

## APPENDIX AA

### LONDON BOROUGH OF BARNET CODE OF CORPORATE GOVERNANCE

#### 1. INTRODUCTION

- 1.1 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.
- 1.2 The governance framework must conform to principles of good governance and this Code of Corporate Governance aims to demonstrate how the council does this.
- 1.3 This Code has been drafted in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (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).
- 1.4 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.*

#### 2. ELEMENTS OF CORPORATE GOVERNANCE

- 2.1 The Code is embodied in various policies, procedures and other documents. 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.
- 2.2 The Council produces 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.
- 2.3 The following table identifies the means through which the council will achieve these core principles as well as the supporting principles and the requirements associated with them.

<p><b><i>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.</i></b></p>
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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
<p>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</p>	<p>Develop and promote the authority's purpose and vision</p> <p>Review on a regular basis the authority's vision for the local area and its implications for the authority's governance arrangements</p> <p>Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners</p> <p>Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance</p>	<p>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;</p> <p>Annual refresh of the Corporate Plan and the flexibility to update this and the Sustainable Community Strategy where necessary;</p> <p>Partnership arrangements are consistent and are monitored through our key partnership boards.</p> <p>Annual Report of Barnet Partnership and its sub-Partnerships;</p> <p>Corporate Plan performance updates reported on Barnet Online.</p>
<p>1.2 Ensure that users receive a high quality of service whether directly, or in partnership, or by commissioning</p>	<p>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</p> <p>Put in place effective arrangements to identify and deal with failure in service delivery</p>	<p>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;</p> <p>FirstStat (where services present and are challenged by Officers across the council), Finance and Business Planning Review meetings and Member Challenge Events are mechanisms for monitoring and challenging performance around delivery of the Corporate Plan. The Sustainable Community Strategy is monitored and challenged through the Barnet Partnership Board.;</p> <p>The Council performance review also supports performance management with guidance emphasising the need to link employee objectives to Corporate Plan priorities and objectives;</p> <p>A centralised complaints process</p>

		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	<p>The Corporate Plan includes a clear definition of how value-for-money will be measured, with key performance indicators in place.</p> <p>Responsibility for addressing value-for-money delivery is clearly allocated to Officers with the necessary skills and clear guidance is available.</p> <p>The Council's External Audit arrangements review value for money and performance and report annually to those charged with governance.</p> <p>The Council's Internal Audit arrangements are compliant with the Internal Audit Code of Practice based on CIPFA guidance. The Internal Audit Charter is in place which emphasises reviewing arrangements within the council to make the best use of resources.</p>

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

<b>Supporting Principles</b>	<b>Requirements</b>	<b>How the Council meets the Requirements</b>
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	<p>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</p> <p>Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers</p>	<p>The Constitution defines the roles and responsibilities of the Leader, Deputy Leader, Cabinet and individual Executive members;</p> <p>The Constitution defines the roles and responsibilities of all Council Committees.</p>
2.2 Ensure that a constructive working relationship	Determine a scheme of delegation and reserve powers within the constitution, including a	The Constitution clearly sets out the Protocol between Members and Officers. Code of Conduct exists

<p>exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard</p>	<p>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</p> <p>Make a Chief Executive responsible and accountable to the authority for all aspects of operational management</p> <p>Develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained</p> <p>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</p> <p>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</p>	<p>separately for Members and for Officers. Job descriptions are in place clearly defining the roles and responsibilities of senior officers. The Council has an annual and half yearly performance review system.</p> <p>Article 12 of the Constitution sets out the functions of the Council's Chief and Statutory Officers and protocols are disseminated in the organisation.</p> <p>Proper Officer arrangements are established for all financial matters for the council.</p> <p>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;</p> <p>Member/Officer protocols in the Constitution ensure effective communication between Members and Officers, including the Leader and the Chief Executive.</p>
<p>2.3 Ensure relationships between the authority, Members and the public are clear so that each knows what to expect of the other</p>	<p>Develop protocols to ensure effective communication between members and officers in their respective roles</p> <p>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 committee</p> <p>Ensure that effective mechanisms exist to monitor service delivery</p> <p>Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and</p>	<p>Appropriate employment policies are followed including the National Joint Council for Local Government Services as well as Local Agreements;</p> <p>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;</p> <p>The vision and priorities within the Corporate Plan and Sustainable Community Strategy are developed in consultation with the community and are communicated (disseminated) to</p>

	<p>in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated</p> <p>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</p> <p>When working in partnership:</p> <ul style="list-style-type: none"> <li>- ensure that there is clarity about the legal status of the partnership</li> <li>- 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</li> </ul>	<p>ensure that both the public and Council officers are aware of Council obligations under the vision;</p> <p>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.</p> <p>A Remuneration Committee was established in March 2012 to implement the provisions of the Localism Act 2011 and in line with good governance principles.</p>
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***Principle 3 – Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.***

Supporting Principles	Requirements	How the Council meets the Requirements
<p>3.1 Ensure Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance</p>	<p>Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect</p> <p>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</p> <p>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</p>	<p>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;</p> <p>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;</p> <p>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</p>

	<p>processes to ensure that they continue to operate in practice</p>	<p>existence of processes to obtain details of personal interests:</p> <ul style="list-style-type: none"> <li>- the Monitoring officer compiles the Register of Interests and conducts an annual review;</li> <li>- all Council and Committee meetings have declaration of pecuniary and prejudicial interests as a standard agenda item;</li> <li>- registered and declared interests are publicly available;</li> <li>- the arrangements for registration and declaration of interests includes gifts and hospitality;</li> </ul> <p>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;</p> <p>Officer Expenses Procedures encompass statutory requirements and best practice with records kept as part of standard accounting procedures;</p>
<p>3.2 Ensure that organisational values are put into practice and are effective</p>	<p>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</p> <p>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</p> <p>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</p> <p>In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such</p>	<p>The Council has a published set of values: Being Trustworthy, Valuing Diversity, Being Human, and Being Collaborative.</p> <p>Codes of Conduct for Members and Officers are publicly available facilitate the development and maintenance of shared values reflecting public expectations.</p> <p>The Constitution, Ethics and Probity Committee operates in line with clear terms of reference contained in the Constitution. This includes “to consider and make recommendations to the Council on (i) how it can satisfy the continuing duty to promote and maintain high standards of conduct for Members; (ii) on the Code of Conduct for Members and (iii) on ethical standards in general across the authority”.</p> <p>Decision making practices are publicly available and include decision-making principles supporting high standards</p>

	values must be demonstrated by partners' behaviour both individually and collectively	of conduct; Processes for reporting complaints relating to Member conduct are clearly set out on Barnet Online.
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***Principle 4 – Taking 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	<p>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.</p> <p>Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based</p> <p>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</p> <p>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</p> <p>Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints</p>	<p>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.</p> <p>Report-writing guidance and templates are used by all Officers writing reports.</p> <p>The Scrutiny Committee produces an annual report on their work, including any details on call-ins and recommendations made.</p> <p>The corporate performance-monitoring processes related to the Corporate Plan are in place that scrutinise performance and address weaknesses in delivery.</p> <p>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.</p> <p>Members of the Audit Committee receive the necessary training in this role and can exercise their power to challenge officers responsible for areas under audit review where assurance levels have not improved, or present high risk to the organisation.</p> <p>A complaints process contributes to informed decision-making;</p> <p>The Corporate Complaints Policy ensures consistent and effective</p>

		complaints handling across the Council.
<p>4.2 Have good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs</p>	<p>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.</p> <p>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.</p>	<p>Decision making protocols are publicly available and set out the criteria on which decisions are based.</p> <p>The Advance Notice of Proposed Items for Decision and Parts of Meetings which will not be held in public session and minutes of meetings are publicly available and provide records of decisions planned and taken.</p> <p>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.</p>
<p>4.3 Ensure that an effective risk management system is in place.</p>	<p>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.</p> <p>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.</p>	<p>A Risk Management Strategy and Policy Statement is reviewed annually and reported to the Audit Committee. An electronic risk management system is used to ensure that risk management processes are embedded within the culture of the authority. Regular reporting and challenge sessions exist within the council to ensure decision makers are informed on the risks and opportunities for each decision.</p> <p>There is a Business Continuity Framework and toolkit with Business Continuity Plans regularly reviewed to enable efficient continuation of service through incidents;</p> <p>There is a generic major incident plan to fulfil the responsibilities to have appropriate arrangements in place in case of significant national or local incidents.</p> <p>A whistle-blowing policy is available to officers.</p>
<p>4.4 Their legal powers to the full benefit of the citizens and communities in their area</p>	<p>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.</p> <p>Recognise the limits of lawful</p>	<p>Officers and Members operate lawfully through the existence of mechanisms including:</p> <ul style="list-style-type: none"> <li>• decision-making through the review process of all decisions prior to publications;</li> <li>• Management oversight of the</li> </ul>

	<p>action and observe both the specific requirements of legislation and the general responsibilities placed on the authority by public law.</p> <p>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.</p>	<p>decision making process within a legal context;</p> <ul style="list-style-type: none"> <li>the Internal Audit function and Corporate Anti-fraud function are in place to provide independent assurance on risk areas.</li> </ul>
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**Principle 5 – Developing the capacity and capability of members and officers to be effective.**

Supporting Principles	Requirements	How the Council meets the Requirements
<p>5.1 Make sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles</p>	<p>Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis</p> <p>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</p>	<p>Member Training, including induction training and specific training in relation to certain committees is provided and this includes non-councillor members of committees.</p> <p>Officers advise Members as required in addition to specific guidance being provided at induction and on Members' correspondence for example.</p> <p>The informal Member Development Panel (one member for each party), supported by Governance Service assesses skills required by Members and identifies, advises on and promotes Member training and development.</p> <p>The Organisational Development Plan incorporates a training policy for Officers, including induction training, is available.</p>
<p>5.2 Develop the capability of people with governance responsibilities and evaluate their performance, as individuals and as a group</p>	<p>Assess the skills required by Members and Officers and make a commitment to develop those skills to enable roles to be carried out effectively</p> <p>Develop skills on a continuing basis to improve performance,</p>	<p>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. Group Leaders administer this for</p>

	<p>including the ability to scrutinise and challenge and to recognise when outside expert advice is needed</p> <p>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</p>	<p>their party.</p> <p>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.</p> <p>The Overview and Scrutiny Procedure Rules and Operational practices ensure the performance of the Executive is effectively reviewed.</p> <p>Role profiles for Members were agreed by General Functions Committee in 2011.</p>
<p>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.</p>	<p>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.</p> <p>Ensure that career structures are in place for members and officers to encourage participation and development.</p>	<p>Representatives from the community engage with the work of the Council through various structures such as the Citizen's Panel, the Residents Forums and consultation surveys conducted corporately and at service level.</p> <p>The Remuneration Policy includes career progression guidelines.</p> <p>The Talent Management Strategy encourages Officer participation and development.</p>

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

<b>Supporting Principles</b>	<b>Requirements</b>	<b>How the Council meets the Requirements</b>
<p>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</p>	<p>Make clear to itself, all staff and the community to whom it is accountable and for what</p> <p>Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required</p> <p>Produce an annual report on the activity of the scrutiny function</p>	<p>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.</p> <p>The Barnet Partnership Terms of Reference are based on best practice and guidance and arrangements apply as far as possible to all its sub-partnerships.</p> <p>Various performance management structures scrutinise the effectiveness of relationships with partners, monitor</p>

		<p>delivery, identify and address concerns and report outcomes publicly.</p> <p>An Overview and Scrutiny annual report to the Council and available to the public, sets out planned activity and outcomes of scrutiny functions.</p>
<p>6.2 Take an active and planned approach to engage in dialogue with the public to ensure there is an effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning</p>	<p>Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively</p> <p>Hold meetings in public unless there are good reasons for confidentiality</p> <p>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</p> <p>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</p> <p>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</p> <p>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 a commitment to openness</p>	<p>Residents Forums, corporate and local consultation exercises, Overview and Scrutiny Committees and initiatives to engage specific groups are examples of a variety of consultation and engagement mechanisms to engage with all sections of the Community.</p> <p>Consultations are conducted with residents, Members and staff utilising best practice principles including the Market Research Code of Practice;</p> <p>The Residents Perception Survey on the place and council services is conducted with a representative sample of residents of the borough;</p> <p>There is a Citizen's Panel which consists of 1250 residents representative of the borough often used for service specific consultations.</p> <p>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.</p> <p>Corporate publications (including Barnet First), the 'Barnet Online' Website, electronic news letters, controlled media pitches, the Council's social media presence through Facebook and Twitter and campaigns to target specific areas are clear channels of communication with the public (both at corporate and at service level).</p> <p>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</p>

	<p>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</p>	<p>Information Procedure Rules in the Constitution.</p> <p>Partnership arrangements for consultation are in line with and refer to consultation guidance.</p> <p>There is an annual report of outcomes and achievements in relation to the Council's vision to Council and therefore public. <i>Council also publishes the Annual Governance Statement as part of the Annual Statement of Accounts.</i></p> <p>The Council is open and accessible to the public through:</p> <ul style="list-style-type: none"> <li>- the above processes for communicating vision and outcomes to the public;</li> <li>- the complaints process available to the public, and</li> <li>- the publicly available Constitution, which sets out a commitment to openness and transparency and defines processes for public participation at Committee meetings.</li> </ul> <p>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.</p> <p>The Data Protection Policy, Records Retention and Disposal Scheme and Fair Processing Notice ensure that confidentiality is preserved properly and appropriately.</p>
<p>6.3 Make best use of human resources by taking an active and planned approach to meet responsibility to staff</p>	<p>Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making</p>	<p>There are clear policies for consultation with staff and their representatives, including trade unions.</p>

### 3. MONITORING AND REPORTING

- 3.1 The Code of Corporate Governance will be reviewed biennially to ensure continuing compliance.
- 3.2 Compliance is regularly tested but not limited to the Internal Audit Plan and Annual Audit Report of the Chief Internal Auditor.

- 3.3 The Council will produce an Annual Governance Statement, which is the formal statement that recognises, records and publishes the Council's governance arrangements as defined in the CIPFA/SOLACE Framework "Delivering Good Governance in Local Government". It will be submitted to the Audit Committee.