

HIGH PEAK BOROUGH COUNCIL

CODE OF CORPORATE GOVERNANCE

Introduction

High Peak Borough Council is committed to the principles of good corporate governance. This code and its Appendix, describes what those principles are and sets out the Council's progress towards achieving them and any further work that needs to be done.

What are the Principles of Corporate Governance

Corporate Governance has been defined as:-

“the systems by which local authorities direct and control their functions and relate to their communities.”

There are three overarching principles which are:-

- Openness
- Integrity
- Accountability

These principles underpin the Council's community leadership role and the Council seeks to reflect them in everything that it does.

So, how can these principles be translated into the Council's daily work on behalf of the communities it serves?

The principles can be translated into five separate strands. These are set out below together with an explanation of the Council's commitment in relation to each one.

The Appendix to this code lists all relevant published documents and explains the processes by which the Council's commitment can be demonstrated and the Council's achievement to date in relation to each one of them.

1. Community Focus

The Council will:

- Publish an annual report that is objective and gives an understandable account of the Council's activities and achievements and its financial position and performance.
- Publish an annual performance plan which is objective, balanced and understandable and which assesses the Council's service

delivery performance and its plans to maintain and improve service quality.

- Have in place arrangements for the independent review of its financial and operational reporting processes.
- Have in place arrangements which actively encourage individuals and groups from all sections of the community to engage with, contribute to and take part in the work of the Council and to make sure that these arrangements are monitored to make sure that they are working.
- Be open in all our dealings and balance that openness with a respect for privacy and confidentiality where appropriate.
- Establish and maintain clear and accessible channels of communication with all sections of the community and other stakeholders and monitor this to make sure they are operating effectively.
- Have a clear vision for our local community developed through comprehensive consultation with every community within High Peak and other key stakeholders and make sure that this vision is widely known and understood.

2. Service Delivery Arrangements

- Set achievable and sustainable standards and targets for performance in the delivery of all the Council's services with equal access for all.
- Have in place reliable systems for providing management information so that performance can be measured against those targets and standards.
- Have in place arrangements to allocate resources according to community priorities.
- Develop partnerships where it is efficient and effective to do so, to deliver services to meet the needs of local communities and to have systems in place to ensure they operate effectively.
- Respond positively to any improvements recommended by external assessors and to have action plans in place to make sure these improvements are made.

3. Structures and Processes

Balance of Power and Authority

- Have in place and keep under review, a protocol that regulates the relationship between members and officers.
- Make sure that members' and officers' roles and responsibilities are clearly defined.

Roles and Responsibilities – Members

- Make sure members meet formally on a regular basis to set the strategic direction of the Council and monitor the delivery of its services.
- Make sure that the Council's decision making processes, whether delegated or reserved, are kept under review and clearly documented.
- Have in place written processes that are properly understood for policy development, implementation and review; decision making, monitoring, control and reporting; and for formal procedural and financial regulations to govern the conduct of the Council's business.
- Make sure members are properly trained and have access to all the relevant information, advice and resources that are necessary to make them effective in their roles.
- Define clearly and in writing the role of the Executive members of the Council including their responsibility for strategic leadership and ensure the Council achieves its community aims and provides services in accordance with its targets.
- Define clearly in writing the roles and responsibilities of all other members of the Council and in particular set out details of their allowances and the way in which these are reviewed.

Roles and Responsibilities – Officers

- Ensure the Chief Executive, as the head of the paid service, is fully responsible and accountable to the Council for all aspects of its operational management.
- Ensure the Head of Finance, as the statutory section 151 Officer, is fully responsible and accountable to the Council for giving appropriate advice on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal financial control.
- Ensure that the Head of Legal and Democratic Services, as Monitoring Officer, is fully responsible and accountable to the Council for making sure that agreed procedures are followed and that all relevant statutes, regulations and statements of good practice are complied with.
- Ensure that the roles and responsibilities of all other senior officers of the Council, together with their contract terms and the way they are reviewed are clearly set out in writing.
- Make sure the Council adopts and keeps up to date clear protocols and a Code of Conduct to make sure the community leadership role of the whole Council is based on a clear ethical framework.

4. Risk Management and Internal Control

- Develop and maintain an effective risk management system to identify and evaluate all significant risks and which includes the active participation by all those involved in planning and delivering services.
- Ensure systems of internal control, including an internal audit function, are in place and that they comply with any relevant statutes, regulations, best practice and guidance, the outcome of which will be to ensure that public funds are properly safeguarded and used economically, efficiently and effectively and in accordance with the law.
- Make sure that services are delivered by trained and experienced people.
- Have systems in place for objectively reviewing the effectiveness of risk management and internal control (including internal audit) systems.
- Maintain an objective and professional relationship with our external auditors and statutory inspectors.
- Publish within the annual report, an objective, balanced and comprehensible statement and assessment of the Council's risk management and internal control mechanisms and their effectiveness.

5. Standards of Conduct

- Keep under review the Council's Code of Conduct for Members and Officers and develop a code for agents acting on behalf of the Council and make sure systems are in place to ensure they are being complied with.
- Make sure neither members nor officers are influenced by prejudice, bias or have conflicts of interest in dealing with different stakeholders and have systems in place to make sure these principles are being observed.
- Have in place arrangements ensuring all procedures and operations conform with any appropriate ethical standards and monitor compliance.
- Have a whistle blowing policy for staff and contractors and monitor its effectiveness.

HIGH PEAK BOROUGH COUNCIL'S LOCAL CODE OF CORPORATE GOVERNANCE

SELF ASSESSMENT ACTION PLAN

1. Community Focus

REQUIREMENTS	EVIDENCE e.g. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(a) Publish an annual report presenting an objective, understandable account of the Council's: <ul style="list-style-type: none"> • Activities and Achievements • Financial position and performance The report should include statements: <ul style="list-style-type: none"> • Explaining the Council's responsibility for the financial statements • Confirming that the Council complies with relevant standards and codes of corporate governance • On the effectiveness of the Council's system for risk management and internal control. 	Annual financial statements which are published on website. The Corporate Plan identifies activities & achievements over the previous year. This summarised in 'Connect' which is sent to all households.	Yes	This year's report on the final accounts includes the Statement of Internal Control which has sections on ethical standards, Codes of Conduct & Risk Management.		DJ
(b) Publish a performance plan presenting an objective, balanced	BVPP Corporate Plan	Yes			PW

REQUIREMENTS	EVIDENCE e.g. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
and understandable account and assessment of the Council's: <ul style="list-style-type: none"> • Current performance in service delivery • Plans to maintain and improve service quality 	Community strategy				
(c) Put in place proper arrangements for the independent review of the financial and operational reporting processes.	There are external and internal audit programmes considered and approved by executive and scrutiny elected members. The results of individual audit reports are considered by the Corporate Select Committee. The annual audit letter and other audit reports submitted by the External Auditor are considered by the Corporate Select Committee. CPA – Auditor Scored Judgement	Yes			DJ
(d) Put in place proper arrangements designed to encourage individuals and groups from all sections of the community to engage with, contribute to and participate in the work of the authority and put in place appropriate monitoring processes to ensure that	Strategic partnership framework Citizens' Panel Parish Liaison VS compact Tenants' forums Consultation Strategy Development of Area Forums	Partial	Establish Area Forums	June 2005	PW

REQUIREMENTS	EVIDENCE e.g. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
they continue to work in practice.					
(e) Make an explicit commitment to openness in all dealings, subject only to the need to preserve confidentially where it is proper and appropriate, and by actions and communications deliver an account against that commitment.	Constitution Freedom of Information scheme Whistleblowing Policy	Yes			RVS
(f) Establish clear channels of communication with all sections of the community and other stakeholders and put in place proper monitoring arrangements to ensure that they operate effectively	Partnership framework IIP accreditation Communications strategy Citizens' Panel Parish Liaison Tenants' forums	Yes			PW

2. Service Delivery Arrangements

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(a) Set standards and targets for performance in the delivery of	Best Value Performance Plan	Yes			PW

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
services on a sustainable basis and with reference to equality policies.	Business Plans Best Value Reviews Equalities Strategy				
(b) Put in place sound systems for providing management information for performance measurement purposes.	Performance management and information systems	Yes			PW
(c) Monitor and report performance against agreed standards and targets and develop comprehensive and understandable performance plans.	Best Value Performance Plans Scrutiny Committee and Executive reports. Dash Board Indicators for PPMB	Yes			PW
(d) Put in place arrangements to allocate resources according to priorities	Community Strategy and Corporate Plan Business Plans Budget. Medium Term Financial Strategy Development Funds	Yes			PW
(e) Forge effective relationships and partnerships with other agencies and consider outsourcing where it is efficient and effective to do so and in	Community strategy Partnership framework IEG Partnerships The Peaks & Dales Protocol	Yes			PW

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
delivering services to meet the needs of the local community and put in place processes to ensure that they operate effectively in practice.	for joint working Best Value Toolkit Management training jointly with DDDC funded by ODPM capacity building grant Strategic Housing Unit jointly with DDDC				
(f) Respond positively to the findings and recommendations of external auditors and inspectors and put in place arrangements for the effective implementation of agreed action plans	Annual audit letter Audit reports Inspectorate reports Action Plans Follow-up reports on Best Value Reviews Reports go the PPMB, the Management Team, Executive and to the relevant Committee	Yes			DJ PW

3. Structures and Processes

BALANCE OF POWER AND AUTHORITY					
REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER

(a) Put in place clearly documented protocols governing relationships between Members and Officers	Protocol on Member/Officer relations.	Yes			RVS
(b) Ensure that the relative roles and responsibilities of Executive and other members, members generally and senior officers are clearly defined	Constitution Delegation Scheme Record of decisions and supporting materials Job descriptions – Portfolio Holders, Scrutiny Chairs and Employees	Yes			RVS
ROLES AND RESPONSIBILITIES - MEMBERS					
REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(c) Ensure that Members meet on a formal basis regularly to set the strategic direction of the authority and to monitor service deliver	Schedule of Council and Executive meetings. Portfolio Meetings Board Meetings Performance management system.	Yes			RVS
(d) Develop and maintain a scheme of delegated or reserved powers which should include a formal schedule of those matters specifically reserved for the collective decision of the authority.	Constitution	Yes			RVS

(e) Put in place clearly documented and understood management processes for policy development, implementation and review and for decision making, monitoring and control, and reporting; and formal procedural and financial regulations to govern the conduct of the Council's business.	Constitution Framework of senior officer meetings & Boards Portfolio meetings Financial regulations	Yes			RVS
(f) Put in place arrangements to ensure that Members are properly trained for their roles and have access to all relevant information, advice and resources as necessary to enable them to carry out their roles effectively.	Member training programme Member surveys All Members have laptop computers with access to Council e mail system and the Intranet Broadband is being rolled out to all members	Partial	Complete roll out of broadband	September 2005	RVS
(g) Ensure that the role of the Executive Members are formally defined in writing, to include responsibility for providing effective strategic leadership and for ensuring that the Council successfully discharges its overall responsibilities	Constitution	Yes			RVS

for the activities of the organisation as a whole					
(h) Ensure that the roles and responsibilities of all members of the Council, together with the terms of their remuneration and its review, are defined in writing	Constitution Members Allowances' Scheme	Yes			RVS
ROLES AND RESPONSIBILITIES - OFFICERS					
REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(i) Ensure that the Chief Executive, as the head of paid service, is accountable and responsible to the Council for all aspects of its operational management	Conditions of employment. Scheme of delegation. Statutory provisions. Job description/specification People Management & Development Strategy	Yes			PS
(j) Ensure that a senior officer is made responsible to the Council 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 control.	Appointment of Head of Finance as section 151 officer and proper officer for other statutory purposes. Statutory reports Budget documentation Job description/specification	Yes			DJ

(k) Ensure that a senior officer is made responsible to the Council for ensuring that agreed procedures are followed and that all applicable statutes, regulations and other relevant statements of good practice are complied with.	Appointment of Head of Legal and Democratic services as Monitoring Officer and Proper officer for other statutory purposes Job description/specification Monitoring Officer Protocol	Yes			RVS
(l) Ensure that the roles and responsibilities of all senior officers together with their pay and conditions and provisions for review, are defined clearly in writing.	Job descriptions/specifications. Contracts of Employment. Employee Handbook (Formal Personnel Practice and Health & Safety Notes) Annual Staff appraisal	Yes			PH
(m) Adopt clear protocols and codes of conduct to ensure that the implications for supporting community political leadership for the whole Council are acknowledged and resolved	Protocols governing Member/officer relations.	Yes			RVS

4. Risk Management and Internal Control

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(a) Develop and maintain robust systems for identifying and evaluating all significant risks which involve the	Risk Management Strategy Corporate Risk Register Regular Risk Monitoring	Yes	Refresher training on risk management		DJ

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
proactive participation of all those associated with planning and delivering services.	Reports to Scrutiny Business Plans Executive and Scrutiny committee reports Performance management system. Regular training sessions at Managers Seminars				
(b) Put in place effective risk management systems, including systems of internal control and an internal audit function. These arrangements need to ensure compliance with all applicable statutes, regulations and relevant statements of best practice and need to ensure that public funds are properly safeguarded and are used economically, efficiently and effectively, and in accordance with the statutory and other authorities that govern their use.	Decision-making process Scheme of delegation Internal Audit programme Risk Register and Risk management Strategy Performance management system. Financial Regulations Treasury Management Policy Insurance cover	Yes		2004	RVS DJ

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(c) Ensure that services are delivered by trained and experienced people.	Investors in People Annual appraisal interviews Annual Training Plan People Management and Development Strategy Recruitment guidance is available to recruiters (in draft)	Partial	Complete ECDL training. Complete High Peak First Line Managers Training IIP re assessment ODPM capacity building project	2005	PH
(d) Put in place effective arrangements for an objective review of risk management and internal control, including internal audit.	District Audit work programme. Internal Audit report to the Corporate Select Committee and is reviewed annually by External Audit.	Yes			DJ
(e) Maintain an objective and professional relationship with external auditors and statutory inspectors.	Inspectorate reports. Annual audit letter and other audit reports. Audit protocol. Correspondence files	Yes			DJ PW

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(f) Publish on a timely basis within the annual report an objective, balanced and understandable statement and assessment of the Council's risk management and internal control mechanisms and their effectiveness in practice.	Annual report Statement of Assurance	Yes			

5. Standards of Conduct

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(a) Develop and adopt formal codes of conduct defining the standards of personal behaviour to which individual members, officers and agents of the authority are required to subscribe and put in place appropriate systems and processes to ensure that they are complied with.	Members Code of Conduct and Protocols and Member/Officer Protocols "Rights and Responsibilities" Members' Register of Interests Monitoring Officer Protocol Personnel Practice Notes Officers' Register of Interests Register of Officers' attendance at political group	Yes			RVS

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
	meetings Officers' Gifts and Hospitality register Anti fraud and corruption policy Complaints procedure Performance management system Performance appraisal				
(b) Put in place arrangements to ensure that Members and employees of the Council 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.	As above plus Standing Orders, Constitution Financial Regulations Equalities Policy Reminders from the Monitoring Officer Induction of new staff Member Training	Yes			RVS
(c) Put in place arrangements to ensure that their procedures and operations are designed in conformity with appropriate ethical standards and to monitor their continuing compliance in practice.	Monitoring Officer Standards Committee Joint Equalities Working Group	Yes			Yes

REQUIREMENTS	EVIDENCE E.G. Documents/processes	COMPLIANCE Yes/No/Partial	ACTION POINTS	DATE	LEAD OFFICER
(d) Put in place arrangements for whistle blowing to which staff and all those contracting with the Council have access.	Whistle blowing PPN6 Publicising the audit commission hotline established under the Public Interest Disclosure Act 1998. Fraud and Corruption Response Plan	Yes			RVS