BARNET
LONDON BOROUGH

AGENDA ITEM: 13   Page nos. 222 - 246

Meeting	Audit Committee
Date	16 June 2011
Subject	**Code of Corporate Governance**
Report of	Director of Corporate Governance
Summary	This report is a review of the Code of Corporate Governance.

Officer Contributors	Jeff Lustig, Director of Corporate Governance (Monitoring Officer) Seye Aina, Senior Governance Advisor
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix A - A revised Code of Corporate Governance
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

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1. RECOMMENDATIONS

1.1   That the Audit Committee considers the proposed changes to the Code of Corporate Governance.

1.2   If the Audit Committee agrees the proposed changes, a revised Code of Corporate Governance will be drafted for inclusion in the Constitution and considered at the next meeting of the Special Committee (Constitution Review).

2. RELEVANT PREVIOUS DECISIONS

2.1   10 March 2009 - The Audit Committee agreed the Barnet Code of Corporate Governance.

2.2   7 April 2009 - Council approved the Barnet Code of Corporate Governance for inclusion in Part 5 of the Constitution.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1   Under the Council's Corporate Plan for 2010/11 to 2014/15, one of the corporate priorities is 'Better services with less money'. This report contributes to the key objective within this priority "To improve the effectiveness and transparency of decision making within the Council". A review of the Code of Corporate Governance will help to fulfil this objective

4. RISK MANAGEMENT ISSUES

4.1   Having a Code of Corporate Governance is advocated by the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives), "Delivering Good Governance in Local Government" guidance and framework. Failure to review corporate governance could damage the integrity of the Council and its decision-making processes.

5. EQUALITIES AND DIVERSITY ISSUES

5.1   The Code of Corporate Governance operates in accordance with the Council's equalities and diversity responsibilities.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1   The additional requirements arising from this report will be met from Corporate Governance existing budgets.

7. LEGAL ISSUES

7.1   A Code of Corporate Governance is recommended by the guidance designated as 'proper practice' by the Department for Communities and Local Government.

This being the CIPFA/SOLACE framework, entitled "Delivering Good Governance in Local Government".

7.2   There are no direct legal issues arising from this report.

8.   CONSTITUTIONAL POWERS

8.1   The terms of reference of the Audit Committee include,

- " to review any issue referred to it by the Chief Executive or a director or any other Council body";
- "to monitor the effective development and operation of risk management and corporate governance in the Council";
- "to oversee the production of the authority's Annual Governance Statement and to recommend its adoption";
- "to consider the Council's compliance with its own and other published standards and controls".

9.   BACKGROUND INFORMATION

9.1   The Annual Governance Statement is the formal statement that recognises, records and publishes the authority's governance arrangements as defined in the CIPFA/SOLACE framework. It is a statement which reflects good governance across the Council.

9.2   The CIPFA/SOLACE framework places significant emphasis on six core principles of good governance. These principles have been taken from 'The Good Governance Standard for Public Services' (2004) developed by the Independent Commission on Good Governance in Public Services with support from the Office Public Management and CIPFA. The principles have been adapted to local government purposes for the framework and are included in the Barnet Code of Corporate Governance.

9.3   The six core principles of good governance are:

A -   Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

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

C -   Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

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

E-   Developing the capacity and capability of members and officers to be effective.

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

9.4   On 7 April 2009, Council approved the Barnet Code of Corporate Governance. The current Code is set out in Part 5 of the Constitution.

9.5   The Audit Committee agreed to review the Code of Corporate Governance Biennially. This is the first review of the Code since its approval in 2009.

9.6   A review of the current Code of Corporate Governance resulted in a number of changes. A summary and explanation of the changes to the Code of Corporate Governance are set out below:

General and format Changes

9.6.1 The sub-heading Annual Governance Statement has been deleted as this is misleading and gives the impression that the Annual Governance Statement is included in the Constitution. The changes below were made to the Code, making it easier to read and also to identify the Council's obligations:

- The set up of the tables has been changed from a Horizontal arrangement to a vertical arrangement.

- Each core principle is headed clearly at the top of a separate table.

- The headings (supporting Principles and Requirements) at the top of the table are in white print, which is more visible.

- The columns are spaced out and the supporting principles are numbered. (1.1, 1.2, 1.3….).

Specific changes

9.6.2 On page one, there are new paragraphs inserted to reflect best practice in governance and includes the need to review the Council's governance arrangements and publish an Annual Governance Statement.

9.6.3 The six core principles are set out and numbered clearly as it appears in the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives) guidance and also included at the top of each table.

Page 1 - recommended changes

> *CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives) provide a framework for developing and maintaining a local Code of Corporate Governance and for discharging accountability for the proper conduct of public business, to support the publication of an Annual Governance Statement. It defines the principles that should underpin governance, and suggests best practice as:*
>
> - *reviewing the Council's existing governance arrangements against the Framework*

- *developing and maintaining a local Code of Corporate Governance, including arrangements for ensuring its ongoing application and effectiveness. (A discretionary requirement but considered best practice).*

- *preparing an Annual Governance Statement to report publicly on the extent to which the Council complies with its local code, including how the effectiveness of these arrangements during the year have been monitored, and on any planned changes in the coming period. (This is a statutory requirement under the Accounts and Audit (Amendment) Regulations 2006).*

The six core principles of good governance as set out by CIPFA/SOLACE are as follows:

1. Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

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

3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

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

5. Developing the capacity and capability of members and officers to be effective.

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

Page 2 – recommended changes

9.6.4   The changes on page 2 below have been made to make sure the current governance categories and requirements are more accurately reflected.

• Access to Information • Annual Governance Statement • Audit • Committees - Specific Governance • Complaints Framework • Constitution • Consultation • Corporate Plan	• Democratic Services • Human Resources • ***Training on Governance*** • ***Code of Conduct & Protocols for Member-Officer relations*** • Partnership Arrangements • ***Registers of Members' Interests*** • Risk Management & Emergency

• Counter Fraud Framework	Planning • Senior Officer arrangements

The Code provides a summary of how, through these policies, procedures and documents, the Council complies with the core and supporting principles within the "Delivering Good Governance in Local Government" framework. ***Compliance is regularly tested but not limited to the internally conducted Ethical Governance Assessment*** and the audit plan. The Ethical Governance Assessment findings, in particular, can be referenced for more detailed information such as how and when the various elements of the Code of Corporate Governance are reviewed.

The following ***tables identify the supporting six core*** principles and the requirements associated with them and, most importantly, the means through which the Council achieves these.

Page 4 – recommended changes

9.6.5 The changes on page 4 below have been made to more accurately reflect the current terminology and practise. The performance review replaces the word appraisal.

9.6.6 The term appraisal is also referred to on pages 6, 7 and 13 and has been changed.

The **Council *performance review*** also supports performance management with guidance emphasising the need to link ***employee objectives*** to Corporate Plan priorities and objectives;

Page 5 – recommended changes

9.6.7 The changes on page 5 below have been made to more accurately reflect the new executive arrangements.

- **The Constitution** defines roles and responsibilities of the ***Leader, Deputy Leader, Cabinet and*** individual Executive members;

  The Constitution defines the roles and responsibilities of all Council Committees.

Page 8 – recommended changes

9.6.8 The changes on page 8 have been made to reflect that the there is an annual review at the end of the year.

- **The Code of Conduct for Members** provides effective arrangements for ensuring that Members are not influenced by prejudice, bias or conflicts of interests, which are implemented through training and the existence of processes to obtain details of personal interests:

  o   the Director of Corporate Governance compiles the Register of Interests and conducts ***an annual*** review;

Page 9 – recommended changes

9.6.9 The changes on page 9 have been made to reflect more clearly the terms of reference of the Standards Committee and Officer's responsibility.

The Standards Committee operates in line with clear terms of reference ***contained in the Constitution. Members of the Committee all receive training and are advised, where necessary, by the Monitoring Officer and the Senior Governance Advisor or appropriate Officer.***

9.6.10 The change below reflects that there are also Independent Members on the Audit Committee. It also includes the role of reviewing the Code of Conduct and power to challenge where assurance levels have not improved.

- An **Audit Committee**, independent of Executive and Scrutiny functions, with clear terms of reference, cross-party membership ***and Independent Members review the Code of Corporate Governance.***

- ***Members of the Audit Committee receive the necessary training in this role and can exercise their power to challenge officers responsible for audit areas where assurance levels have not improved to their satisfaction.***

Page15

9.6.11 The additional information below provides details of the Petition Scheme.

- ***There is a Petition Scheme for persons who live, work or study in the authority's area to submit a Petition with their concerns about a Council service or decision.***

9.7 The above changes have been incorporated (in bold Italics) in the revised Code of Code of Corporate Governance set out in **Appendix A**.

9.8 The Audit Committee is requested to approve the revised Code of Corporate Governance. If agreed, the Special Committee (Constitution Review) will be asked to make a recommendation to Council for the revised Code to be included in the Constitution.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal: JEL
Finance: MC

BARNET CODE OF CORPORATE GOVERNANCE

As with all Local Authorities, the Council operates through a governance framework. This is an inter-related system that brings together an underlying set of legislative requirements, governance principles and management processes. This operates across the Council but the Council has a Corporate Governance Directorate with a stated aim *"to promote the highest standards of conduct, accountability and transparency in the way the Council and its partnerships operate'.*

The governance framework must conform to principles of good governance and this Code of Corporate Governance aims to demonstrate how the Council does this.

The Council concurs with view that "Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for citizens and service users. Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with mechanisms for control and management of risk…and governance arrangements should not only be sound but also be seen to be sound."[1]

CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives) provide a framework for developing and maintaining a local Code of Corporate Governance and for discharging accountability for the proper conduct of public business, to support the publication of an Annual Governance Statement. It defines the principles that should underpin governance, and suggests best practice as:

- *reviewing the Council's existing governance arrangements against the Framework*

- *developing and maintaining a local Code of Corporate Governance, including arrangements for ensuring its ongoing application and effectiveness. (A discretionary requirement but considered best practice)*

- *preparing an Annual Governance Statement to report publicly on the extent to which the Council complies with its local code, including how the effectiveness of these arrangements during the year have been monitored, and on any planned changes in the coming period. (This is a statutory requirement under the Accounts and Audit (Amendment) Regulations 2006).*

This Code has been drafted in line with the CIPFA/SOLACE guidance documents "Delivering Good Governance in Local Government" and is based on the six core principles taken from the Good Governance Standard for Public Services (2004). These were developed by the Independent Commission on Good Governance in Public Services with support from the Office for Public Management and CIPFA and adapted for local government purposes.

The six core principles of good governance as set out by CIPFA/SOLACE are as follows:

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[1] CIPFA/SOLACE – Delivering Good Governance in Local Government:: Framework

1. *Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.*

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

3. *Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.*

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

5. *Developing the capacity and capability of members and officers to be effective.*

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

'Governance' is defined many ways but for these purposes as, "how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

The Council's Code of Corporate Governance can be viewed as being embodied in various policies, procedures and other documents. These are reviewed biennially as part of the Council's Ethical Governance Assessment within the following categories.

• Access to Information • Annual Governance Statement • Audit • Committees - Specific Governance • Complaints Framework • Constitution • Consultation • Corporate Plan • Counter Fraud Framework	• Democratic Services • Human Resources • ***Training on Governance*** • ***Code of Conduct & Protocols for Member-Officer relations*** • Partnership Arrangements • ***Registers of Members' Interests*** • Risk Management & Emergency Planning • Senior Officer arrangements

The Code provides a summary of how, through these policies, procedures and documents, the Council complies with the core and supporting principles within the "Delivering Good Governance in Local Government" framework. **Compliance is regularly tested but not limited to the internally conducted Ethical Governance Assessment** and the audit plan. The Ethical Governance Assessment findings, in particular, can be referenced for more detailed information such as how and when the various elements of the Code of Corporate Governance are reviewed.

The following **tables identify the supporting six core** principles and the requirements associated with them and, most importantly, the means through which the Council achieves these.

Principle 1 – Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

Community Focus and Vision

The Council will focus on the purpose of the authority and on outcomes for the community and create and implement a vision for the local area.

Supporting Principles	Requirements	How the Council meets the Requirements
1.1 exercise strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users	• Develop and promote the authority's purpose and vision • Review on a regular basis the authority's vision for the local area and its implications for the authority's governance arrangements • Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners • Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance	• **Corporate Plan and Sustainable Community Strategy** based on the needs/requirements of the residents and promoting the Council's vision and report on planned activities also communicated through a variety of mechanisms; • **Annual refresh of the Corporate Plan and the three year Sustainable Community Action plan** (including this years Local Area Agreement (LAA)) and the flexibility to update these plans where necessary; • **Partnership arrangements** are consistent; • **Corporate Plan Annual Report and Community Strategy action plan** performance reported on Barnet Online.
1.2 ensure that users receive a high quality of service whether directly, or in partnership, or by commissioning	• 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	• **Corporate Plan and Sustainable Community Strategy** contain clear and effective arrangements for defining how the quality of service is to be measured and for identifying and addressing any failure in service delivery; • **FirstStat** (where services present and are challenged by Officers across the council), **Finance and Policy Review meetings** and **Member**

		Challenge Events are mechanisms for monitoring and challenging performance around delivery of the Corporate Plan. The Sustainable Community Strategy Action Plan is monitored and challenged through **the Local Strategic Partnership**;
		• The **Council** *performance review* also supports performance management with guidance emphasising the need to link *employee objectives* to Corporate Plan priorities and objectives;
		• A **de-centralised complaints process** contributes to service delivery with all complaints, comments and compliments logged on one system and categorised in line with Local Government guidance.
1.3 ensure that the authority makes best use of resources and that tax payers and service users receive excellent value for money	• 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	• **The Corporate Plan** includes a clear definition of how value-for-money will be measured; • **Responsibility** for addressing value-for-money delivery is **clearly allocated** to Officers with the necessary skills and clear guidance is available; • The Council's **External Audit** arrangements are a key part of the process to review value for money and performance. • The Council's **Internal Audit** arrangements, including the **Internal Audit Code of Practice** based on CIPFA guidance, the **Internal Audit Charter** also helps ensure the authority makes the best use of resources through efficient performance.

Principle 2 – Members and Officers working together to achieve a common purpose with clearly defined functions and roles.

Functions and Roles

Members and officers will work together to achieve a common purpose with clearly defined functions and roles.

Supporting Principles	Requirements	How the Council meets the Requirements
2.1 ensure effective leadership throughout the authority and be clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function	• Set out a clear statement of the respective roles and responsibilities of the Executive and of 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	• **The Constitution** defines *the roles and responsibilities of the Leader, Deputy Leader, Cabinet and* individual Executive members; • **The Constitution** defines the roles and responsibilities of all Council Committees.
2.2 ensure that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard	• Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for the collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required • Make a 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	• **Job descriptions and the** clearly define the roles and responsibilities of senior officers; • **Article 12 of the Constitution** sets out the functions of the Council's statutory Officers and protocols are disseminated in the organisation • **Proper Officer arrangements** are established; • **A scheme of delegation** exists in the Constitution and separately in certain Service Areas (based on the Constitution) to ensure the appropriate exercise of powers in the Council; • **Member/Officer protocols** in the Constitution ensure effective communication between Members and Officers, including

	relationship and that a shared understanding of roles and objectives is maintained • Make a senior officer (the S151 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 control • Make a senior officer (usually the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with	the Leader and the Chief Executive.
2.3 ensure relationships between the authority and the public are clear so that each knows what to expect of the other	• Develop protocols to ensure effective communication between members and officers in their respective roles • Set out the terms and conditions for the remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel • Ensure that effective mechanisms exist 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	• **Appropriate employment policies** are in followed including the Joint National Council for Chief Executives, Joint National Council for Chief Officers, National Joint Council for Local Government Services as well as **Local Agreements**; • **The *performance review* process, various meeting forums, one to one sessions focussing on delivery issues and progress and Programme and Project Boards addressing the delivery of projects** are all effective mechanisms to monitor service delivery; • The vision and priorities within the Corporate Plan and Community Strategy are **developed in consultation with the community and are communicated** (disseminated) to ensure that both the public

	local community and other key stakeholders, and that they are clearly articulated and disseminated	and Council officers are aware of Council obligations under the vision;
	• 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	• **Partnership guidance** refers to the importance of defining roles and responsibilities for partner members and outlining the need for clarifying the legal status of the partnership.
	• When working in partnership: ○ ensure that there is clarity about the legal status of the partnership ○ ensure that representatives of organisations both understand and make clear to all other parties the extent of their authority to bind their organisation to partner decisions	

Principle 3 – Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

Values and Standards of Conduct

The Council will promote values for the authority and demonstrate the values of good governance through upholding high standards of conduct and behaviour.

Supporting Principles	Requirements	How the Council meets the Requirements
3.1 ensure authority members and officers exercise leadership by behaving in ways that exemplify high	• Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect	• The Constitution contains **codes of conduct and protocols for members and officers**, there is a *performance review* process, a **corporate complaints process** and an **anti-fraud and corruption policy**;

standards of conduct and effective governance	• 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	• There is a **counter fraud framework** meeting statutory requirements and according with best practice guidelines. This framework includes the whistle-blowing Policy, Fraud Policy, Prosecution Policy RIPA Policy as well as an annual report to the Audit Committee and an annual work plan;
	• Put in place arrangements to ensure that members and employees of the authority 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	• **The Code of Conduct for Members** provides effective arrangements for ensuring that Members are not influenced by prejudice, bias or conflicts of interests, which are implemented through training and the existence of processes to obtain details of personal interests:
		○ the Director of Corporate Governance compiles the Register of Interests and conducts *an annual* review;
		○ all Council and Committee meetings have declaration of interests as a standard agenda item;
		○ registered and declared interests are publicly available;
		○ the arrangements for registration and declaration of interests includes gifts and hospitality;
		• **The Code of Conduct for Officers** sets out arrangements for ensuring that Officers are not influenced by prejudice, bias or conflicts of interest and includes the registration of interests;
		Officer Expenses Procedures encompass statutory requirements and best practice with records kept as part of standard accounting procedures;

| 3.2 ensure that organisational values are put into practice and are effective | • 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 systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice

 • Develop and maintain an effective standards committee

 • Use the organisation's 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 | • **Codes of Conduct for Members and Officers**, which are publicly available facilitate the development and maintenance of shared values reflecting public expectations;

 • **The Standards Committee** operates in line with clear terms of reference contained in the Constitution. Members of the Committee all receive training and are monitored/advised, where necessary, by the Monitoring Officer and the Senior Governance Advisor or appropriate Officer.

 • There are **person specifications for Independent Members** of the Standards Committee as a key aspect of ensuring its effectiveness.

 • There is an **annual report to the Council** on the activities of the Standards Committee further to its **annual work programme**;

 • **Decision making practices** are publicly available and include decision-making principles supporting high standards of conduct;

 • **Processes for reporting complaints relating to Member conduct** to the Standards Committee are clearly set out on Barnet Online. |

Principle 4 – Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Decision-making

The Council will take informed and transparent decisions which are subject to effective scrutiny and managing risk

Supporting Principles	Requirements	How the Council meets the Requirements
4.1 be rigorous and transparent about how decisions are taken and listen and act on the outcome of constructive scrutiny	• Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is 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 (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee • Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints	• A reviewed **scrutiny function** ensures constructive challenge through the various Overview and Scrutiny Committees (with committee roles defined in the Constitution) including the call-in process; • **Report-writing guidance and templates** are used by all Officers writing reports; • **The Corporate Plan** includes performance measures and targets in relation to Scrutiny; • The **corporate performance-monitoring processes** related to the Corporate Plan and Sustainable Community Strategy (see above) scrutinise performance and address weaknesses in delivery; • An **Audit Committee**, independent of Executive and Scrutiny functions, with clear terms of reference, cross-party membership ***and Independent Members review the Code of Corporate Governance.*** • ***Members of the Audit Committee receive the necessary training in this role and can exercise their power to challenge officers responsible for audit areas where assurance levels have not improved to their satisfaction.*** • A **de-centralised complaints process** contributes to informed decision-making; • The **Corporate Complaints Policy** ensures consistent and effective complaints handling across the Council.

4.2 have good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs	• Ensure that those making decisions whether for the authority or the 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 proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	• **Decision making protocols** are publicly available and set out the criteria on which decisions are based; • **The Forward Plan and minutes of meetings** are publicly available and provide records of decisions planned and taken; • **Clearance processes** ensure that decisions are based on correct (fit for purpose) information and that information is available for timely review, including the availability and recording of legal and financial advice.
4.3 ensure that an effective risk management system is in place	• Ensure that risk management is embedded into the culture of the authority, with members and managers at all levels recognising that risk management is part of their jobs • Ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those contracting with or appointed by the authority have access	• A **Risk Management Strategy** informed by best practice and both **service and corporate risk registers** ensure that risk management processes are embedded in the culture of the authority; • There is a **Business Continuity Framework and toolkit** with Business Continuity Plans regularly reviewed to enable efficient continuation of service through incidents; • There is a **generic major incident plan t**o fulfil the responsibilities to have appropriate arrangements in place in case of significant national or local incidents; • **A whistle-blowing policy** is available to officers.
4.4 their legal powers to the full benefit of the citizens and communities in their area	• Actively recognise the limits of lawful activity placed on the authority by, for example, the ultra vires doctrine but also strive to utilise its powers to the full benefit of the community	• Officers and members operate lawfully through the existence of mechanisms including: o **decision-making** through the Monitoring Officer role (identifying and addressing non-compliance with

		statute);
	• Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on the authority by public law	o the **Internal Audit function** and **Corporate Anti-fraud function** ensure compliance with relevant statute e.g. Social Care legislation in Children's Service and Adult Social Services (supported by an embedded Council wide appraisal process to identify such training needs in relation to compliance with statute where necessary).
	• Observe all specific legislative requirements placed upon the authority, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law - rationality, legality and natural justice - into its procedures and decision making processes	

Principle 5 – Developing the capacity and capability of members and officers to be effective.

Capacity and Capability

The Council will develop the capacity and capability of members and officers to be effective.

Supporting Principles	Requirements	How the Council meets the Requirements
5.1 make sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles	• 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 authority	• **Member Training**, including induction training and specific training in relation to certain committees is provided and this includes non-councillor members of committees; • **Officers advise Members** as required in addition to specific **guidance being provided** at induction and on Members' correspondence for example; • The informal **Member Development Panel** (one member for each party), supported by Democratic Services assesses skills required by Members and identifies,

		advises on and promotes Member training and development;
		• The **Workforce Development Plan** incorporates a training policy for Officers, including induction training, is available.
5.2 develop the capability of people with governance responsibilities and evaluate their performance, as individuals and as a group	• 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 put in place for reviewing the performance of the Executive as a whole and of individual members and agreeing an action plan which might, for example, aim to address any training or development needs	• The *performance review process* (with appraisals recorded and monitored) is the main basis for identifying and addressing training needs, including addressing the skill and support requirements of the statutory officers; • **Training in relation to an Officer's area of responsibility** is given and for financial and other cross-cutting systems with training needs assessed at appraisals; • **The Overview and Scrutiny Procedure Rules** and Operational practices ensure the performance of the Executive.
5.3 encourage new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal	• 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	• **Representatives from the community engage with the work of the Council** through various structures such as the Citizen's Panel, the Resident's Forums and consultation surveys conducted corporately and at service level; • **The Remuneration Strategy** includes career progression guidelines; • **The Talent Management Strategy** encourages Officer participation and development.

Principle 6 - Engaging with local people and other stakeholders to ensure robust public accountability.

Accountability

The Council will engage with local people and other stakeholders to ensure robust public accountability

Supporting Principles	Requirements	How the Council meets the Requirements
6.1 exercise leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships	• Make clear to itself, all staff and the community to whom it is accountable and for what • Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required • Produce an annual report on the activity of the scrutiny function	• **The Sustainable Community Strategy and the Corporate Plan** have been disseminated resulting in a clear understanding by staff and the community as to what the Council is accountable for and to whom; • The **Local Strategic Partnership Terms of Reference** are based on best practice and guidance and LSP arrangements apply as far as possible to all its sub-partnerships; • **Various performance management structures** scrutinise the effectiveness of relationships with partners, monitor delivery, identify and address concerns and report outcomes publicly; • The **Use of Resources requirements** are met using the performance indicators from the Corporate Plan; • An **Overview and Scrutiny annual report** to the Council and available to the public, sets out planned activity and outcomes of scrutiny functions.
6.2 *take an active and planned approach to engage in dialogue with the*	• Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in	• **Residents Forums, corporate and local consultation exercises, 'Leader Listens' sessions, Overview and Scrutiny Committees and**

public to ensure there is an effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning	place monitoring arrangements and ensure that they operate effectively • Hold meetings in public unless there are good reasons for confidentiality • Ensure that 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 about including a feedback mechanism for those consultees to demonstrate what has changed as a result • On an annual basis, publish a performance plan 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	**initiatives to engage specific groups** are examples of a variety of consultation and engagement mechanisms to engage with all sections of the Community. • **Consultations** are conducted with residents, Members and staff utilising best practice principles including the Market Research Code of Practice; • The **Annual Residents survey** on the place and council services is conducted with a representative sample of residents of the borough; • There is a **Citizen's Panel** which consists of 1250 residents representative of the borough often used for service specific consultations; • *There is a Petition Scheme for persons who live, work or study in the authority's area to submit a Petition with their concerns about a Council service or decision.* • **Corporate publications (including Barnet First), the 'Barnet Online' Website, electronic news letters, controlled media pitches and campaigns to target specific areas** are clear channels of communication with the public (both at corporate and at service level); • **Council and committee meetings** are held entirely in public and their reports and minutes are public unless confidentiality is specifically required in accordance with the **Access to Information Procedure Rules** in the Constitution; • **Partnership arrangements for consultation** are in line with and

	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	refer to consultation guidance;
		
		• There is an **annual report of outcomes and achievements** in relation to the Council's vision to Council and therefore public. ***Council also publishes the Annual Governance Statement as part of the Annual Statement of Accounts.***
		
		• The Council is open and accessible to the public through:
		   o the above **processes for communicating vision and outcomes** to the public;
		
		   o **the complaints process** available to the public,
		
		   o **the publicly available Constitution**, which sets out a commitment to openness and transparency and defines processes for public participation at Committee meetings;
		
		   o various **projects to improve public accessibility**.
		
		• The **Freedom of Information Policy** and **Publication Scheme** ensure openness and accessibility as well as compliance with the requirements of the Freedom of Information Act.
		
		• The **Data Protection Policy**, **Records Retention and Disposal Scheme** and **Fair Processing Notice** ensure that confidentiality is preserved properly and appropriately;
		
		• The **Partnership Register** records all sub partnerships and groups reporting to the Local Strategic Partnership.

| 6.3
make best use of human resources by taking an active and planned approach to meet responsibility to staff | • Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making | • There are **clear policies for consultation with staff** and their representatives. |