North Kesteven District Council Code of Local Governance

Introduction

This Code of Local Governance is based on the Chartered Institute of Public Finance and Accountancy (Cipfa) guidance 'Delivering Good Governance for Local Authorities."

The aim of this Code is to set out the principles by which the Council will ensure good governance. The same principles will be used to help inform the production of our Annual Governance Statement.

The aim of good governance is to enable the Council to achieve the delivery of its Corporate Plan whilst acting in the public interest at all times.

Definition

Governance

Governance can be defined as 'the systems put in place to ensure that the intended outcomes for stakeholders are defined and met. It is the arrangements by which the Council is directed, controlled, and held accountable to achieve its core purpose."

Stakeholder

A stakeholder is any person or group with an interest in the Council's activities. Stakeholders include but are not limited to; members of the public, service users, partners, colleagues, elected members, contractors, town and parish councils, local businesses, health agencies, central government bodies, neighbouring councils, emergency services, voluntary organisations and others.

NKDC Code of Local Governance Principals

North Kesteven District Council is committed to ensuring good governance throughout its activities and operates a governance framework that brings together an underlying set of legislative requirements, governance principles, internal control arrangements and management processes.

The governance framework comprises the duties, values and culture of the Council supported by the systems and process that are put in place to ensure they are complied with.

The Code commits the Council to following the principles as set out below;

Behaving with integrity and demonstrating strong commitment to the Council's values.

How we do this:

- Members and officers behave with integrity and lead by example at all times.
- Creating the environment to ensure that the statutory officers and other key post holders are able to fulfil their responsibilities.
- Striving to use the Council's full powers for the benefit of its residents, its communities, and other stakeholders.
- Dealing with breaches of legal and regulatory provisions effectively.
- Ensuring fraud, corruption and misuse of power are dealt with effectively.

Ensuring openness and engagement

How we do this:

- Demonstrating, documenting, and communicating the Council's commitment to openness.
- Making decisions that are open[1] about actions, plans, resource use, forecasts, outputs, and outcomes.
- Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, being clear about the impact and consequences of those decisions.
- Effectively engaging with stakeholders to ensure that outcomes are achieved successfully and sustainably.
- Developing formal and informal collaborative arrangements with other institutional stakeholder's (such as other public sector bodies, third sector or private sector entities) to allow for resources to be used more efficiently and outcomes achieved more effectively.

Working together to establish a viable and clear direction for the future.

How we do this:

- Having a clear vision and strategy of the Council's purpose and intended outcomes defined on a sustainable basis within the resources that will be available.
- Managing expectations effectively with regard to determining priorities and making the best use of the resources available.
- Taking a longer-term view with regard to decision making, taking account of risk, and acting transparently where there are potential conflicts between the Council's intended outcomes and short-term factors such as the political cycle or financial constraints.

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[1] The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided

- Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social, and environmental benefits through consultation where possible.

Identifying and delivering the actions that are required to ensure the Council achieves its goals.

How we do this:

- Engaging with internal and external stakeholders in determining how services and other interventions can best be delivered

- Ensuring best value is achieved and establishing and implementing robust control processes that cover strategic and operational plans, priorities, and targets by preparing budgets in accordance with organisational objectives, strategies, and the medium-term financial plan.

- Considering feedback from service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands.

- Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment.

- Ensuring the achievement of 'social value' through service planning and commissioning.

Developing the council's capacity to deliver its intended outcomes by ensuring it has the right people in the right place at the right time.

How we do this:

- Ensuring the capabilities of senior management enable the Council to respond successfully to changing legal and policy demands as well as economic, political, and environmental changes and risks.

- Reviewing operations and performance on a regular basis to ensure their continuing effectiveness and enable learning.

- Developing and maintaining robust procurement policies and procedures, which place emphasis on the Council's ethical values and objectives and deliver cost effective goods and services.

- Appointing a senior officer (the Section 151 Officer) who is responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and maintaining an effective system of internal financial control.

- Appointing a senior officer (the Monitoring Officer) who is responsible for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with

- Ensuring members and senior officers have the appropriate skills, knowledge resources and support to fulfil their roles and responsibilities.

- Implementing appropriate human resource policies and ensuring that they are working effectively and creating an environment where colleagues can perform well, and ideas and suggestions are welcomed.

Managing risks and performance through robust internal control and strong public financial management.

How we do this:

- Recognising that risk management is an integral part of all activities and is regarded as a continuous process.

- The implementation of robust and integrated risk management arrangements which are aligned with achieving the Council's objectives.

- Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.

- Ensuring an audit committee is established which is independent of the executive and which provides a further source of assurance regarding the Council's arrangements for managing risk and maintaining an effective control environment.

- Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to ensure the security of personal data used.

- Ensuring well developed financial management is integrated at all levels of planning and control including management of financial risks and controls.

Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

How we do this:

- Reporting at least annually in a timely manner to demonstrate to stakeholders in an understandable way on issues including how the authority is performing, whether it is delivering value for money and the stewardship of its resources.

- Ensuring that an effective external audit service is in place and acting on recommendations made for corrective action.

- Ensuring an effective internal audit service with direct access to members is in place, which provides assurance with regard to the authority's governance arrangements, and recommendations are acted upon.

- Welcoming peer challenge, reviews, and inspections from other bodies.

The Council will

Review the Code annually.

Designate a senior officer who is responsible for implementing, monitoring, and reviewing the effectiveness of the Code.

Report annually to Full Council, through the Annual Statement of Accounts on:

- o The effectiveness of the Code and its alignment to the CiPFA Code

- o The production of its Annual Governance Statement.

- How the Council has maintained and ensured the effectiveness of its governance arrangements throughout the year, including the progress of recommendations approved the previous year via the Annual Governance Statement
- Ensure that the Code is accessible and communicated to officers and members and that it is available to be consulted by members of the public.

Roles and Responsibilities

Role	Responsibilities
Full Council	Receive reports from the Director of Resources on the effectiveness of the Council's governance arrangements, in particular via the Annual Governance Statement.
Director of Resources and Section 151 Officer	Ensure systems are in place to review and report on the effectiveness of the Council's governance arrangements.
Governance and Business Resilience Team	Supporting the Director of Resources in developing, delivering, and reviewing the Councils governance framework, requirements of the Code and the production of the Annual Governance Statement.
Members and Colleagues	Lead by example in demonstrating the principles of the Code of Local Governance.
Colleagues	Ensure governance arrangements are maintained, effective, fit for purpose and embedded.
Audit Committee	Approve the Code of Local Governance and monitor its implementation. Receive the Annual Governance Statement and assurance on the effectiveness of the Council's governance framework and systems.
Executive Board	Be aware of issues and provide leadership to ensure that improvements and recommendations are implemented to ensure a cycle of continuous improvement.
Corporate Management Team	Support the Code and ensure that improvements and recommendations are implemented. Support the internal governance framework and ensure that it remains effective and fit for purpose.

The Council through its elected members, colleagues and partners are committed to ensure effective governance arrangements are in place, embedded and appropriate to ensure the delivery of our priorities.

Monitoring and Review

The Council will monitor and review the effectiveness of the Code of Local Governance and the production of the Annual Governance Statement through the Governance and Business Resilience Team who will;

- Review the Code of Local Governance and its principles annually.

- Lead a review of the Councils key governance framework and systems including associated documents, procedures, and policies to ensure they remain fit for purpose.

- Make recommendations to Audit Committee on the overall compliance with the Code of Local Governance.

- Document the Annual Governance Statement

- Monitor and report on progress with actions identified necessary as a result of the annual review.

Further Information

Further information on the Council's Governance arrangements including the Governance Framework, Code of Local Governance and the production of the Annual Governance Statement can be through the Governance and Business Resilience Team.

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