specifications Membership of top management team		

5.3	Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively	Training development plan		
5.4	Develop skills on a continuing basis to improve performance, including the ability to scrutinize and challenge and to recognise when outside expert advice is needed	Training and development plan reflect requirements of a modern councillor including: The ability to scrutinise and challenge The ability to recognise when outside advice is required Advice on how to act as an ambassador for the community Leadership and influencing skills		
5.5	Ensure that effective 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	Performance management system		
5.6	Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority	Strategic partnership framework Stakeholders forums terms of reference Area forums roles and responsibilities Residents Panel structure		
5.7	Ensure that career structures are in place for members and officers to encourage participation and development	Succession planning		

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

No:	The code should reflect the requirement for local authorities to:	Recommended Source documents Good Practice Other evidence	NFDC Evidence Self Assessment Score	Issues to address Plans for Improvement
6.1	<p>Make clear to themselves, all staff and the community to whom they are accountable and for what</p> <p>Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required</p>	Community Strategy		
6.2	Produce an annual report on the activity of the scrutiny function	Annual report		
6.3	<p>Ensure that clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively:</p> <p>Hold meetings in public unless there are good reasons for confidentiality</p> <p>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</p>	<p>Community Strategy</p> <p>Processes for dealing with competing demands within the community</p>		

	have different priorities and establish explicit processes for dealing with these competing demands			
6.4	Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users about including a feedback mechanism for those consultees to demonstrate what has changed as a result	Partnership framework Communication \strategy		
6.5	On an annual basis publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about it's outcomes, achievements and the satisfaction of service users in the previous period	Annual report Annual financial statements Corporate Plan Annual Business Plan		
6.6	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	Constitution		

6.7	Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making	Constitution		
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