

WESTMINSTER CITY COUNCIL CODE OF GOVERNANCE FRAMEWORK

1.0 INTRODUCTION

- 1.1 Westminster recognises that it is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability Members and officers will be responsible for putting in place proper arrangements for the governance of the authority's affairs and the resources at its disposal.
- 1.2 To this end the authority has adopted this Code of Corporate Governance which is kept under and updated in accordance with the principles and requirements of the CIPFA/SOLACE Consultation Draft "*Good Governance in Local Government : A Framework*".
- 1.3 Governance comprises the systems and processes for the direction and control of local authorities through which they account to, engage with and lead their communities. The function of governance is to ensure that the authority and connected partnerships fulfil their purpose and achieve their intended outcomes for citizens and service users and operate in an effective, efficient, economical and ethical manner.
- 1.4 The CIPFA/SOLACE revised Framework builds on governance work in both the public and private sectors and in particular "*The Good Governance Standard for Public Services*" drawn up by the Independent Commission on Good Governance in Public Services. The six core principles from the Good Governance Standard have been adapted and form the basis of the framework:
- 1.5 Good governance means:
- (i) Focussing on the purpose of the authority and on outcomes for the community including citizens and service users and creating and implementing a vision for the local area
 - (ii) Members and officers working together to achieve a common purpose with clearly defined functions and roles
 - (iii) Promoting the values of the authority and demonstrating the values of good governance through behaviour
 - (iv) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
 - (v) Developing the capacity and capability of Members to be effective and ensuring that officers – including the statutory officers – also have the capability and capacity to deliver effectively

- (vi) Engaging with local people and other stakeholders to ensure robust local public accountability.

2.0 ELEMENTS OF CORPORATE GOVERNANCE

To achieve the principles of good corporate governance, the authority supports and will apply the six core principles, and their related supporting principles, as follows:

2.1 Core principle (i)

Focussing on the purpose of the authority and on outcomes for the community including citizens and service users and creating and implementing a vision for the local area.

Supporting principles

- exercising leadership by clearly communicating the authority's purpose and vision and its intended outcome for citizens and service users.
- ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.
- ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.

The authority:

- reviews on a regular basis for its vision for the local area and its impact on the authority's governance arrangements by keeping the Council Tax affordable and through the Living City Programme.
- measures and ensures that the information needed to review service quality effectively and regularly is available through Performance Planning and Monitoring.
- through Performance Planning decide how value for money is to be measured and ensure that the information needed to review value for money and performance effectively is available to the Audit and Performance Committee and the Finance and Resources Policy and Scrutiny Committee. The authority also ensure that the results are reflected in the Council's plans, department's service plans and in reviewing the work of the authority.
- has in place effective arrangements to deal with failure in service delivery.

- a clear statement of the authority's purpose and vision and use it as a basis for corporate and service planning and shaping the Community Strategy and Local Strategic Partnerships.
- when working in partnership will ensure that there is a common vision underpinning the work of the partnership that is understood and agreed by all partners.

2.2 Core principle (ii)

Members and officers working together to achieve a common purpose with clearly defined functions and roles

Supporting principles

- ensuring effective leadership throughout the authority by being clear about executive and non executive functions and of the roles and responsibilities of the scrutiny function
- ensuring that a constructive working relationship exists between elected Members and officers and that Members and officers carry out their responsibilities to a high standard.
- ensuring relationships between the authority and the public are clear so that each know what to expect of the other.

The authority has:

- a clear statement of the respective roles and responsibilities of the Executive and of the Executive's members individually.
- a clear statement of the respective roles and responsibilities of Members in the existing Code of Governance
- developed protocols to ensure effective communication between Members and officers in their respective roles in the existing Code of Governance
- ensured that effective mechanisms exist to monitor service delivery through Performance Planning and Monitoring
- a scheme of delegated powers within the Constitution, including details of those matters reserved for collective decision the full Council taking account of relevant legislation and ensures that it is monitored and updated when required

- ensured that effective management arrangements are in place at the top of the organisation.
- made the Strategic Director of Finance and Performance 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.
- made the Monitoring Officer / Head of Legal and Democratic Services responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes, regulations and other relevant statements of good practice are complied with and has also appointed a Deputy Monitoring Officer.
- will ensure that the Leader of the Council and Chief Executive agree their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.
- will ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders through partnership working, and that they are clearly articulated and disseminated.
- when working in partnership will (i) ensure that there is clarity about the legal status of the partnership; (ii) ensure that the roles and responsibilities of the partners are agreed so that there is effective leadership and accountability and (iii) ensure that representatives or organisations make clear to all other partners the limit of their authority to bind their organisation to partner decisions.

2.3 Core principle (iii)

Promoting the values of the authority and demonstrating the values of good governance through behaviour

Supporting Principles

- ensuring council Members and officers exercise leadership by behaving in ways that uphold high standards of conduct and exemplify effective governance.
- ensuring that organisational values are put into practice and are effective.

The authority has:

- developed and maintained shared values including leadership values both for the organisation and its staff reflecting public expectations about the

conduct and behaviour of individuals and groups within and associated with the authority such as set out in the Customer Charter.

- adopted formal Codes of Conduct defining the standards of personal behaviour as set in the Council's Constitution as in the Members Code of Conduct and the Customer Charter.
- developed and maintained an effective Standards Committee which acts as the main means to raise awareness and take the lead in ensuring high standards of conduct are firmly embedded within the local culture. The Terms of Reference of the Standards Committee and Membership are set out in the Council's Constitution.
- 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 by ensuring that the Members Register of Interest Register is kept up to date by sending out regular reminders to Members, asking Members and Officers at the beginning of each meeting to declare any interests relative to the agenda and sending out yearly Related Party Transaction forms for all Members and Chief Officer to complete. Cabinet Members are required to declare any interest prior to taking an individual executive decision.
- will use the authority's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority.
- put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and to monitor continuing compliance in practice.
- in pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values will be 'alive' and demonstrated by partners' behaviour both individually and collectively.

2.4 Core principle (iv)

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

Supporting principles

- exercising leadership by being rigorous and transparent about how decisions are taken and listening to and acting upon the outcome of constructive scrutiny.

- having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.
- making sure that an effective risk management system is in place.
- recognising the limits of lawful action and observing both the specific requirements of legislation and the general responsibilities placed on local authorities by public law, but also accepting responsibility to use their legal powers to the full benefit of the citizens and communities in their area.

The authority has:

- developed and maintained an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall. This is out lined in detail in the Council's Constitution.
- developed and maintains effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based through Minutes and Reports to Council. All non-exempt Council, Cabinet, Committee Agendas/minutes, Cabinet Member Reports, Statements of Decisions and Minutes are available on the Council's Website.
- put in place arrangements for whistle blowing to which staff and all those contracting with the authority have access. The Whistle Blowing Policy is available on the website.
- developed and maintained an effective Audit and Performance Committee which is independent of both the Executive and the scrutiny function.
- developed and maintained an effective Standards Committee which satisfies all relevant statutory requirements, undertakes its role impartially with all its Members having been trained in the duties of the Standards Committee.
- all reports authorised by legal officers, on behalf of the Monitoring Officer before submission being issued for decision. Report Writing Guide issued on behalf of the Monitoring Officer, which contains relevant report templates and guidance.
- ensured that those making decisions are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications through producing the Forward Plan monthly clearly stating when reports will be sent to Executive Members for decision and by officers following best practice guidelines before the formal issue of Cabinet Member Reports.

- ensured that professional advice on legal and financial matters is available and recorded well in advance of decision making and used appropriately when decisions have significant legal or financial implications.
- ensured 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 job. This is incorporated into each Department's Service and Business Plan.
- has developed and maintains effective arrangements for determining the remuneration of all staff.
- ensure that risk management continues to be embedded into the culture of the authority, with Members and managers at all levels recognising that risk management is part of their job.
- actively recognise the limits of lawful activity placed on them by the ultra vires doctrine but also strive to utilise their powers to the full benefit of their communities making use of relevant legislation eg LGA 2003. (West Co).
- when working in partnership, put in place protocols for working together which include a shared understanding of respective roles and responsibilities of each organisation.
- when working in partnership, ensure that there are robust procedures for scrutinising decisions and behaviour and that these decisions and behaviours are compliant with the City Council's own rules/codes or comply with any rules/codes developed for the purpose of the partnership.
- when working in partnership, ensure that partnership papers are easily accessible and meetings are held in public unless there are good reasons for confidentiality. The partners must ensure that:
 - the partnership receives good quality advice and support and information about the views of citizens and stakeholders, so that robust and well reasoned decisions are made
 - risk is managed at a corporate and operational level.

2.5 Core principle (v)

Developing the capacity and capability of members to be effective and ensuring that officers – including the statutory officers – also have the capability and capacity to deliver effectively.

Supporting principles

- making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles
- developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group
- encouraging new talent for membership of the authority so that best use can be made of resources in balancing continuity and renewal.

The authority has:

- provided induction programmes tailored to individual needs and opportunities for Members and officers to update their knowledge on a regular basis.
- put in place effective arrangements such as regular Area Forum meetings designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority.

The authority will:

- develop those skills of Members and Officers to enable roles to be carried out effectively.
- 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.
- 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.
- put in place arrangements 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.
- consider career structures for Members and officers to encourage participation and development.
- when working in partnership, ensure that partners individually and the partnership collectively share responsibility for appointing people to the partnership who have the required skills and are at an appropriate level.

2.6 Core principle (vi)

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

Supporting principle

- exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders including partnerships, and develops constructive accountability relationships.
- taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery.
- making best use of resources by taking an active and planned approach to meet responsibility to staff.

The authority has:

- on an annual basis, published 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.
- put in place effective systems to protect the rights of staff. Ensure that policies for whistle blowing which are accessible to staff and those contracting with the authority, and arrangements for the support of whistle blowers, are in place.
- produce an annual report on Scrutiny.

The authority will:

- make clear within the authority, all staff and the community, to whom they are accountable and for what.
- consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required.
- establish clear channels of communication with all sections of the community and other stakeholders and put in place monitoring arrangements to ensure that they operate effectively.
- put in place arrangements to enable the authority to engage with all sections of the community effectively. These arrangements will recognise that different sections of the community have different priorities and there will be explicit processes for dealing with these competing demands.

- establish a clear policy on the types of issues they will meaningfully consult or engage with the public and service users including a feedback mechanism for those consulted.
- develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.
- 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 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.
- when working in partnership, ensure that engagement and consultation undertaken by the partnership is planned with regard to methodology, target audience and required outcomes. Existing mechanisms and groups should be used where appropriate. In the work cycle of the partnership it must be clear and demonstrable to the public what has happened to any feedback and what has changed as a result.

3.0 MONITORING AND REPORTING

- 3.1 The authority will undertake regular reviews of its governance arrangements to ensure continuing compliance with best practice. It recognises the importance of ensuring that such reviews are reported both within the authority, to the Audit and Performance Committee and externally with the published accounts, to provide assurance that: corporate governance arrangements are adequate and operating effectively in practice; and where reviews of the corporate governance arrangements have revealed gaps, action is planned that will ensure effective governance in future.
- 3.2 The authority will prepare an annual Governance Statement and in so doing recognises that the process of preparing the Governance Statement should itself add value to the authority's corporate governance and internal control framework. It will be submitted to the Audit and Performance Committee and circulated to all Members for information.
- 3.3 It will therefore cover performance issues – good governance promotes good service but poor service performance reflects a failure of governance.
- 3.4 It is accepted that approval and ownership of the Governance Statement should be at a corporate level and should be confirmed by the Chief Executive and Leader signing the statement on behalf of the authority.

- 3.5 In reviewing and approving the Governance Statement, Members will be provided with assurances on the effectiveness of the governance framework, and in particular the system of internal control, and how these address the key risks faced by the authority. Those assurances will be available from a wide range of sources, including internal and external audit, a range of external inspectorates and managers from across the authority. Management will provide the primary source of assurance. However, an effective internal audit function will also be a significant source of assurance.
- 3.6 The authority will strive to establish an assurance framework, embedded into its business processes, that maps strategic objectives to risks, controls and assurances. Such a framework will provide Members with assurances to support the Governance Statement on a structured basis, and will help Members to identify whether all strategic objectives and significant business risks are being addressed.