

Corporate Governance Local Code



**Corporate Governance
Local Code**

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Accountable Director:	Chief Executive
Author:	Head of Audit

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1. Introduction

1.1 WHAT DO WE MEAN BY GOVERNANCE?

- 1.1.1 Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.1.2 Good governance comprises the systems and processes, and cultures and values, by which we are directed and controlled and through which we account to, engage with and, where appropriate, lead our communities.
- 1.1.3 Good governance enables us to pursue our vision and corporate objectives effectively as well as underpinning these with mechanisms for the control and management of risk. We aim to meet the standards of the best and ensure that our governance arrangements are sound and also seen to be sound by our citizens.
- 1.1.4 It must permeate every level of the organisation. Governance must be owned by all stakeholders, including senior management and members, thus forming the intrinsic core of the Council. It should remain embedded in the culture of the Council and applied within a transparent framework of legislative requirements, governance principles and management processes.
- 1.1.5 Good governance leads to:
 - good management,
 - good performance,
 - good stewardship of public money,
 - good public engagement and,
 - ultimately, good outcomes for our citizens and service users.

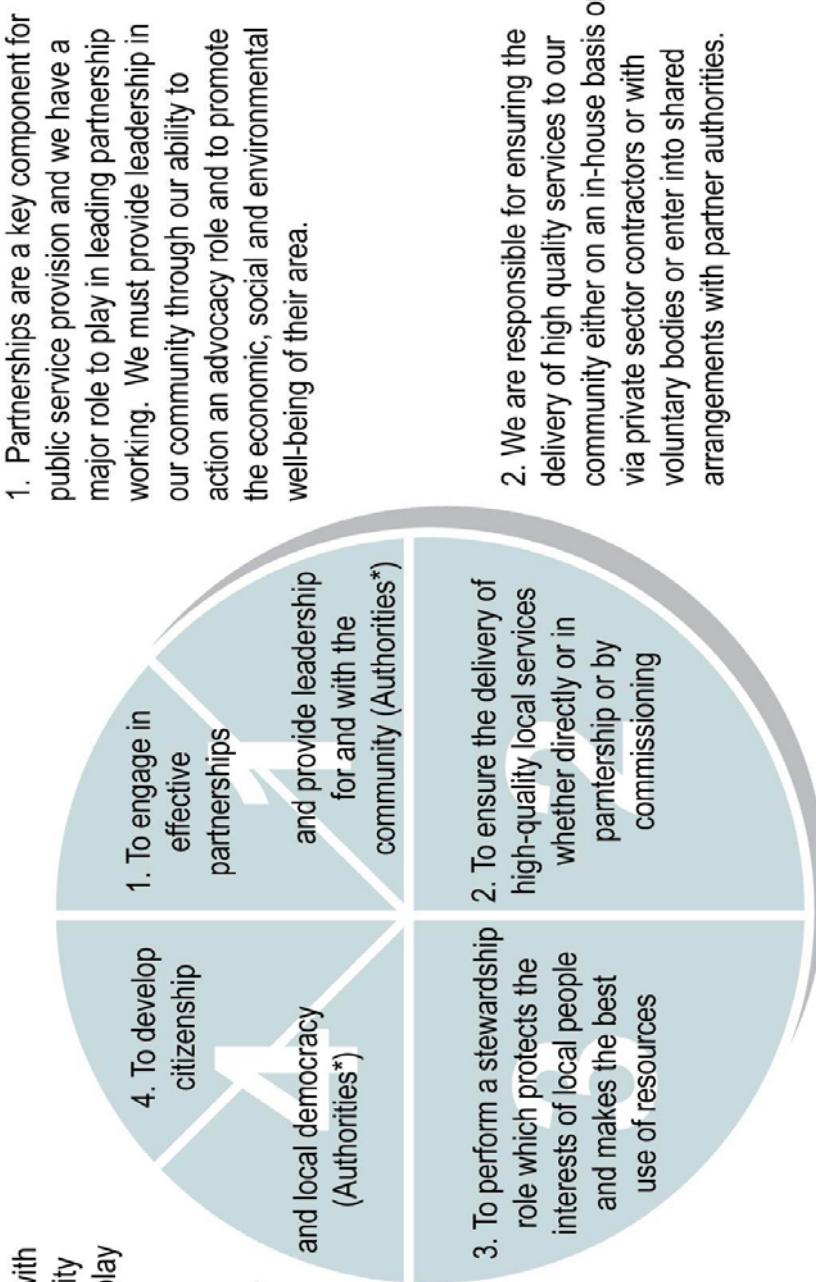
1.2 PURPOSE OF THE CORPORATE GOVERNANCE LOCAL CODE

- 1.2.1 We operate through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes. This local code provides a framework for discharging this accountability for the proper conduct of our public business.
- 1.2.2 This local code defines the principles that underpin the governance of this Council. We will test our arrangements by:
 - Reviewing our existing governance arrangements against this revised code.

- Maintaining an up-to-date local code of governance, including arrangements for ensuring its ongoing application and effectiveness.
 - On an annual basis, prepare a governance statement in order to report publicly on the extent to which we comply with this code, including how we have monitored the effectiveness of our governance arrangements in the year, and on any planned changes in the coming period.
- 1.2.3 The preparation and publication of an annual governance statement in accordance with this Framework is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2006 for authorities to prepare a statement of internal control in accordance with our governance framework.
- 1.2.4 In order to review our current arrangements, we will:
- Consider the extent to which we comply with the principles and requirements of good governance set out in this local code;
 - Identify systems, processes and documentation that provide evidence of compliance;
 - Identify the individuals and committees responsible for monitoring and reviewing the systems, processes and documentation identified;
 - Ensure management and reporting arrangements are in place to monitor governance effectiveness;
 - Identify the issues that have not been addressed adequately and consider how they should be addressed;
 - Identify the individuals who will be responsible for undertaking the actions required and plan accordingly;
 - Ensure risk management arrangements are in place and are operating effectively; and
 - Ensure systems of control are working effectively
- 1.2.5 This document reflects the role or business of this authority. Four key roles have been identified as outlined in the diagram on the following page:

4. We have a key role to play in working with others to build a strong sense of community and in encouraging individual citizens to play a full constructive part in the lives and development of our community.

We are democratically accountable to our community.



1.3

DELIVERING GOOD GOVERNANCE

- 1.3.1 Good governance is important to all officers and members of this council. It is a key responsibility of our Leader, our Chief Executive, it is also important for other members of the Executive, the Management Team and the full Council,
- 1.3.2 The Council has in place a process of continual review of its internal control arrangements, including our rules and regulations to guide members and officers, and to provide the mechanisms that demonstrate accountability, honesty, integrity and openness in all of the Council's business. These rules are now embedded into the Constitution of the Council,
- 1.3.3 This statement, the systems that support it, and the overall Corporate Governance arrangements, will all be subjected to an annual audit inspection by the Audit Commission.
- 1.3.4 This Local Code provides a mechanism for the continued development of Corporate Governance arrangements, summarising the principles and how this Council will comply with all of the requirements of the Corporate Governance Framework, including performance and risk management.
- 1.3.5 A number of key corporate documents in the form of strategies, policies and standards underpin this Council's Code of Governance. These are listed in appendix 1.
- 1.3.6 The Ten General Principles of Conduct arising from the aspects of corporate governance in the public services formerly addressed by the Committee on Standards in Public Life (the Nolan Committee) form an important part of the current Governance Framework for Members and also apply to the action and behaviour of Officers and our partners. These are restated at Appendix 2.

2. Our Governance Principles

- 2.1 The Council undertakes the following six core principles and eighteen supporting principles taken from *The Good Governance Standard for Public Services* and adapted for our local context.

To focus on our purpose and on outcomes for the community and creating and implementing a vision for the local area by :

- exercising strategic leadership by developing and clearly communicating our purpose and vision and intended outcomes for citizens and service users in our Corporate Plan
- ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning
- ensuring that we make best use of resources and that tax payers and service users receive excellent value for money.

To work together as Members and officers working to achieve a common purpose with clearly defined functions and roles by: -

- ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function
- ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard
- ensuring relationships between the authority and the public are clear so that each knows what to expect of the other.

To promote values for the authority and demonstrate the values of good governance through upholding high standards of conduct and behaviour by: -

- ensuring members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance
- ensuring that organisational values are put into practice and are effective.

To take informed and transparent decisions which are subject to effective scrutiny and manage risk by: -

- being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny
- having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs
- ensuring that an effective risk management system is in place
- using our legal powers to the full benefit of the citizens and communities in their area.

To develop the capacity and capability of members and officers to be effective by: -

- making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles and periodically assessing themselves (see appendix 3)
- developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group
- encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.

To engage with local people and other stakeholders to ensure robust public accountability by; -

- ensuring robust public accountability exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships
- taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning
- making best use of human resources by taking an active and planned approach to meet our responsibility to staff.

3. Annual Governance Process

3.1 BACKGROUND

- 3.1.1 The preparation and publication of an annual governance statement in accordance with this Local Code is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) England) Regulations 2006 which requires authorities to "conduct a review at least once in a year of the effectiveness of its system of internal control" and to prepare a statement on internal control "in accordance with proper practices".
- 3.1.2 With effect from 2007/08, the revised CIPFA/SOLACE Framework defines proper practices for the form and content of a governance statement that meets the requirement to prepare and publish a statement on internal control in accordance with regulation 4(2) of the Accounts and Audit regulations 2003, as amended by the Accounts and Audit (Amendment) England) regulations 2006 as there is no requirement to prepare and publish a separate statement on internal control. CIPFA's previously published guidance on the form and content of the statement on internal control, *The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003*, has formally been withdrawn and does not apply to periods after 2006/07.
- 3.1.3 We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

3.2 EFFECTIVE GOVERNANCE

- 3.2.1 An effective governance framework will demonstrate the following attributes:
 - There is a clear vision of our purpose and intended outcomes for citizens and service users that is clearly communicated, both within the Council and to external stakeholders.
 - Arrangements are in place to review our vision and its implications for our governance arrangements.
 - Arrangements exist for measuring the quality of services for users, for ensuring they are delivered in accordance with our objectives and for ensuring that they represent the best use of resources.

- 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.
 - Codes of conduct defining the standards of behaviour for members and staff are in place, conform with appropriate ethical standards, and are communicated and embedded across the organisation.
 - Standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which are reviewed and updated as appropriate, clearly define how decisions are taken and the processes and controls required to manage risks.
 - The core functions of a Governance (audit) Committee, as identified in CIPFA's *Audit Committees – Practical Guidance for Local Authorities* (2005), are undertaken by members.
 - Arrangements exist 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.
 - Arrangements for whistle-blowing and for receiving and investigating complaints from the public are in place and are well publicised.
 - Arrangements exist for identifying the development needs of members and senior officers in relation to their strategic roles, and are supported by appropriate training.
 - Clear channels of communication have been established with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
 - Governance arrangements with respect to partnerships and other group working are reflected in the authority's overall governance arrangements.
- 3.2.2 The review of our Corporate Governance arrangements is an ongoing process. Annually, there will be a review of the effectiveness of the Council's system of internal control, which shall inform the **Annual Governance Statement**, outlined below that the Leader and Chief Executive will be required to sign.
- 3.2.3 The outcome of the annual review is reported internally to the Audit Committee and the Executive, and externally in the Annual Report and

Performance Plan and with the published accounts, this provides an assurance that:

- governance arrangements are adequate and operating effectively in practice, and
- where the review has revealed gaps, action is planned that will ensure effective governance in future.

- 3.2.4 The **Completion Process** outlined below and the subsequent flow chart (Appendix 4) provides the detailed stages of the Annual Assessment process. The Chief Executive, Statutory Officers – Director of Corporate Services (Monitoring Officer) and Head of Finance (S151 Officer), other Heads of Service, Internal Audit and managers across the authority will have a role to play in this assessment process. The overall assurance given is not a pass or fail. It is a narrative statement pointing to the Council's strengths and weaknesses. A timetable of key stages of the process for 2007/8 is set out in appendix 5.
- 3.2.5 The Section 151 Officer and Monitoring Officer have been given responsibility to oversee the implementation and monitor the operation of the Local Code. The Head of the Audit is given the responsibility to periodically review the arrangements. Each of these officers also contributes to the annual assessment process and a clear separation of duties is required for these complementing but distinct roles.
- 3.2.6 Disagreements and differing opinions on the areas of non-compliance to be included within the assurance statement, will be discussed and wherever possible agreement be reached between signatories. An important part of the process is to develop an Action Plan to address any significant internal control issues disclosed in the statement.

3.3 **ANNUAL GOVERNANCE ASSURANCE STATEMENT**

- 3.3.1 The annual governance assurance statement includes the following information:
- an acknowledgement of our responsibility for ensuring there is a sound system of governance (incorporating the system of internal control)
 - an indication of the level of assurance that the systems and processes that comprise our governance arrangements can provide
 - a brief description of the key elements of our governance framework, including reference to group activities where those activities are significant

- a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements
- an outline of the actions taken, or proposed, to deal with any significant governance issues, including an agreed action plan.

3.4 COMPLETION PROCESS

Principles Adopted

- 3.4.1 Completion of the statement should flow from the normal business planning and review processes of the Council, its Governance and Standards Committees and the planned work of Internal Audit.
- 3.4.2 The Service Plan is one of the central mechanisms for each Head of Service managing their own area of activity and therefore sits at the centre of the Corporate Governance process.
- 3.4.3 Corporate Governance is integral to the whole business management process and not an add-on. Hence it uses existing documents and procedures and the risks and control framework. In particular, it links to performance reporting as good governance promotes good service but poor service performance reflects a failure of governance.
- 3.4.4 Effective internal controls are an important part of the Corporate Governance process. Through their audit assurance work, internal audit will provide an opinion on the effectiveness of the systems of internal control.

Preparation of the Annual Governance Statement

- 3.4.5 The Statement that the Leader and Chief Executive will be required to sign will be compiled from the following:

Internal Control Opinion

- (a) The Assurance Statement from the Head of Audit will be compiled from the following evidence:
 - The Internal Audit review of this Council's Corporate Governance arrangements;
 - The Assurance Framework, built from the audit assurance statements on individual audits; and
 - An assessment of the control and risk framework

Governance and Internal Control Framework

- (b) Comment and recommendations from the Monitoring Officer, Section 151 Officer and Borough Solicitor who have responsibility

to oversee the operation of the Governance Framework and the Corporate Governance Local Code; and contribute to the annual assessment process.

- (c) The Head of Governance's review of the Council's performance against the Governance Framework (Appendix 2).
- (d) The Heads of Governance and Finance and ICT's review of the Effectiveness of Internal Audit
- (e) Confirmation from Heads of Service via an evidenced Service Assurance Statement (Annex 4(2)) discussed and approved by the Portfolio Holder, that:
 - Risks have been identified, and are recorded and monitored in accordance with the Councils Risk Management Strategy.
 - Staff are fully aware of the requirements of their job, and have access to the appropriate Council rules and policies to assist them.
 - Internal and External Audit reports and recommendations have been acted on.
 - Reports from other review agencies have been acted on.
 - Business arrangements are conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Suitable supporting evidence must be maintained.
 - The service has in place appropriate management and reporting arrangements to enable it to satisfy itself that its approach to Corporate Governance is both adequate and effective in practice.
 - A qualified or unqualified statement of assurance, with confirmation where appropriate that improvement plans exist to rectify any acknowledged deficiency.
- (f) The Annual Report of the Chairman of the Standards Committee on the ethical conduct of the Council.
- (g) The Director of Corporate Services and Borough Solicitor's annual review of the Constitution.
- (h) The Borough Solicitor's annual statement giving his opinion on the Council's compliance with relevant laws and regulations, and its legal obligations and requirements.
- (i) The Human Resources Manager's annual statement giving her opinion on officers' compliance with the ten general principles of good conduct.

- (j) The Head of Audit's annual statement giving his opinion on compliance with the Council's Risk Management Strategy.
- 3.4.6 The Monitoring Officer and the S151 Officer will review the internal control opinion and principles framework evidence, including service assurance statements, the audit review of Corporate Governance, the Constitutional review, performance reporting, risk management arrangements and the individual audit and risk management assessments. This will ensure that all the necessary evidence is in place, there is consistency of reporting and that suitable action is being taken to address weaknesses. Other processes and reviews that help inform the governance process are:
- Council policies are implemented in practice
 - An annual Constitutional review is undertaken
 - high-quality services are delivered efficiently and effectively
 - the Council's values and ethical standards are met
 - laws and regulations are complied with
 - financial statements and other published performance information are accurate and reliable
 - human, financial, asset and environmental resources are managed efficiently and effectively
 - the Audit Commission's Annual Audit and Inspection Letter, the Use of Resources assessment and other associated reviews
 - Internal Performance Improvement Reviews are undertaken and findings are acted upon
 - Performance Reporting through BV and KPIs and other methods that drives improvement
- 3.4.7 The Monitoring Officer, the Section 151 Officer and Head of Audit will prepare a Draft Annual Governance Statement, based on the internal control framework, core and supporting principles, internal and external reviews and audit evidence provided. This will be considered by the Management Team and Executive who will provide the final review, evaluation and approval. The Audit Committee will monitor the overall governance process and ensure that the process is robust and agreed actions identified are properly implemented. The final statements will then be signed before the end of June by the Leader and Chief Executive based on a clear evidence trail.

4. Ongoing Monitoring and Review Process

- 4.1 The contents of this code will be reviewed on an annual basis in conjunction with the Annual Governance Assurance Statement and Risk Management Strategy and will be kept up to date in the light of changing circumstances. The Head of Governance (Monitoring Officer) will maintain the documentation but all Members and Officers must own the whole process.
- 4.2 In addition, ongoing review and monitoring will be undertaken during the course of the year. This will be co-ordinated by the Head of Governance (Monitoring Officer) and includes:
- Ongoing monitoring of the Corporate Governance arrangements and recommended courses of action by the Section 151 Officer, Monitoring Officer and Solicitor to the Council.
 - Internal Audit review of Corporate Governance arrangements and auditable activities identified through its risk based audit plans.
 - Ensuring management ownership for the delivery of agreed objectives, within a Corporate Governance Framework, whilst managing effectively their identified opportunities and risks.
 - Performance measurement of governance arrangements, key objectives and associated risks using Value for Money tools and national, key and local performance indicators.
 - Ongoing review of the Risk Management arrangements and recommended courses of action by the Performance Board and auditors.
 - Ongoing monitoring and review of compliance with the Ten Principles of Conduct by the Monitoring Officer, Human Resources Manager, Borough Solicitor and the Standards Committee.
 - Ad hoc reviews initiated by the Chief Executive and/or Head of Service or necessitated by future circumstances.
 - Audit Commission review of Corporate Governance arrangements and other auditable activities.
- 4.3 The Audit Commission will inspect the Annual Governance Assurance Statement, the evidence and position statements that support the statement, the risk management process and this Council's overall Corporate Governance arrangements.

**Key Documents underpinning Corporate
Governance Local Code**

Constitution (including financial regulations and Standing orders)

Corporate Plan

Equalities Policy

Medium Term Financial Strategy

Consultation Strategy

Cultural Strategy

Code of Conduct

People Strategy

Data Quality Standard

IT Security Policy

Improvement Strategy

Risk Management Strategy

Anti fraud and Corruption Strategy

Protected Disclosure Policy (Whistleblowing)

Best Value Performance Plan

Customer Service Strategy

Procurement Strategy

THE TEN GENERAL PRINCIPLES OF CONDUCT

Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and actions and restrict information only when the wider public interest clearly demands.
Honesty	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
Leadership	Holders of public office should promote and support these principles by leadership and example.
Respect for others	Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.
Duty to uphold the law	Members should uphold the law, and on all occasions, act in accordance with the trust that the public is entitled to place in them.
Stewardship	Members should do whatever they are able to do to ensure that

	their authorities use their resources prudently and in accordance with the law.
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**ASSESSMENT QUESTIONS FOR COUNCIL MEMBERS AND SENIOR MANAGERS
TO ASK THEMSELVES**

1. Good governance means focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

- How clear are we about what we are trying to achieve as an authority?
- Do we always have this at the front of our minds when we are planning or taking decisions?
- How well are we doing in achieving our intended outcomes?
- How well do we communicate our vision to the community?
- To what extent does the information that we have about the quality of service for users help us to make rigorous decisions about improving quality?
- Do we receive regular and comprehensive information on users' views of quality?
- How could this information be improved?
- How well does the organisation understand the views of the public and service users?
- Do we receive comprehensive and reliable information about these views and do we use it in decision-making?

2. Good governance means members and officers working together to achieve a common purpose with clearly defined functions and roles

- Do we all know what we are supposed to be doing?
- Is our approach to each of the authority's main functions clearly set out and understood by all the authority members and the leader and senior cabinet members?
- Have we formally agreed on the types of decisions that are delegated to the executive and those that are reserved for the full council?
- What does the size and complexity of our organisation mean for the ways which we approach each of the main functions of governance?
- Are the governance arrangements understood throughout the authority? What efforts have been made to 'demystify' the concepts of governance? Have they been successful?
- How clearly have we defined the respective roles and responsibilities of the non-executives and the executive, and of the chair and the chief executive?
- Do all members of the authority take a collective responsibility for its decisions?

3. Good governance means promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

- In what ways does our behaviour, collectively as a governing body and individually as governors, show that we take our responsibilities to the organisation and its stakeholders very seriously?
- Are there any ways in which our behaviour might weaken the organisation's aims and values?
- Does the standards committee act as the main means to raise awareness? Does it take the lead in ensuring high standards of conduct are firmly embedded within the local culture?
- What are the values that we expect the staff to demonstrate in their behaviour and actions?
- How well are these values reflected in our approach to decision making?
- What more should we do to ensure these values guide our actions and those of staff?

4. Good governance means taking informed and transparent decisions, which are subject to effective scrutiny and managing risk?

- How well do our meetings work?
- What could we do to make them more productive and do our business more effectively?
- Is the quality of information received across service areas consistent, including partnerships?
- To what extent does the information that we have on costs and performance help us to make rigorous decisions about improving value for money?
- How effectively do we use this information when we are planning and taking decisions? How well do we understand how the value we provide compares with that of similar organisations?
- Is this set out in a clear and up-to-date statement?
- How effective is this as a guide to action for the full council and the executive?
- How well do we explain the reasons for our decisions to all those who might be affected by them?
- Are decision-making processes properly adhered to?
- How do we ensure the full council maintains a key role in debating decisions?
- Is the information received by all council members robust and appropriate for their needs?
- How could the information received be improved to help improve our decision-making?
- Do we take professional advice to inform and support our decision-making when it is sensible and appropriate to do so?
- How effective is the organisation's risk management system?
- How do we review whether this system is working effectively?
- Do we develop an action plan to correct any deficiencies in the systems?
- If so, do we publish this each year?
- Is the scrutiny function adequately resourced?
- Does the scrutiny function work effectively? Is the outcome of constructive scrutiny taken into account?

5. Good governance means developing the capacity and capability of members and officers to be effective

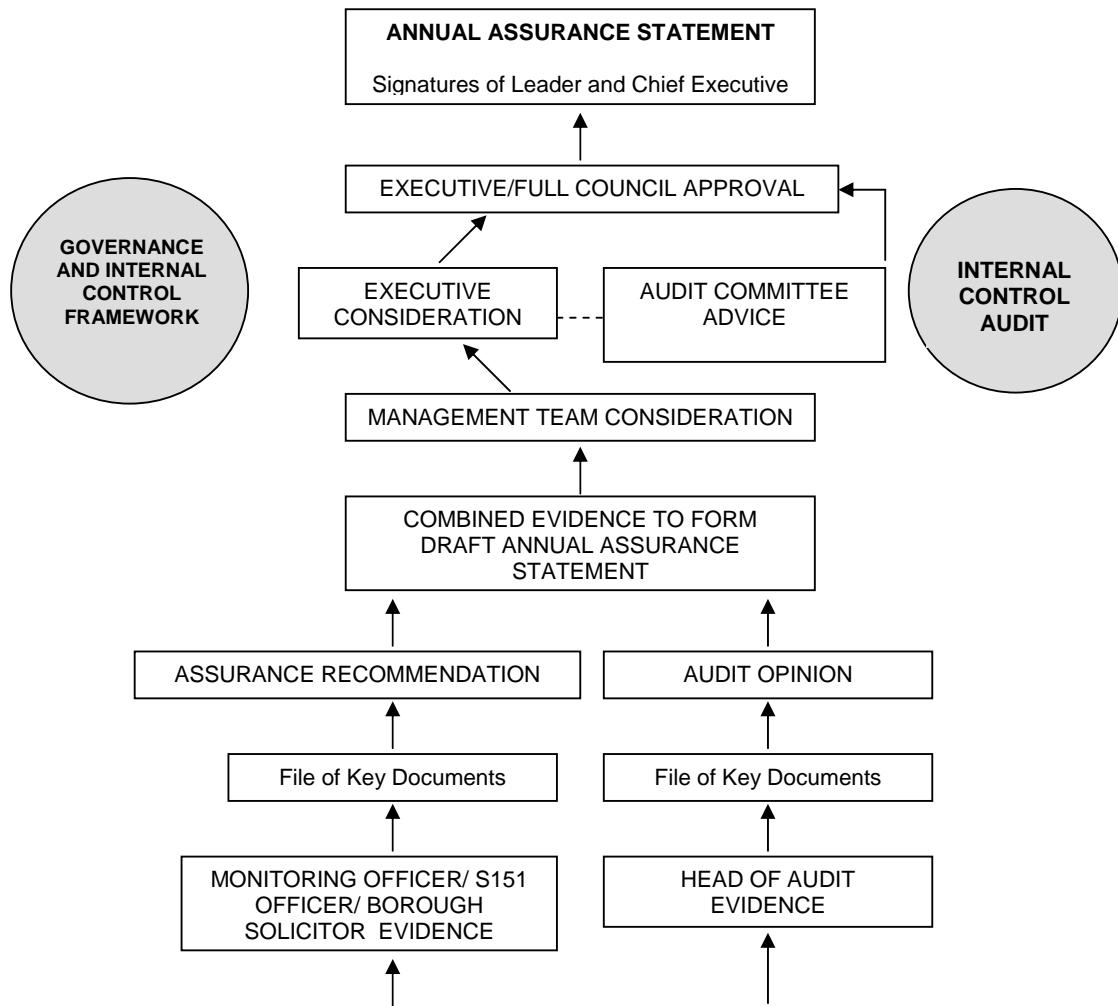
- What skills have we decided that members must have to do their jobs effectively?
- How well do the political parties identify people with the necessary skills to seek election and reach people from a wide cross-section of society?
- What more could we do to make sure that becoming an authority member is practical for as many people as possible?
- How effective are we at developing our skills and updating our knowledge?
- How effective are political parties at reviewing the performance of individual members?
- Do we put into practice action plans for improving our performance as an authority?
- How do we ensure officers have the necessary skills to do their jobs? Are officers adequately resourced?
- Is it possible to find a balance between continuity of knowledge and renewal of thinking in the authority membership? Do we have a policy on succession planning?
- Does this need to be reviewed?

6. Good governance means engaging with local people and other stakeholders to ensure robust public accountability

- Who are we accountable to and for what?
- How well does each of these accountability relationships work?
- Do we need to take steps to clarify or strengthen any relationships?
- Do we need to negotiate a shift in the balance between different accountability relationships?
- How do we deal with competing demands and priorities from different sections of the community? Are the processes we use effective?
- What is our policy on how the organisation should consult the public and service users?
- Does it explain clearly the sorts of issues on which it will consult which groups and how it will use the information it receives?
- Do we need to review this policy and its implementation?
- What is our policy on consulting and involving staff and their representatives in decision-making?
- Is this communicated clearly to all staff?
- How well do we follow this in practice?
- How effective are systems within the organisation for protecting the rights of staff?
- Who are the institutional stakeholders that we need to have a good relationship with?
- How do we organise ourselves to take the lead in developing relationships with other organisations at the most senior level?
- How well do we exercise 'leadership' for the community?

- Are we upholding and demonstrating the spirit and ethos of good governance that the Framework sets out to capture?
- Do we have a process for regularly reviewing our governance arrangements and practice against the Framework?
- What further improvements do we need to make?
- Are we making public the results of our reviews and our plans for future improvements? Are we inviting feedback from stakeholders and service users?

**Corporate Governance Assurance Statement
Annual Assessment Process**



The Monitoring Officer and S151 Officer

The Monitoring Officer has responsibility for reviewing the Council's compliance with the Governance Framework.

The Monitoring Officer and Solicitor to the Council have responsibility for ensuring the Constitution is regularly reviewed, maintained and updated and, with the S151 Officer, for confirming that any matters drawn to their attention by Senior Managers, IA or the Audit Commission have been addressed:

Annually, Heads of Service are requested to provide an assurance statement confirming that:

- The Constitution, including Financial and Contract Procedure Rules:
 - have been distributed to all relevant staff
 - appropriate steps (e.g. at briefings) have been taken to ensure that the requirements are fully understood by relevant staff
 - any training needs have been identified (eg via appraisals)/provided/arranged
- Risk assessments are recorded in the risk register, monitored, and action taken to mitigate risk as appropriate
- IA reports addressed to them have been acted on
- Audit Commission comments and the Annual Audit and Inspection Letter points addressed to them for action have been acted on
- Reports of other review agencies, where received, have been acted on
- Any significant failures of internal control have been reported to the S151 Officer/Monitoring Officer/Internal Audit – as appropriate
- Business arrangements are conducted in accordance with the law and proper standards

The statement and key findings from the Borough Solicitor , Human Resources Manager and Head of Audit are considered and incorporated by the Monitoring Officer into the Statement.

Internal Audit

- Audit process is risk based
- Audit plan formally approved
- coverage includes controls over all areas where risk could have a significant impact
- results are reported to:
 - Corporate Management Team (all reports)
 - S151 Officer (all material financial matters)
 - Monitoring Officer (where appropriate)
 - relevant operational Service Heads
 - Members –Audit Committee
- Audit have reacted (e.g. by adjusting plan) where significant matters have been reported to them or discovered via the audit process

Appendix 5

Corporate Governance Timetable 2007/8

Ref	Activity	Deadline	Responsibility
CG1	Consult/ benchmark on draft code	31/12/07	Head of Audit
CG2	Finalise draft code for audit committee consideration	28/1/08	Head of Audit
CG2	Draft Partnership Governance Protocol/ Review of Partnership Governance systems	8/5/08	Head of Audit
CG3	Review of governance related policies/ standards and self assessment of Corporate Governance KLOE	16/5/08	Various
CG4	Provide Operational Risk Management training	25/4/08	Head of Audit
CG5	Update operational risk logs	9/5/08	Team leaders/ risk owners
CG6	Annual review of controls by managers and supporting assurance statements	16/5/08	Heads of Service
CG7	Annual Review of Internal Audit Effectiveness	28/5/08	Corporate Governance Team
CG8	Internal Audit annual report including overall opinion on Internal Control and draft Governance Statement for consideration by CMT	28/5/08	Head of Audit
CG9	Draft Annual Accounts and annual governance statement to Democratic Services for printing and despatch for Audit Committee	6/6/08	Head of Finance/ Head of Audit
CG10	Annual Governance Review and Governance Statement accompanying draft accounts for consideration and approval by Audit Committee, Executive and Full Council and signed by the leader and Chief Executive	18/6/08 (AC)	Corporate Governance team

Copies of this document are available on the council website
www.swale.gov.uk.

If you would like further information, more copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request please contact:

Customer Services,
Phone: 01795 417850
Email: csc@swale.gov.uk