

Local Code of Corporate Governance

The authority supports and will apply the core principles of good corporate governance, and their related sub-principles, as follows:

<p>Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.</p>	
Sub-Principle	The Authority Will:
<p>Behaving with integrity</p>	<ul style="list-style-type: none"> ▪ Ensure members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation ▪ Ensure members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles) ▪ Lead by example and use these standard operating principles or values as a framework for decision making and other actions ▪ Demonstrate, communicate and embed the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively
<p>Demonstrating strong commitment to ethical values</p>	<ul style="list-style-type: none"> ▪ Seek to establish, monitor and maintain the organisation's ethical standards and performance ▪ Underpin personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation ▪ Develop and maintain robust policies and procedures which place emphasis on agreed ethical values ▪ Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation

Core Principle A:
Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Sub-Principle	The Authority Will:
Respecting the rule of law	<ul style="list-style-type: none"> ▪ Ensure that members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations ▪ Create the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements ▪ Strive to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders ▪ Deal with breaches of legal and regulatory provisions effectively ▪ Ensure corruption and misuse of power are dealt with effectively

Core Principle B:
Ensuring openness and comprehensive stakeholder engagement

Sub-Principle	The Authority Will:
Openness	<ul style="list-style-type: none"> ▪ Ensure an open culture through demonstrating, documenting and communicating the organisation's commitment to openness ▪ Make decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided ▪ Provide clear reasoning and evidence for decisions in both public records and explanations to stakeholders and be explicit about the criteria, rationale and considerations used. In due course, ensure that the impact

Core Principle B: Ensuring openness and comprehensive stakeholder engagement	
Sub-Principle	The Authority Will:
	<p>and consequences of those decisions are clear</p> <ul style="list-style-type: none"> ▪ Use formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> ▪ Effectively engage with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably ▪ Develop formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively ▪ Ensure that partnerships are based on: <ul style="list-style-type: none"> ▪ trust ▪ a shared commitment to change <ul style="list-style-type: none"> ▪ a culture that promotes and accepts challenge among partners <p>and that the added value of partnership working is explicit</p>
Engaging stakeholders effectively, including individual citizens and service users	<ul style="list-style-type: none"> ▪ Establish a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes. ▪ Ensure that communication methods are effective and that members and officers are clear about their roles with regard to community engagement ▪ Encourage, collect and evaluate the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs ▪ Implement effective feedback mechanisms in order to demonstrate how their views have been taken into account ▪ Balance feedback from more active

Core Principle B: Ensuring openness and comprehensive stakeholder engagement	
Sub-Principle	The Authority Will:
	<p>stakeholder groups with other stakeholder groups to ensure inclusivity</p> <ul style="list-style-type: none"> ▪ Take account of the interests of future generations of tax payers and service users

Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits	
Sub-Principle	The Authority Will:
Defining outcomes	<ul style="list-style-type: none"> ▪ Have a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions ▪ Specify the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer ▪ Deliver defined outcomes on a sustainable basis within the resources that will be available ▪ Identify and manage risks to the achievement of outcomes ▪ Manage service users expectations effectively with regard to determining priorities and making the best use of the resources available
Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> ▪ Consider and balance the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision ▪ Take a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the

Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits	
Sub-Principle	The Authority Will:
	<p>political cycle or financial constraints</p> <ul style="list-style-type: none"> ▪ Determine the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs ▪ Ensure fair access to services

Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes	
Sub-Principle	The Authority Will:
Determining interventions	<ul style="list-style-type: none"> ▪ Ensure decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and include the risks associated with those options. Therefore ensuring best value is achieved however services are provided ▪ Consider feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts
Planning interventions	<ul style="list-style-type: none"> ▪ Establish and implement robust planning and control cycles that cover strategic and operational plans, priorities and targets ▪ Engage with internal and external stakeholders in determining how services and other courses of action should be planned and delivered ▪ Consider and monitor risks facing each partner when working collaboratively including shared

Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes	
Sub-Principle	The Authority Will:
	<p>risks</p> <ul style="list-style-type: none"> ▪ Ensure arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances ▪ Establish appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured ▪ Ensure capacity exists to generate the information required to review service quality regularly ▪ Prepare budgets in accordance with organisational objectives, strategies and the medium term financial plan ▪ Inform medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy
Optimising achievement of intended outcomes	<ul style="list-style-type: none"> ▪ Ensure the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints ▪ Ensure the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term ▪ Ensure the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage ▪ Ensure the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes"

Core Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it	
Sub-Principle	The Authority Will:
Developing the entity’s capacity	<ul style="list-style-type: none"> ▪ Review operations, performance use of assets on a regular basis to ensure their continuing effectiveness ▪ Improve resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes are achieved effectively and efficiently ▪ Recognise the benefits of partnerships and collaborative working where added value can be achieved ▪ Develop and maintain an effective workforce plan to enhance the strategic allocation of resources
Developing the capability of the entity’s leadership and other individuals	<ul style="list-style-type: none"> ▪ Develop protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained ▪ Publish a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body ▪ Ensure the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority ▪ Develop the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as

**Core Principle E:
Developing the entity’s capacity, including the capability of its leadership and the individuals within it**

Sub-Principle	The Authority Will:
	<p>economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> ▪ ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged ▪ ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis ▪ ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external <ul style="list-style-type: none"> ▪ Ensure that there are structures in place to encourage public participation ▪ Take steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections ▪ Hold staff to account through regular performance reviews which take account of training or development needs ▪ Ensure arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

**Core Principle F:
Managing risks and performance through robust internal control and strong public financial management**

Sub-Principle	The Authority Will:
Managing risk	<ul style="list-style-type: none"> ▪ Recognise that risk management is an integral part of all activities and must be considered in all aspects of decision making ▪ Implement robust and integrated risk management arrangements and ensure that they are working effectively ▪ Ensure that responsibilities for managing individual risks are clearly allocated
Managing performance	<ul style="list-style-type: none"> ▪ Monitor service delivery effectively including planning, specification, execution and independent post implementation review ▪ Make decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook ▪ Ensure an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible ▪ Provide members and senior management with regular reports on service delivery plans and on progress towards outcome achievement ▪ Ensure there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)
Robust internal control	<ul style="list-style-type: none"> ▪ Align the risk management strategy and policies on internal control with achieving the objectives ▪ Evaluate and monitor the authority's risk management and internal control on a regular basis ▪ Ensure that effective counter fraud and anti-corruption arrangements are in place ▪ Ensure additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is

**Core Principle F:
Managing risks and performance through robust internal control and strong public financial management**

Sub-Principle	The Authority Will:
	<p>provided by the internal auditor</p> <ul style="list-style-type: none"> ▪ Ensure that an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> ▪ provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment ▪ that its recommendations are listened to and acted upon
Managing data	<ul style="list-style-type: none"> ▪ Ensure effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data ▪ Ensure effective arrangements are in place and operating effectively when sharing data with other bodies ▪ Review and audit regularly the quality and accuracy of data used in decision making and performance monitoring
Strong public financial management	<ul style="list-style-type: none"> ▪ Ensure financial management supports both long term achievement of outcomes and short-term financial and operational performance ▪ Ensure well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

**Core Principle G:
Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

Sub-Principle	The Authority Will:
Implementing good practice in transparency	<ul style="list-style-type: none"> ▪ Write and communicate reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate ▪ Strike a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand
Implementing good practices in reporting	<ul style="list-style-type: none"> ▪ Report at least annually on performance, value for money and the stewardship of its resources ▪ Ensure members and senior management own the results ▪ Ensure robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement) ▪ Ensure that the Framework is applied to jointly managed or shared service organisations as appropriate ▪ Ensure the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations
Assurance and effective accountability	<ul style="list-style-type: none"> ▪ Ensure that recommendations for corrective action made by external audit are acted upon ▪ Ensure an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon ▪ Welcome peer challenge, reviews and inspections from regulatory bodies and implement recommendations ▪ Gain assurance on risks associated with delivering services through third parties and

**Core Principle G:
Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

Sub-Principle	The Authority Will:
	that this is evidenced in the annual governance statement <ul style="list-style-type: none"><li data-bbox="716 533 1406 674">▪ Ensure that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met