Barnet Code of Corporate Governance

Governance comprises the arrangements put in place to ensure that the intended outcomes for citizens and stakeholders are defined and achieved.

To deliver good governance within the Council, all councillors, officers and partners should strive to achieve the Council's objectives while acting in the public interest.

Acting in the public interest implies primary consideration of the benefits for the citizens of Barnet, which should result in positive outcomes for service users and other stakeholders.

The Council should keep governance arrangements up to date and relevant. The main principle underpinning the development of the new Delivering Good Governance in Local Government Framework 2016 (CIPFA/Solace) continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The CIPFA Framework positions the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance processes and structures. Outcomes give the role of local government its meaning and importance, and it is fitting that they have this central role in the sector's governance. Furthermore, the focus on sustainability and the links between governance and public financial management are crucial – the Council recognises the need to focus on the long-term. The Council has responsibility to more than their current electors and should take account of the impact of current decisions and actions on future generations.

Good governance cannot be achieved by rules and procedures alone. Shared values that are integrated into the culture of the organisation and are reflected in behaviour and policy are hallmarks of good governance.

The core principles and sub-principles of good governance that apply to the London Borough of Barnet are set out in the table below. The Council produces an Annual Governance Statement to report publicly on the extent to which the Council complies with its local code and this is a statutory requirement. The preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit Regulations 2015. The Annual Governance Statement is reported at the mid-year and end of year points to the Audit Committee and, when reported, will detail how Barnet complies with the principles and sub-principles outlined in the Code.

Principles of Good Governance

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

Ensuring Members behave with integrity and develop robust policies which place emphasis on agreed ethical values

Seeking to establish, monitor and maintain the Council's ethical standards and performance

Ensuring that external providers of services on behalf of the Council are required to act with integrity and in compliance with ethical standards

Creating 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

B. Ensuring openness and comprehensive stakeholder engagement

Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used.

Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully.

Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively

Ensuring that partnerships are based on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit.

Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service provision is contributing towards the achievement of intended outcomes

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

Having 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

Specifying 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

Delivering defined outcomes on a sustainable basis within the resources that will be available

Identifying and managing risks to the achievement of outcomes

Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available

Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision

Determining 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

Ensuring fair access to services

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Determining the right mix of corporate (legal, assurance, regulatory, and finance) interventions to ensure intended outcomes are achieved

Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised

Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and of associated risks – therefore ensuring best value is achieved however services are provided.

Considering 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

Establishing and implementing robust planning and control cycles that cover

strategic and operational plans, priorities and targets

Considering and monitoring risks facing each partner when working collaboratively, including shared risks

Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances

Establishing appropriate key performance indicators (KPIs)

Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the short, medium and longer term

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E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness

Improving resource use through application of techniques such as benchmarking to determine how resources are allocated so that defined outcomes are achieved effectively

Recognising partnership benefits and collaborative working where added value can be achieved

Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body

Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services set by members

Developing the capabilities of members and officers, including induction, continuing professional development training, and lessons learnt from governance weaknesses

Ensuring that there are structures in place to encourage public participation

Holding staff to account through regular performance reviews which take account of training or development needs

Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

F. Managing risks and performance through robust internal control and strong public financial management

Implementing robust and integrated risk management arrangements and ensuring that responsibilities for managing risks are clearly allocated

Monitoring service delivery effectively including planning, specification, execution and independent post implementation review

Making 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

Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making

Providing Members and senior management with regular reports on service delivery plans and on progress towards outcome achievement

Ensuring effective counter fraud and anti-corruption arrangements are in place

Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor

Ensuring an Audit Committee or equivalent group function provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment

Ensuring effective arrangements are in place for data use and storage and when sharing data with other bodies

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style

Providing sufficient information to satisfy transparency demands while not being too onerous for users to read and understand

Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement

Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate

Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon

Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the Annual Governance Statement

Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met