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TONBRIDGE & MALLING
BOROUGH COUNCIL

EXECUTIVE SERVICES

Chief Executive

Julie Beilby BSc (Hons) MBA

Gibson Building
Gibson Drive
Kings Hill, West Malling
Kent ME19 4LZ
West Malling (01732) 844522

Contact: Committee Services
committee.services@tmbc.gov.uk

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Dear Councillor

AUDIT COMMITTEE - MONDAY, 23RD JANUARY, 2017

I am now able to enclose, for consideration at the Monday, 23rd January, 2017 meeting of the Audit Committee, Annex 1 to the following report which was unavailable when the agenda was printed.

Agenda No Item

11. **Local Code of Corporate Governance (Pages 177 - 178)**

Yours sincerely

J E BEILBY
Chief Executive

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Tonbridge & Malling Borough Council CODE OF CORPORATE GOVERNANCE

INTRODUCTION

- 1.1 In 2001 the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) published *Corporate Governance in Local Government – A Keystone for Community Governance: Framework*. The Framework outlined the need for local authorities to review their governance arrangements against a number of key principles and report on their effectiveness in practice.
- 1.2 Six core principles of good governance were advocated by the Independent Commission on Good Governance in Public Services in *The Good Governance Standard for Public Services (2004)* with support from the Office for Public Management and CIPFA. In response to subsequent changes in local government, CIPFA and SOLACE published an updated framework for good governance in local government in 2007. The framework defines governance as, ‘the systems and processes, and cultures 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 Independent Commission’s six core principles of good governance outlined in the CIPFA-SOLACE Framework show that good governance means:
 - (i) Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 - (ii) Members and officers working together to achieve a common purpose with clearly defined functions and roles
 - (iii) Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 - (iv) Taking informed, transparent decisions which are subject to effective scrutiny and managing risk
 - (v) Developing the capacity and capability of Members and officers to be effective
 - (vi) Engaging with local people and other stakeholders to ensure robust public accountability

CODE OF CORPORATE GOVERNANCE	SUPPORTING EVIDENCE
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.	
<p>1.1. <i>Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users.</i></p>	<p>There is a clear statement of the organisation's purpose in:</p> <ul style="list-style-type: none"> • Tonbridge & Malling Borough Council – Corporate Performance Plan 2012/15 <p>This document sets out the key priorities for the authority and how the Council will work with a range of partners and the local communities towards achieving the objectives.</p> <p>Over the coming months the Council will need to develop a new Corporate Performance Plan taking into account the actions identified following the 2014 Peer Review and recent issues and challenges.</p>
<p>1.2. <i>Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</i></p>	<p>The Corporate Performance Plan also sets out how the Key Priorities will be delivered and identifies improvement plans on how these can be delivered efficiently and effectively. This will involve working with partners and contractors to achieve this. Regular update reports are given to Management and Members outlining progress towards achieving these priorities.</p>
<p>1.3. <i>Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.</i></p>	<p>The Council works towards improving value for money through:</p> <ul style="list-style-type: none"> • Exploration of innovative ways of working including potential for joint-working and shared services • Robust budgeting and Financial monitoring arrangements including detailed reviews of budgets and potential savings opportunities • The work of Internal Audit • The work of External Audit • Publication of annual budget and accounts information
2. Good governance means Members and officers working together to achieve a common purpose with clearly defined functions and roles	
<p>2.1. <i>Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard.</i></p>	<p>The Council has a protocol for relations between Members and Officers. The Council's Constitution sets out clearly any delegation of responsibility from Council and the decision making powers of:</p> <ul style="list-style-type: none"> • The Council • The Cabinet (including the Executive Leader and delegated decision-making to the Cabinet Portfolio Holders) • The Licensing Committee and other Council Committees.
<p>2.2. <i>Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny</i></p>	<p>The Council's Constitution clearly sets out the process for holding the executive to account through the debate of items at Committees and, specifically, the role of the Overview and Scrutiny Committee and also the</p>

<i>function.</i>	independent scrutiny role of the Audit Committee.
2.3. <i>Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other.</i>	<p>The Council is accountable to the citizens of Tonbridge & Malling in delivering its duties and responsibilities. The Council manages relationships with partners and consults with the public through a number of mechanisms:</p> <ul style="list-style-type: none"> • Transparency agenda • Regular reporting to Members • Partnership arrangements supported by protocol agreements • Council Constitution
3. Good governance means promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.	
3.1. <i>Ensuring authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</i>	<p>The Council has a Code of Conduct for Members. In addition the Council has:</p> <ul style="list-style-type: none"> • An Equalities Policy • A Code of Conduct for staff • A Declaration of Interest Register for Members and for staff • A Register of Gifts and Hospitality offered to Members and staff • Financial Procedure Rules • Contracts Procedure Rules • A publicised complaints procedure • A fraud-aware culture
3.2. <i>Ensuring that organisational values are put into practice and are effective.</i>	<p>The Council has robust arrangements in place to ensure that it does the right things, for the right people in a timely, inclusive, open, honest and accountable manner. These are monitored and publicised through:</p> <ul style="list-style-type: none"> • The Council's performance reporting arrangements • Procedures for recruitment and training • Decision making practices • Data transparency arrangements, such as publication of decisions and committee meeting minutes • Partnership governance arrangements
4. Good governance means taking informed and transparent decisions which are subject to effective scrutiny and managing risk	
4.1. <i>Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.</i>	<p>The Council's Constitution sets out clearly the decision-making powers of:</p> <ul style="list-style-type: none"> • The Council • The Cabinet (including the Executive Leader and delegated decision-making to the Cabinet Portfolio Holders) • Council Committees. <p>Forthcoming key decisions are published in advance at monthly intervals. All Member meetings held by the Council are open to the public, unless the items being</p>

	<p>discussed are considered to be private under the Local Government Act 1972.</p> <p>The Overview and Scrutiny Committee is responsible for reviewing and scrutinising the decisions made by and performance of the Cabinet and/or Committees and Officers. Decisions made by Cabinet, Committee or a Cabinet Member at an Advisory Board can be subjected to scrutiny via a call-in procedure allowing challenge within five working days of the decision being taken.</p> <p>Feedback from the Overview and Scrutiny Committee the Cabinet, Committees and Advisory Boards is taken into account and given due consideration in the decision-making process.</p>
4.2. <i>Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</i>	<p>The Council's Financial Procedure Rules support the provision of high quality financial advice. The Council also acts in consultation with stakeholders. The Council's Internal Audit Service provide assurance on the quality of financial and performance data reported.</p>
4.3. <i>Ensuring that an effective risk management system is in place.</i>	<p>The Council has arrangements in place to effectively monitor and manage risks to its business through the:</p> <ul style="list-style-type: none"> • Risk Management Strategy • Corporate Risk Register • Service Risk Registers • Audit Committee role in scrutinising corporate risk • Consideration of risk in all Committee reports • Annual Governance Statement
4.4. <i>Using their legal powers to the full benefit of the citizens and communities in their area.</i>	<p>The Council actively recognises the requirements and responsibilities placed on it by law and will act to observe all specific legal requirements placed upon it when taking decisions.</p> <p>The Council also strives to utilise its statutory powers to work in the public interest and to the full benefit of its citizens, particularly in relation to regulatory activity.</p> <p>All committee reports include a section to ensure any legal implications are fully analysed when making decisions.</p>
5. Good governance means developing the capacity and capability of Members and officers to be effective	
5.1. <i>Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.</i>	<p>The Council has a training programme for Members and holds regular training sessions for Members on a variety of topics:</p> <ul style="list-style-type: none"> • Induction training for all new members • Service-specific training, e.g. Community Safety • Committee-specific training, e.g. Audit Committee <p>The Council has an extensive training programme for council officers including mandatory and voluntary training.</p>
5.2. <i>Developing the capability of people with governance responsibilities and evaluating their performance,</i>	<p>The Council examines the capability of its people with governance responsibilities through appraisals, identifying any training gaps – the relevant training</p>

<i>as individuals and as a group.</i>	programmes are updated accordingly.
<i>5.3. Encouraging new talent for membership of the authority so that best use can be made in individuals' skills and resources in balancing continuity and renewal.</i>	The political group leaders take a lead in this area and use the Member training programme to support this ambition as required.
6. Good governance means engaging with local people and other stakeholders to ensure robust public accountability	
<i>6.1. Exercising leadership through a robust scrutiny function which effectively engages local people & all local institutional stakeholders including partnerships, & develops constructive & accountability relationships.</i>	<p>The Council is clear that it is ultimately accountable to the citizens of Tonbridge & Malling. The Council's Corporate Performance Plan 2012/15 outlines the means by which local stakeholders will be engaged and how constructive, challenging relationships will be built. The Council has put in place Committees / Boards with cross-party representation to ensure effective and robust discussion of issues.</p> <p>The Council also has an Overview and Scrutiny Committee to scrutinise decisions made by Cabinet.</p>
<i>6.2. 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.</i>	<p>The Council has a good understanding of who lives, works and plays in the borough and have mechanisms to listen to and respond to their needs, aspirations and concerns.</p> <p>The Council has taken action to develop and support effective engagement opportunities with all groups of the local community:-</p> <ul style="list-style-type: none"> • The Council promotes the TM Youth Forum that represents the views of young people living in Tonbridge and Malling • The Council supports the Tonbridge & Malling Seniors' Forum (TAMS) which promotes and the needs of the older resident. • The Council engages with other key stakeholders through a number of partnerships that the Council has embarked upon. • The Council actively uses complaints received to learn and improve services, whether through the internal complaints system or via the Ombudsman.
<i>6.3. Making best use of human resources by taking an active and planned approach to meet responsibility to staff.</i>	<p>The Council has Investors' in People accreditation for the whole Council and actively engages with its staff through:</p> <ul style="list-style-type: none"> • Team meetings • Regular performance management meetings • The Joint Employee Consultative Committee

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