



TONBRIDGE & MALLING BOROUGH COUNCIL

LOCAL CODE OF CORPORATE GOVERNANCE

1. Introduction

Tonbridge & Malling Borough Council is committed to the principles of good corporate governance and confirms its ongoing commitment and intentions through the development, adoption and continued maintenance of a Local Code of Corporate Governance, as recommended within the CIPFA/SOLACE Guidance "Corporate Governance in Local Government - a Keystone for Community Governance".

This Local Code of Corporate Governance sets out and describes the Borough Council's commitment to corporate governance, and identifies the arrangements that have been made to ensure its effective implementation and application to all aspects of the Borough Council's work.

2. Corporate Governance

For the purpose of this Code, the definition of corporate governance adopted by Tonbridge & Malling Borough Council is that contained within the CIPFA/SOLACE Framework:

"Corporate governance is the system by which local authorities direct and control their functions and relate to their communities".

3. Purpose of the Code

The purpose of this code is as follows:

- to set out the principles under-pinning the governance of Tonbridge & Malling Borough Council
- to demonstrate a high level of compliance with the principles of good governance
- to assist Tonbridge & Malling Borough Council to review its corporate governance arrangements and their effectiveness against this framework.

4. The Principles of Corporate Governance

The key principles of Corporate Governance are identified within the CIPFA/Solace Framework and Guidance and underpin the approach of the Borough Council to corporate governance.

Accountability is the process whereby this Council and its Members and officers are responsible for their decisions and actions. It includes:

- Stewardship of public funds

- All aspects of performance
- Clear understanding of responsibilities, including the division between officers and Members
- Clearly defined roles through a robust structure
- External scrutiny

Effectiveness of the control framework and professionalism of officers and Members. Including:

- What to measure and over what period
- Balance between effectiveness and efficiency
- How to achieve this balance within the democratic process

Integrity

- Not just related to ethics but also leadership
- Understanding conflict of interest and how to handle it
- Declaration of interests
- Need to take difficult decisions and how to deal with conflicts with popular opinion

Openness

- in our systems and processes to ensure that stakeholders can have confidence in the decision-making and management processes of Tonbridge & Malling Borough Council

Inclusiveness

- Involvement of all stakeholders, as appropriate.

Up to date

- Take account of new systems and policies
- Need for constant review

5. Leadership

The concept of **leadership** overarches these principles. The principles described above can only be adhered to if leadership is exercised through:

- the local authority providing a vision for its community and leading by example in its decision-making and other processes and actions
- Members and officers conducting themselves in accordance with high standards of conduct.

6. Corporate Governance at Tonbridge and Malling Borough Council in Practice

Tonbridge and Malling Borough Council conducted a review of its corporate governance arrangements during November 2001. The review was undertaken by the Internal Audit Section completing a thorough analysis of the recommendations made within the CIPFA/SOLACE documents, together with input from senior officers.

The review looked at the five dimensions set out in the guidance;-

- community focus
- service delivery arrangements
- structures and processes
- risk management and internal control
- standards of conduct.

The fundamental principles of corporate governance need to be reflected in the different dimensions of the Borough Council's business. It is important to recognise that the dimensions are not mutually exclusive – for example, standards of conduct are part of every dimension.

7. Dimensions of Corporate Governance

These principles are reflected in all the following dimensions of the Council's business and are not mutually exclusive. These dimensions are identified in the CIPFA/SOLACE Framework. The objectives of each dimension are identified in the following tables. In addition the effective arrangements identified in the CIPFA/SOLACE Framework are listed together with a description of how Tonbridge & Malling Council already meets these expectations or is working towards achieving them.

Dimension 1 – Community Focus	
<p><i>Through carrying out our general and specific duties and responsibilities, and through our ability to exert wider influence, Tonbridge & Malling Borough Council will:</i></p> <p>a) <i>work for and with our communities;</i></p> <p>b) <i>exercise leadership in our local community, where appropriate; and</i></p> <p>c) <i>undertake an ambassadorial role to promote the well being of the Borough</i></p>	
The Council will maintain effective arrangements:	How we do this
for explicit accountability to stakeholders for the authority's performance and its effectiveness in its delivery of services and the sustainable use of resources	Annual Financial Statements Budget Treasury Management Statement Annual Capital Plan Best Value Performance Plan Constitution of the Council Council Tax Leaflet Investor in People Status Capital Strategy Asset Management Plan Annual reporting on performance in "Here & Now" Statement on Internal Controls Statement of Corporate Governance Use of Resources Assessment Green Waste Scheme Customer Services Strategy and Customer Charter Sustainable Procurement Policy Statement
to demonstrate integrity in the authority's dealings in building effective relationships and partnerships with other public agencies and the private/voluntary sectors	Constitution of the Council Best Value Performance Plan Annual External Audit Review Anti-Fraud & Corruption Statements Confidential Reporting Code CCTV Code of Practice Anti-Money Laundering Policy Freedom of Information – Records Management System Data Matching Code of Practice Customer Services Strategy and Customer Charter
to demonstrate openness in all dealings	Constitution of the Council Registers of Interest Publication of Council decisions Publication Scheme Asset Management Plan Procurement Strategy
to demonstrate inclusivity by communicating and engaging with all	Community Strategy Citizens Panel

sections of the community to encourage active participation	Customer Panels Disability Equality Scheme Customer Services Strategy Local Play Strategy Race Equality Scheme Housing Associations Liaison Panel Small Business Friendly Concordat Selling to the Council Guide Diversity Policy "Here & Now" Web site Community Based Partnerships
to develop and articulate a clear and up to date vision and corporate strategy in response to community needs	Best Value Performance Plan Borough Leisure Strategy Local Cultural Strategy LSBU Business Plan Housing Strategy Citizens Panels Community Strategy Crime and Disorder Strategy Capital Strategy Asset Management Plan Local Agenda 21 Action Plan The use of Customer Relationship Management system to learn about our customers and respond to their needs

Dimension 2: Service Delivery Arrangements

Tonbridge & Malling Borough Council will ensure that continuous improvement is sought, agreed policies are implemented and decisions carried out.

The Council will maintain effective arrangements which:

How we do this

discharge their **accountability** for service delivery at a local level

Constitution of the Council
Best Value Performance Plan
Internal Audit Section reporting to General Purposes Committee
Performance Information/Target Setting
Statement on Internal Controls
Statement of Corporate Governance
Service Assurance Statements

ensure **effectiveness** through setting targets and measuring performance

Best Value Performance Plan
Performance Management System
Human Resources Strategy
Borough Leisure Strategy
Local Cultural Strategy

	LSBU Business Plan Staff Appraisal Quest Leisure Award Mystery Shopper Reports
demonstrate integrity in dealing with service users and developing partnerships to ensure the 'right' provision of services locally	Best Value Performance Plan Best Value Reviews Procurement Strategy Financial Rules Contract Procedure Rules Citizens' Panels Treasury Management Statement West Kent Partnership Crime and Disorder Partnership Heart Of Kent Tourism Partnership Kent Tourism Alliance Area Investment Framework
demonstrate openness and inclusivity through consulting with key stakeholders, including service users	Community Partnerships Customer Panels Customer Surveys Mystery Shopper Exercises Benchmarking Citizens Panels Borough Strategy Consultation Consultation exercises on all major strategic issues
are flexible so that they can be kept up to date and adapted to accommodate change and meet user wishes	Capital Plan Reviews Benchmarking Best Value Reviews Performance Management System Local Play Strategy

Dimension 3: Structures and Processes

Tonbridge & Malling Borough Council will establish effective political and managerial structures and processes to govern decision-making and exercise of authority within the Council.

The Council will maintain arrangements to:	How we do this
define the roles and responsibilities of Members and Officers to ensure accountability , clarity and good ordering of Council business	Council Constitution Member Code of Conduct Staff Codes of Conduct Anti-Fraud Policies Job Descriptions Performance Management System
ensure that there is proper scrutiny and review of all aspects of performance and effectiveness	Council Constitution External Auditing Internal Auditing Best Value Reviews Performance Management System
demonstrate integrity by ensuring a proper balance of power and authority	Council Constitution

document clearly such structures and processes and to ensure that they are communicated and understood to demonstrate openness and inclusivity	Council Constitution Performance Management System
ensure such structures and processes are kept up to date and adapted to accommodate change.	Periodic review of Council Constitution Management Liaison Panel

Dimension 4: Risk Management and Internal Control	
<i>Tonbridge & Malling Borough Council will establish and maintain a systematic strategy, framework and processes for managing risk.</i>	
The Council will maintain arrangements to:	How we do this
include making public statements to stakeholders on the Council's risk management strategy, framework and processes to demonstrate accountability	Statement of Accounts Annual Review of Strategy Statement on Internal Control Service Assurance Statements
include mechanisms for monitoring and reviewing effectiveness against agreed standards and targets and the operation of controls in practice	Performance Management System Best Value Reviews Insurance Claim History External Audit Internal Audit Reporting
demonstrate integrity by being based on robust systems for identifying, profiling, controlling and monitoring all significant strategic and operational risks	Risk Management Strategy Internal Audit Reporting All decision reports to Members include a risk assessment
display openness and inclusivity by involving all those associated with planning and delivering services, including partners	Risk Registers Annual Reporting on Risk Management
include mechanisms to ensure that the risk management and control process is monitored for continuing compliance to ensure that changes in circumstances are accommodated and that it remains up to date	Regular Review of Risk Management Strategy/ Risk Registers

Dimension 5 - Standards of Conduct	
<p><i>The openness, integrity and accountability of individuals within a local authority form the cornerstone of effective corporate governance. The reputation of this authority depends on the standards of behaviour of everyone within it, whether members, employees or agents contracted to it. Therefore, members and senior officers of Tonbridge & Malling Borough Council will:</i></p> <p>a) <i>Exercise leadership by conducting themselves as role models for others within the authority to follow; and</i></p> <p>b) <i>Define the standards of personal behaviour that are expected from members and staff and all those involved in service delivery.</i></p>	
The Members and Officers of Tonbridge & Malling Borough Council will put in place arrangements to ensure:	How we do this
accountability , through establishing systems for investigating breaches and disciplinary problems and taking action where appropriate, including arrangements for redress	Standards Committee Disciplinary Procedure Capability Procedure Drugs/Alcohol Abuse Policy
effectiveness in practice through monitoring their compliance	Annual Reporting
the objectivity and impartiality are maintained in all relationships to demonstrate integrity	Codes of Conduct Prosecution Policy
that such standards are documented and clearly understood to display openness and inclusivity and are reviewed on a regular basis to ensure that they are kept up to date.	Anti- Fraud & Corruption Policies Race Equality Scheme Anti-Harassment Policy

8. Future Action

The review of Tonbridge & Malling Borough Council's corporate governance arrangements has been a positive process in that it has identified systems and processes that are already effective, but it is recognised that this must be subject to review on a continuing basis to ensure that they are up to date.

In order to achieve this Tonbridge & Malling Borough Council will take the following actions;

- The review and the Local Code of Corporate Governance will be reported on and made available both within the authority, to the General Purposes Committee and the Standards Committee, and externally through the published accounts and the Best Value Performance Plan. Any revisions to the Code will be recommended for approval by the Council through the Cabinet.
- The Chief Executive is the responsible officer for overseeing, implementing, monitoring and reviewing the operation of the code and the Leader of the Council has the equivalent Member level responsibility.
- An annual report to the Borough Council will be made on compliance with the code and an annual review to identify any changes that may be necessary to maintain it and ensure its effectiveness in practice. This will include recommendations made by recognised external bodies such as the Audit Commission and other Inspectorates.
- Where the annual review of the corporate governance arrangements reveals gaps, an action plan will be drawn up to address areas where further work is required to ensure effective governance in the future.

9. Conclusion

Good corporate governance underpins credibility and public confidence in the Borough Council. By adopting best practice, the Borough Council will significantly enhance its processes of modernisation, community leadership and engagement and continuous performance improvement.

Tonbridge & Malling Borough Council is fully committed to the principles of good corporate governance, and through its Local Code of Corporate Governance will ensure that adequate arrangements are in place for monitoring and review of its compliance with those principles.

Councillor Mark S Worrall
Leader of the Council

David Hughes
Chief Executive

August 2006