

Audit Governance and Standards Committee		20 JULY 2015
Is the final decision on the recommendations in this report to be made at this meeting?		No

Local Code of Corporate Governance

Final Decision-Maker	Policy and Resources Committee
Lead Director or Head of Service	Chief Executive
Lead Officer and Report Author	Angela Woodhouse
Classification	Non-exempt
Wards affected	

<p>This report makes the following recommendations to the final decision-maker:</p> <ol style="list-style-type: none"> 1. To review and approve the Local Code of Corporate Governance for sign-off by the Chief Executive and Leader.
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<p>This report relates to the following corporate priorities:</p> <ul style="list-style-type: none"> • Great Place: Keeping Maidstone Borough an attractive place for all • Great Opportunity: Securing a successful economy for Maidstone Borough • Great People: Our mission "Putting People First"
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Timetable	
Meeting	Date
Audit, Governance and Standards Committee	20/7/15
Policy and Resources Committee	29/7/15
Council	N/A

Local Code of Corporate Governance

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Local Code of Corporate Governance was adopted in 2003, since then the Code has been reviewed annually to ensure it remains fit for purpose and up to date.

2. INTRODUCTION AND BACKGROUND

- 2.1 Corporate governance describes the processes, procedures and measures we use to manage ourselves and how we engage with and are accountable to our residents. Maidstone Borough Council must ensure that it does the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. The Code identifies the six core principles and how the Council will fulfill these obligations.

- 2.2 The core principles are as follows:-

- 1) The Authority will focus on its purpose and on outcomes for the community in creating and implementing a vision for the local area.
- 2) Members and Officers will work together to achieve a common purpose with clearly defined functions and roles.
- 3) Members and Officers will promote the core values for the Authority and demonstrate the values of good governance through upholding high standards of conduct and behaviour.
- 4) The Authority will take informed and transparent decisions which are subject to effective scrutiny and will manage risk.
- 5) The Authority will develop the capacity and capability of Members and Officers to be effective.
- 6) The Authority will engage with local people and other stakeholders to ensure robust public accountability.

- 2.3 In broad terms Maidstone Borough Council addresses Corporate Governance through the following areas:-

- a) **Constitution** – The Constitution has a comprehensive scheme of delegation to Members and Officers and therefore clearly sets out the arrangements for the provision of services. Audit, Governance and Standards Committee arrangements are in place. The Constitution includes Codes of Conduct for both Officers and Members;

- b) **Vision** - The Council has a long term vision (through the Sustainable Community Strategy) with short to medium term delivery through the Strategic Plan, which is reviewed annually. The delivery of priorities is related to funding availability and capacity through the Budget Strategy and is based on consultation with partners and the public;
- c) **Comprehensive Performance Management** - Arrangements are in place that incorporate strategic and service based risk management and business continuity. Reporting on performance is undertaken through quarterly reports on the Authority's Key Performance Indicators and monthly reviews by Officers of service performance through service performance indicators. The system of Performance Management runs in parallel with and is related to a comprehensive system of financial management;
- d) **Partners and Public** – Partners and the public are consulted regularly on the Authority's service priorities and budget issues and reports to the public on finance and performance are undertaken through Borough Update and an annual report; and
- e) **Staffing** – There is a comprehensive Code of Conduct for Officers and Corporate Governance is embedded in the Authority's core values: Service, Teamwork, Responsibility, Integrity, Value and Equality (STRIVE).

3. AVAILABLE OPTIONS

- 3.1 The Audit, Governance and Standards Committee can review the Code of Corporate Governance and identify changes as appropriate for consideration by the Policy and Resources Committee.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that the Committee review and agree the Code prior to submission to Policy and Resources suggesting amendments as appropriate.
- 4.2 The Local Code of Corporate Governance at **Appendix A** has been reviewed alongside the preparation of the Annual Governance Statement. Amendments have been made to reflect the establishment of the Committee system of governance.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Audit, Governance and Standards Committee are being consulted on the Local Code of Corporate Governance as attached at **Appendix A**

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The report will be submitted to Policy and Resources for agreement prior to sign-off by the Leader and the Chief Executive. The Code will then be published in the council's website.
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Good corporate governance is essential to the delivery of all of the Council's Corporate Priorities	Head of Policy and Communications
Risk Management	The Local Code of Corporate Governance also identifies the processes by which the Authority addresses risk management as part of good corporate governance arrangements.	Head of Policy and Communications
Financial	The Code looks at how the council ensures value for money and ensuring resources meet priorities	[Section 151 Officer & Finance Team]
Staffing	N/A	
Legal	The Local Code of Corporate Governance assists the Council in having good corporate governance arrangements which are essential in ensuring robust and lawful decision-making and therefore minimising the risk of legal challenge.	Team Leader Corporate Governance
Equality Impact Needs Assessment	N/A	
Environmental/Sustainable Development	N/A	
Community Safety	N/A	
Human Rights Act	N/A	
Procurement	N/A	
Asset Management	N/A	

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Draft Local Code of Corporate Governance

9. BACKGROUND PAPERS

None