
CODE OF CORPORATE GOVERNANCE

1.0 INTRODUCTION

Governance is about how local government bodies ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open and honest, and accountable manner. It comprises 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.

Adur District Council and Worthing Borough Council are committed to the practise of good governance: ensuring good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for citizens and service users.

2.0 THE PRINCIPLES OF GOOD GOVERNANCE

The Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives (SOLACE) provide a framework for developing and maintaining a Local Code of Corporate Governance and for discharging accountability for the proper conduct of public business.

The CIPFA / SOLACE guidance Delivering Good Governance in Local Government (2012) identified six core principles against which local authorities should review their existing corporate governance arrangements and develop and maintain a Local Code of Governance.

The six principles are:

- Focussing on the Councils' purpose and outcomes for the community 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 Councils and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
- Taking informed and transparent decisions which are subject to scrutiny and managing risk.
- Developing the capacity and capability of Members and Officers to be effective.

- Engaging with local people and other stakeholders to ensure robust public accountability.

Adur District Council and Worthing Borough Council are committed to these six core principles. The Councils' Code of Corporate Governance has been prepared in accordance with the CIPFA / SOLACE guidance. The Code describes how the Councils achieve compliance with each of the core principles to deliver the best outcomes for local communities.

Focussing on the Councils' purpose and outcomes for the community and implementing a vision for the local area.

Summary

Good governance ensures the Councils fulfil their purpose and achieve the intended outcomes for their citizens and service users. Good governance also ensures the Councils continue to operate in an effective, economic and ethical manner. The Councils have therefore developed a clear vision of their purpose and intended outcomes which are communicated both within the Councils and to external stakeholders and the public, and contained within the document *Catching the Wave*.

Supporting Principles of Good Governance

In order to exercise strategic leadership the Councils will:

- Develop and promote their authority's purpose and vision;
- Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements;
- Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by the parties;
- Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance.

In order to ensure users have quality services the Councils will:

- Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available;
- Put in place effective arrangements to identify and deal with failure in service delivery.

In order to ensure the Councils make best use of resources and that tax payers and service users receive excellent value for money the Councils will:

- Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively.

- Measure the environmental impact of policies, plans and decisions.

Evidence of Commitment to these Principles

- Catching the Wave – details the Councils’ strategic plan and identifies four corporate priorities. The plan is widely promoted through the Councils’ website.
- Surf’s Up – sets out the Councils’ ambitious vision and details how the strategic plan will be implemented and corporate priorities achieved.
- Councils’ Constitution – sets out the governance arrangements and procedural requirements for the business of the Councils.
- Joint Committee Agreement – sets out the roles and responsibilities for partnership working between Adur District Council and Worthing Borough Council.
- Local Development Framework – a series of Local Development Documents that deliver the spatial planning strategy for the District/Borough.
- Medium Term Financial Strategy – links the Councils’ finances to the Corporate Priorities and sets out strategic financial policies, a medium term financial forecast and budget guidelines for the forthcoming year.
- Annual Statement of Accounts – a mainly financial document listing achievements for the previous year as well as setting out longer term aims.
- Trello Boards for Performance Dashboard and Risk Registers - records performance in relation to a range of key and local performance measures which form part of performance dashboard information and also details of Corporate and Service level risks which are reported to the Corporate Leadership Team on a regular basis.
- Benchmarking – provides comparisons between the Councils’ functions and performance with those provided by similar organisations.
- Comments, Compliments and Complaints System.
- Contract Standing Orders - outlines the procurement process used by the Councils and how Officers ensure value for money is achieved.
- Committee Reports – Provide Members with information needed to make decisions.

Members and Officers working together to achieve a common purpose with clearly defined functions and roles

Summary

Elected Members are collectively responsible for the governance of the Councils. The Local Government Act 2000 introduced new Executive arrangements whereby the Councils’ policy framework, budget and key strategies are agreed by Full Council following proposals from the Executives. The Councils each have a 6 Member Executive responsible for exercising all functions except those reserved to Council and statutory functions such as planning and licensing. In addition, the Councils have

Overview and Scrutiny Committees, comprising of non-Executive Members who can question and challenge the decisions and/or performance of the Executives.

The Chief Executive, Directors, Section 151 Officer and Monitoring Officer are responsible for advising the Executives and other Committees on legal, financial and other policy considerations.

Supporting Principles of Good Governance

In order to ensure effective leadership throughout the Councils, each Council will:

- Set out a clear statement of the respective roles and responsibilities of the Executive and of the Executive Members individually and the authority's approach towards putting this into practice;
- Set out a clear statement of the respective roles and responsibilities of other Authority Members, Members generally and of Senior Officers.

In order to ensure a constructive working relationship exists between Members and Officers, each Council will:

- Determine an Officer Scheme of Delegations and reserve powers within the Constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking into account relevant legislation and ensuring that it is monitored and updated when required;
- Make the Chief Executive responsible and accountable to the authority for all aspects of operational management;
- Develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained;
- Make the Section 151 Officer responsible to the authority for ensuring that appropriate advice is given on all financial matters for keeping proper financial records and accounts, and for maintaining an effective system of internal financial controls;
- Make the Monitoring Officer responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.

To ensure the Councils' relationships with partners and the public are clear, each Council will:

- Develop protocols to ensure effective communication between Members and Officers in their respective roles;
- Set out the terms and conditions for remuneration of Members and Officers and an effective structure for managing the process, including an effective job evaluation process for Officers' remuneration and a remuneration panel for Members;
- Ensure that effective mechanism exists to monitor service delivery;
- Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local

community and other key stakeholders, and that they are clearly articulated and disseminated;

- When working in partnership, ensure that Members are clear about their roles and responsibilities, both individually and collectively, in relation to the partnership and to the authority;
- When working in partnership, ensure that there is clarity about the legal status of the partnership, ensure that representatives or organisations understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.

Evidence of Commitment to these Principles

- Constitution – sets out how the Councils operate, how decisions are made and the procedures and codes of conduct which the Councils follow. It also includes the roles of Statutory Officers and their responsibilities relating to compliance with the law and ensuring sound financial control.
- Role of Members – set out in the Constitution.
- Terms of Reference for the Executive and Executive Members – set out in the Constitution.
- Monitoring Officer Protocol – set out in the Constitution.
- Executive Procedure Rules – set out in the Constitution.
- Overview and Scrutiny Procedure Rules – sets out the terms of reference which includes the role of overseeing the proper and effective administration of the Councils, reviewing the effectiveness of its services and supporting and complimenting the activities of the Executives.
- Officer Job Descriptions – detail the roles and responsibilities of Officers employed by the Councils.
- Whistleblowing Policy – enables Members and Officers to confidentially report suspected malpractice.
- Chief Executive and Leader meetings – held to ensure effective communication.
- Pay Policy – the Councils are committed to the principle of Equal Pay for all its employees and adopted a Pay Policy in October 2015.
- Catching the Wave – sets out the corporate objectives and strategic ambitions of the Councils.

Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Summary

Adur and Worthing Councils recognise that good governance is underpinned by shared values and demonstrated in the behaviour of its Members and Officers. The Councils' values (the way in which the Councils work for the community in pursuing its aims) are set out in Catching the Wave and Surf's Up. The standards of conduct and behaviour the Councils expect of their Members and Officers are clearly set out

in the Constitution. This is supported by the Codes of Conduct and a range of training programmes for both Members and staff.

Supporting Principles of Good Governance

To ensure Members and Officers exemplify good standards of conduct each Council will:

- Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect;
- Ensure that standards of conduct and personal behaviour expected of Members and staff, of work between Members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols;
- Put in place arrangements to ensure that Members and Officers are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.

To ensure organisational values are put into practice each Council will:

- Develop and maintain shared values including leadership values both for the organisation and staff reflecting public expectations and communicate these with Members, staff, the community and partners;
- Put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice;
- Develop and maintain an effective Standards Committee;
- Use the organisations' shared values to act as a guide for decision-making and as a basis for developing positive and trusting relationships within the authority;
- In pursuing the vision of a partnership, agree a set of values against which decision-making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.

Evidence of Commitment to these Principles

- Constitution – seeks to define the standards of conduct and personal behaviour expected of Members and Officers.
- Member Code of Conduct and Officer Code of Conduct.
- Performance Development Reviews – provide opportunities to review the performance, including standards of conduct and personal behaviour of Officers, as well as identifying any development needs.
- Comments, Compliments and Complaints System – this provides a process, clearly publicised on the website, for those wanting to complain to the Councils.
- Data Access Requests – a system is in place to respond to Freedom of Information and Subject Access Requests.

- Joint Governance Committee and Standards Sub-Committee – promotes and maintains high standards of conduct by Members.
- Whistleblowing Policy and Ombudsman Complaints System – enables Members, employees and residents to confidentially report suspected malpractice that is in the public interest.
- Anti-Fraud and Corruption Strategy – designed to encourage prevention and promote detection.
- Anti-Bribery Policy – this policy outlines the Councils’ position on preventing and prohibiting bribery, in accordance with the Bribery Act 2012.
- Members’ and Officers’ Register of Interests and Gifts and Hospitality – the Councils maintain such registers to safeguard both Members and Officers against conflicts of interest. The Members’ Register of Interests and Gifts and Hospitality is available online.
- Member Induction – following Council Elections, Members undergo a formal induction which includes information about the Councils’ vision and corporate priorities, an introduction to the Constitution and in particular the Code of Conduct.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Summary

Adur and Worthing Councils recognise that all Council decisions must be accountable and legally sound. As such, the Councils must be able to demonstrate that decision-makers follow a proper process and that all decisions are based on accurate information, including consideration of legal, financial and risk management implications. To ensure that this happens, Adur and Worthing Councils have a range of procedures in place to ensure that decisions are not influenced by prejudice, bias or conflicts of interest.

Supporting Principles of Good Governance

In being rigorous and transparent about how decisions are taken each Council will:

- Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Councils’ performance overall and of any organisation for which they are responsible;
- Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based;
- Put in place arrangements to safeguard Members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice;
- Develop and maintain an effective Audit Committee which is independent of the Executive;
- Put in place effective transparent and accessible arrangements for dealing with complaints.

In order to ensure that the Councils have good quality information and advice, each Council will:

- Ensure that those making decisions, whether for the authority or partnership, are provided with information that is fit for the purpose - relevant, timely and gives clear explanations of technical issues and their implications;
- Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision-making and used appropriately.

In order to ensure that there is an effective system of risk management, each Council will:

- Ensure that risk management is embedded into the culture of the organisation, with Members and Managers at all levels recognising that risk management is part of their job;
- Ensure that arrangements are in place for whistleblowing to which staff and all those contracting with the authority have access.

In order to use the Councils' legal powers for the full benefit of the community, the Councils will:

- Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities;
- Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law;
- Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular, integrate the key principles of good administrative law - rationality, legality and natural justice - into their procedures and decision-making processes.

Evidence of Commitment to these Principles

- Overview and Scrutiny Committee – this is an established Committee which reviews and monitors the effectiveness of the Councils' services.
- Report Templates – to ensure that all relevant information is obtained when producing a report for Committee, Executive or Full Council, a standard report template has been adopted. The report format helps to ensure that all matters coming before Member bodies have received appropriate legal and financial vetting before being signed off.
- Meeting Minutes – the majority of meetings are open to members of the public and minutes of the decisions taken are published on the Councils' website.
- Constitution – in order to safeguard Members and employees against conflicts of interest, the Constitution contains protocols which describe and regulate the way in which Members and Officers interact with one another.

- Members' and Officers' Register of Interest and Gifts and Hospitality – the Councils maintain a Register of Interests and a Register of Gifts and Hospitality to safeguard both Members and Officers against conflicts of interest.
- Joint Governance Committee – this Committee, which is independent from the Executives and scrutiny functions, monitors budgets and receives reports on the work of internal and external audit and risk management.
- Comments, Compliments and Complaints System – a process is clearly outlined on the website for those wishing to complain to the Councils. Complaints are monitored and categorised, and reported to Corporate Leadership Team on a regular basis.
- Data Access Requests – a system is in place to respond to Freedom of Information and Subject Access Requests.
- Member Training – Members of specific committees receive comprehensive training to equip them with the skills required to carry out their work.
- Whistleblowing Policy – enables Members and Officers to confidentially report suspected malpractice that is in the public interest. The Whistleblowing Policy is publicised on the Councils' intranet.
- Monitoring Officer provisions – the Monitoring Officer is responsible for advising the Councils if any proposal would give rise to unlawfulness or maladministration and as such performs a key function in ensuring lawfulness and fairness in the operation of the Councils' decision-making processes.

Developing the capacity and capability of Members and Officers to be effective

Summary

Adur and Worthing Councils realise that the Officers they employ enable the Councils to fulfil their ambitions. Once appointed or elected, Members and Officers are provided with a range of development opportunities. The Councils' learning and development needs are met through a variety of training interventions including in-house training and e-learning. Members also receive specialised training on key issues on a regular basis.

Supporting Principles of Good Governance

To make sure Members and Officers have the necessary skills and resources, the Councils will:

- Provide induction programmes tailored to individual needs and opportunities for Members and Officers to update their knowledge on a regular basis;
- Ensure that the Statutory Officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation.

To develop the capability of people with governance responsibilities, each Council will:

- Assess the skills required by Members and Officers and make a commitment to develop those skills to enable roles to be carried out effectively;
- Develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed;
- Ensure that effective arrangements are in place for reviewing the performance of the authority as a whole and of individual Members and agreeing an action plan which might for example aim to address any training or development needs.

To encourage new Members of the authority, the Councils will:

- Ensure that effective arrangements are in place, designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority;
- Ensure that career structures are in place for Members and Officers to encourage participation and development.

Evidence of Commitment to these Principles

- Member and Officer Induction Programme – an extensive induction programme is in place for both Members and Officers. All new Officers receive an induction booklet and are invited to a corporate induction where the Councils' values and visions are outlined in further detail.
- Unboxed – the Councils run a talent pool known as the Unboxed Programme for Officers to provide opportunity for innovation and development.
- Mentoring Scheme – the Councils run a programme of mentoring for Officers throughout the Councils, using external Mentors where necessary.
- Members' Bulletin – this is a web-based area which provides an information zone for Members and is a key source of information.
- Performance Development Reviews – provide opportunities to review employee performance, providing a chance to consider personal development needs in relation to the employee's role.
- Officer Job Descriptions – set out the roles and responsibilities of Officers employed by the Councils.
- Constitution – sets out how the Councils operate, how decisions are made and the procedures and codes of conduct which are followed. It also covers the roles of the Statutory Officers of the Council – Head of Paid Service, Section 151 Officer and Monitoring Officer – and their responsibilities relating to compliance with the law and ensuring sound financial control.
- Overview and Scrutiny Committee – this is an established Committee which reviews and monitors the decisions of each Executive.
- Leadership and Staff Exchange – organised events at which Managers and Officers meet to consider current issues affecting the Councils and work together to identify solutions.

Engaging with local people and other stakeholders to ensure robust public accountability

Summary

Adur and Worthing Councils recognise the need to effectively engage with local residents to ensure that their opinions are taken into account when preparing Council plans and policies. The Constitution sets out how the Councils incorporate the rights of residents in relation to the Councils' work.

Supporting the Principles of Good Governance

To exercise leadership through a robust scrutiny function the Councils will:

- Make clear to themselves, all staff and the community, to whom they are accountable and for what;
- Consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required;
- Produce an annual report on scrutiny function activity.

To take an active approach to dialogues and accountability with the community each Council will:

- Ensure that clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively;
- Hold meetings in public unless there are good reasons for confidentiality;
- Ensure 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 clear policy on the types of issues they will meaningfully consult on or engage with the public and service users including a feedback mechanism for those consultees to demonstrate what has changed as a result;
- On an annual basis, publish an annual report giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period;
- Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.

In order to make best use of human resources, the Councils will develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision-making.

Evidence of Commitment to these Principles

- Constitution – sets out how the Councils operate, how decisions are made and the procedures and codes of conduct which are followed. It also sets out roles and responsibilities for Members and Statutory Officers and includes the Officer Scheme of Delegations.
- Overview and Scrutiny Committee – this is an established committee which reviews and monitors the decisions made by the Executives and other Council bodies, as well as monitoring the activities and performance of external bodies. The Committee sets and reviews its work programme on a regular basis and produces an annual report on its work.
- Joint Governance Committee – independent from the Executive and scrutiny functions, this Committee monitors budgets and receives reports on the work of internal and external audit and risk management.
- Annual Statement of Accounts – a mainly financial document listing achievements for the previous year, as well as setting out longer term aims.
- Petition Scheme – sets out in broad terms the right of members of the public to submit petitions, the functions and areas of the Councils' activities which may be the subject of petitions and the general arrangements for dealing with them.

3.0 REVIEW OF THE CODE

The Councils' Code of Corporate Governance will be reviewed on an annual basis with a view to ensuring that:

- The Councils' governance arrangements are adequate and operating effectively in practice, or
- If reviews of governance arrangements have revealed gaps, action is planned that will ensure effective governance in the future.

The Joint Governance Committee will consider the annual review of the Code once a year.