

Agenda Item No: 7 **Report No:** 104/13

Report Title: Lewes District Council – Code of Corporate Governance Update

Report To: Audit Committee **Date:** 24 June 2013

Ward(s) Affected: All

Report By: Head of Audit and Performance

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Purpose of Report:

To inform Councillors of the update of the Lewes District Council Code of Corporate Governance and progress on issues to be addressed.

Officers Recommendation(s):

- 1 To receive and consider the report.
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Reasons for Recommendations

- 1 To ensure the Council follows best practice for corporate governance as set out in the Chartered Institute of Public Finance and Accountancy/ Society of Local Authority Chief Executives (CIPFA/SOLACE) Framework, and has effective arrangements in place.

Information

2 Background

- 2.1 Lewes District Council recognises the importance of effective corporate governance so that local communities can place trust in the way that the Council carries out its duties. Corporate governance for councils in simple terms is how they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 2.2 At the Audit Committee meeting of 17 March 2008 Councillors approved the Council's Code of Corporate Governance to meet the requirements of the CIPFA/SOLACE Framework, "Delivering Good Governance in Local Government". The local Code is made available to the public on the Council's website and can be found at the following link
<http://www.lewes.gov.uk/council/3748.asp>

3 Lewes District Council Code of Corporate Governance

3.1 The Local Code brings together all of the Council's corporate governance arrangements in one place and identifies a number of issues to be addressed that will improve the Council's approach. Each year the Head of Audit and Performance in consultation with key officers reviews the Code to ensure that it remains robust and reflects the arrangements at the Council, and identifies any issues that need to be further developed.

3.2 The Code has the following six core principles:

- Focusing on the purpose of the Council 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 value of good governance through upholding high standards of conduct and behaviour.
- Taking informed and transparent decisions which are subject to effective scrutiny and risk management.
- Developing the capacity and capability of members and officers to be effective.
- Engaging with local people and other stakeholders to ensure robust public accountability.

3.3 Appendix A provides an extract of the Code to illustrate the structure of the document. It shows:

- The individual requirements of the local code.
- Systems/processes/documentation demonstrating compliance.
- Responsibility for monitoring/review.
- Issues to be addressed, target date where known and officer responsible.

4 Review of the Local Code

4.1 The review has shown the Council continues to have satisfactory arrangements in place for corporate governance, and these are embodied in a range of documents and systems that are already in place at the Council, or are planned. For example:

- Council's Constitution
- Council Plan
- Medium Term Financial Strategy
- Whistle Blowing Policy
- Guidance for Partnership Working
- Data Quality Strategy

4.2 A small number of updates have been made to the Code to reflect developments in the Council's governance arrangements. The updated Code can be found at the following link;
<http://www.lewes.gov.uk/council/3748.asp>

4.3 Appendix B identifies the progress that has been made against the issues to be addressed that were identified in July 2012.

5 Financial Appraisal

5.1 There are no additional financial implications from this report.

6 Risk Management Implications

6.1 Failure to maintain proper corporate governance arrangements can reduce the likelihood of the Council meeting its aims and objectives and attract criticism from the Council's stakeholders and the Council's external auditor. Maintenance of a local Code of Corporate Governance which concords with best practice and is regularly reviewed will ensure that the corporate governance arrangements remain effective.

7 Sustainability Implications

7.1 I have not completed the Sustainability Implications Questionnaire as this report is exempt from the requirement because it is a progress report.

8 Equality Screening

8.1 I have given due regard to equalities issues and, as this is an internal monitoring report screening for equalities is not required.

9 Appendices

9.1 Appendix A: Extract from the Lewes District Council Code of Corporate Governance.

9.2 Appendix B: Progress that has been made against the issues to be addressed in the Code that were identified in July 2012.

LEWES DISTRICT COUNCIL
LOCAL CODE OF CORPORATE GOVERNANCE

CORE PRINCIPLE 1: Focusing on the purpose of Lewes District Council and on outcomes for the community and creating and implementing a vision for the local area

	Our local code will reflect the requirement to:	Systems / processes/ documentation demonstrating compliance	Responsibility for monitoring/review	Issues to be addressed, target date and officer responsible
1.1	Supporting Principle: Lewes District Council will exercise strategic leadership by developing and clearly communicating the Council's purpose and vision and its intended outcomes for citizens and service users			
a)	Develop and promote the Council's purpose and vision	<ul style="list-style-type: none"> • Council Plan • Council Tax Leaflet • District News • Website • Internal communications to staff • Hosted events 	<ul style="list-style-type: none"> • Council • Cabinet • Corporate Management Team 	
b)	Review on a regular basis the Council's vision for the local area and its impact on the Council's governance arrangements.	<ul style="list-style-type: none"> • Quarterly monitoring reports of Council Plan to Corporate Management Team and Cabinet • Lewes District Council Local Code of Corporate Governance 	<ul style="list-style-type: none"> • Corporate Management Team • Cabinet • Reviewed annually by the Head of Audit and Performance and monitored by the Audit Committee through an annual update report 	
c)	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.	<ul style="list-style-type: none"> • Partnership agreements with associated governance arrangements • Lewes District Council Local Code of Corporate Governance • Guidance for partnership working. • Project Initiation Documents 	<ul style="list-style-type: none"> • Cabinet • Corporate Management Team • Partnership Lead Officers • Head of Audit and Performance • Project Lead Officers 	Officer implementation of partnership guidance - Ongoing

APPENDIX B

Progress that has been made against the issues to be addressed in the Code identified in July 2012

Requirement of Local Code	Issue to be addressed and target date	Progress against target
CORE PRINCIPLE 1: Focusing on the purpose of Lewes District Council and on outcomes for the community and creating and implementing a vision for the local area		
Put in place effective arrangements to identify and deal with failure in service delivery.	Undertake Scrutiny Review of Complaints by September 2012 - Corporate Head – Legal and Democratic Services	Scrutiny Review of Complaints undertaken and reported to Scrutiny Committee on 6 September 2012. (G)
CORE PRINCIPLE 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles		
Ensure that effective mechanisms exist to monitor service delivery.	Review of performance management framework to take account of the Council's transformation agenda by November 2012 - Corporate Performance Officer	Changes have been reflected through the Council Plan and service plans to link Council activity to its vision and priorities. Performance monitoring systems have been enhanced through the use of PAM. An increasing focus on project management has taken place with formal arrangements for overview and clear templates and procedures being adopted. KPI monitoring continues through CMT/Cabinet on a quarterly basis. (G)
CORE PRINCIPLE 3: Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.		
Ensure that the Council's leadership creates a climate of openness, support and respect for the organisation.	Staff survey undertaken and results analysed by end of September 2012 - Head of Human Resources	Corporate Management Team has decided to postpone the survey to allow time for staff to go through the office moves first. However the travel survey and a 'mini survey' on agile working have taken place, with a full survey planned to take place in September 2013. (A)
Develop and maintain shared values for both the organisation and staff reflecting public expectations, and communicate these with members, staff, the community and partners.	Customer Charter review by March 2013 - Corporate Performance Officer	The Charter review has been put on hold as it needs to form part of the Council's wider agenda on putting the Customer First. This project is now underway. Shared values and behaviours have been developed in consultation with staff. These will form part of any future work to engage service users and partners. (A)

Requirement of Local Code	Issue to be addressed and target date	Progress against target
CORE PRINCIPLE 4: Taking informed and transparent decisions which are subject to effective scrutiny and risk management		
Maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.	Protocol for urgent decisions to be taken with increased transparency – Constitution Working Party December 2012	Protocol reviewed and amended, as agreed by: <ul style="list-style-type: none"> • Constitution Working Party – 23 August 2012 • Cabinet – 1 October 2012 • Council – 17 October 2012 (G)
Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.	Undertake Scrutiny Review of Complaints by September 2012 - Corporate Head – Legal and Democratic Services	Scrutiny Review of Complaints undertaken and reported to Scrutiny Committee on 6 September 2012 (A)
Ensure that risk management is embedded into the culture of the authority.	Review of Councils' risk management arrangements to take account of the new project management/ collaboration system (pam) by September 2012 - Head of Audit and Performance	Review of risk management tools on pam undertaken. Revised risk map tool to meet the agreed with Alliantist and updated on pam in May 2013. (G) .
CORE PRINCIPLE 5: Developing the capacity and capability of members and officers to be effective		
Ensure that effective arrangements are in place to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority.	<p>Consultation and Communications Strategy to be updated to take account of the Councils' by December 2012 Head of Communications</p> <p>Produce a Public Realm Framework for the five main settlements in the District by December 2012 Economic Regeneration Project Officer</p>	<p>Consultation & Communications Policy updated April 2013. (G)</p> <p>Consultant appointed in December 2012 and comprehensive analysis and consultations undertaken between January and April 2013. Framework currently being finalised with a view that it will be finished in June, reported to Cabinet in September and then used to shape County, District and town/parish policy and projects over the coming years. (A)</p>

Requirement of Local Code	Issue to be addressed and target date	Progress against target
	<p>Democratic Conversation action plan most of which is to be completed by March 2013.</p> <p>Corporate Head – Legal and Democratic Services and Head of Communications</p>	See progress against target in Core Principle 6 below.

CORE PRINCIPLE 6: Engaging with local people and other stakeholders to ensure robust public accountability

Ensure clear channels of communication with all sections of the community and other stakeholders, and ensure effective monitoring arrangements.	<p>Democratic Conversation action plan most of which is to be completed by March 2013.</p> <p>Corporate Head – Legal and Democratic Services and Head of Communications</p>	<p>1) The Community Engagement Working Group meets monthly and has an action plan designed to deliver the Democratic Conversation recommendations. Many action plan points already completed and on target to complete all action plan points by Oct 2013.</p> <p>2) We are the first council to sign up to the Democratic Society's '<u>Principles of Participation</u>' (2012). We have agreed to participate in activities and learning in the network of authorities that sign up to the principles, as long as they are beneficial to the Council's work and impose no additional financial burden. (A)</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 have different priorities and establish explicit processes for dealing with these competing demands.		
Establish a policy on consultation with the public and service users, including a feedback mechanism for consultees to demonstrate what has changed as a result.		

Green (G)	Completed	Amber (A)	Underway	Red(R)	Delayed
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