

## **Swindon Borough Council's Local Code of Corporate Governance**

### **1. What is Corporate Governance**

- 1.1 The Council has a key role in governing and leading the communities within the Borough of Swindon. Effective local government relies on public confidence in elected councillors and officials. Effective systems of corporate governance underpin the credibility and confidence in public services.
- 1.2 Corporate governance is a phrase used to describe how organisations direct and control what they do. For local authorities this also includes how a council relates to the communities that it serves. Good corporate governance requires local authorities to carry out their functions in a way that demonstrates accountability, transparency, effectiveness, integrity and inclusion.
- 1.3 Swindon Borough Council is committed to being at the forefront of those local authorities that are able to demonstrate that they have the necessary corporate governance to excel in the public sector.
- 1.4 This code is a public statement that sets out the way in which the Council will meet that commitment.

### **2. Why do we need a Local Code?**

- 2.1 Corporate governance is important because it is crucial to:
  - Providing high quality public services. Nationally governance weaknesses have led to service failures and critical situations. High performing organisations, on the other hand, have effective governance arrangements.
  - Raising public trust. The public's trust is increased when the quality of services that they and their families experience is high, and when organisations are perceived to be open and honest in communicating their performance, and in learning from their mistakes.
- 2.2 The Code is based upon the following seven core principles, as set out in the CIPFA/SOLACE document *Delivering good governance in local government – Framework 2016*:
  - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
  - Ensuring openness and comprehensive stakeholder engagement
  - Defining outcomes in terms of sustainable economic, social and environmental benefits.
  - Determining the interventions necessary to optimise the achievement of the intended outcomes.
  - Developing the entity's capacity, including the capability of its leadership and the individuals within it.
  - Managing risks and performance through robust internal control and strong public financial management.
  - Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

2.3 This Local Code of Corporate Governance sets out the means by which the Council will meet and demonstrate our commitment to good corporate governance in relation to these seven principles.

### **3. The Principles of Corporate Governance**

#### **(a) *Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law***

3.1 The Council is accountable not only for how much they spend, but also for how it uses the resources under its stewardship. In addition, it has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies.

3.2 The Council promotes and maintains high standards of ethical conduct of Members and officers through the work of its Standards Committee.

3.3 The Council will foster a culture of behaviour based on shared values, ethical principle and good conduct.

3.4 This will be evidenced by establishing and keeping under regular review:

- The Council's Constitution
- Code of conduct for Members and Officers
- A protocol governing Member/Officer relations
- A Member's Planning Code of Good Practice
- Monitoring Officer Protocol
- Making and recording any declaration of interests
- Maintaining a register of gifts and hospitality for both Members and staff
- Anti-fraud and bribery strategy including a Whistleblowing Policy
- Contract Standing Orders and Financial Regulations
- Information Security and Governance policies
- Money laundering policy
- Production of an Annual Governance Statement
- Completion of an Ethical checklist annually
- Ensuring an effective appraisal process is carried out for all staff
- Maintenance of accurate job descriptions/specifications

#### **(b) *Ensuring openness and comprehensive stakeholder engagement***

3.5 The Council operates for the public good and recognises that it should ensure openness in its activities as well as clear communication and engagement with all groups of stakeholders.

3.6 The Council is committed to increasing public involvement in decision-making and devolving power to individuals and local organisations. We will seek and respond to the views of stakeholders and the community. The Council will do this by:

- Forming and maintaining relationships with the leaders of other organisations.
- Ensuring openness and accessibility to citizens, service users and staff, including partner organisations.
- Implementing the Council's Consultation Policy and utilising an appropriate range of consultation methods.
- Making use of local forums at ward, parish, locality and neighbourhood level to maintain communication with all the Borough's communities and other stakeholders.

- Maintaining an effective complaints process
- Producing an annual report
- Maintaining a Freedom of Information Act publication scheme
- Meeting the requirements of the Transparency code
- Maintaining the Council's website
- Maintaining a record of decision making
- Publication of reports including a calendar of dates for submitting, publishing and distributing reports
- Maintaining and publishing a Performance dashboard

**(c) *Defining outcomes in terms of sustainable economic, social, and environmental benefits***

3.7 The long-term nature and impact of many of the Council's responsibilities means that it should define and plan outcomes. Decisions should further the Council's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources.

The Council is committed to an ambitious strategy of achieving the best for our residents and their communities. This is set out on the Council's:

- Corporate plan including the vision, pledges, priorities
- Health and wellbeing strategy
- One Swindon Partnership Board
- Swindon Strategic Partnership
- Swindon and Wiltshire Local Enterprise Partnership

The Council will consider the economic, social and environmental impact of policies, plans and decisions by:

- Including impacts when reporting to Members
- Maintaining risk registers which assess risks and provide appropriate mitigations regarding economic, social and environmental impacts
- Undertaking consultation with residents where appropriate

**(d) *Determining the interventions necessary to optimise the achievement of the intended outcomes***

3.8 The Council has a robust decision-making mechanism that ensures defined outcomes can be achieved in a way that provides the balance between the various types of resource inputs while still enabling effective and efficient operations. A clear statement of the Council's priorities and pledges are set out in the Corporate Plan. The Council will ensure the best outcomes are achieved by:

- Determining local needs and targeting resources accordingly
- Ensuring that value for money is obtained
- Engaging with all key stakeholders as appropriate
- Considering and monitoring risks associated with decision making
- Responding positively to the findings and recommendations of both internal and external statutory inspections, audits etc. by putting in place and monitoring the achievement of action plans that address agreed recommendations.
- Ensure that there are effective arrangements in place to monitor service delivery
- Provide senior managers and Members with timely financial and performance information.

- Have prepared, and tested, business continuity and disaster recovery arrangements to ensure resilience in delivering services.

**(e) *Developing the entity's capacity, including the capability of its leadership and the individuals within it***

3.9 The Council needs appropriate structures and leadership as well as people with the right skills, appropriate qualifications and mind set to operate efficiently and effectively and achieve intended outcomes within the specified periods. The Council will do this by:

- Implementing a Members development strategy
- Developing leadership skills and capacity across the Council
- Developing our approach to workforce planning
- Maintaining and developing our appraisal process
- Cascading regular information to Members and staff through staff briefings etc.

**(f) *Managing risks and performance through robust internal control and strong public financial management***

3.10 The Council needs to ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. A strong system of financial management is also essential for the implementation of policies and the achievement of planned outcomes.

3.11 The Council will ensure that the decision making process includes a rigorous assessment of risk, including:

- Financial and procurement implications
- Legal and Human Rights implications
- Diversity impact assessments
- Risk management
- Other implications, including staff, sustainability, health, rural, crime and disorder

3.12 The Council will operate a Risk Management strategy that enables the Council to manage and control risks in order to maximise the quality of service provision, uphold its reputation and achieve value for money. Assurance is provided through:

- Risk management strategy and process including maintenance of the Corporate risk register
- An annual risk-based Internal Audit plan taking in to account materiality, impact and previous audit knowledge
- Maintain an effective Audit Committee
- Maintain a performance dashboard
- Completion of an annual governance statement
- Ensure timely and accurate budget monitoring and reporting

**(g) *Implementing good practices in transparency, reporting, and audit to deliver effective accountability***

3.13 The Council will ensure that those making decisions and delivering services are accountable for them. Effective accountability is concerned not only with reporting on actions completed but ensuring that stakeholders understand and respond as the Council plans and carries out its activities in a transparent manner. Both internal and external audit contribute to effective accountability. The Council will:

- Ensure that Members makes decisions in an open and transparent way
- Record all decisions that are made by Members and officers
- Have rules and procedures which govern how decisions are made
- Maintain an effective Audit committee
- Ensuring that agreed Internal and External Audit recommendations are implemented
- Ensuring an effective Internal Audit service that has direct access to Audit Committee and Corporate management Team is in place
- Responding positively to inspections (both internal and external)

#### **4. Monitoring and Review**

4.1 Effective corporate governance requires input from Members and officers across the Council. In order to ensure that the Council's Local Code is put in to practice the following review and monitoring processes are in place:

4.2 The Council will ensure that these arrangements are kept under continual review by:

- The work of Internal Audit
- Reports prepared by managers with responsibility for aspects of this Code
- External Audit opinion
- Other review agencies and inspectorates
- Opinion of the Council's Statutory officers

#### **5. Annual Governance Statement**

5.1 The Council is required to prepare an annual governance statement in order to report publicly on the extent to which it complies with its own code of governance. This includes how the Council has monitored and evaluated the effectiveness of its governance arrangements.

5.2 The purpose of the review will be to provide assurance that governance arrangements are adequate and operating effectively or to identify action that is planned to ensure effective governance in the future.

5.3 The preparation and publication of the annual governance statement will meet the statutory requirement of the Accounts and Audit Regulations

5.4 The annual governance statement will be approved by the Council's Audit committee before being signed by the Leader of the Council and the Chief Executive.

5.5 The annual governance statement will be published as part of the statement of accounts.