

Corporate Governance

What is Corporate Governance ?

Corporate Governance in local government is the systems by which a Council directs and controls its functions and relates to its community. Good Corporate Governance is essential in demonstrating there is credibility and confidence in the public services we provide. Sound arrangements are founded upon openness, integrity and accountability, together with the over-arching concept of leadership.

The purpose of a Local Code of Governance

The Local Code of Governance is a single document that aims:

- to serve as a management tool for reviewing and monitoring existing Corporate Governance arrangements
- to ensure that evidence about our governance arrangements, e.g. for “Use of Resources” assessment, and Annual Governance Statement etc. is available
- to help develop plans for improving arrangements for Corporate Governance

Our commitment to Corporate Governance

South Derbyshire District Council is committed to having sound Corporate Governance arrangements. The development and maintenance of a Local Code of Corporate Governance will assist in achieving this aim.

The Code assists in demonstrating good governance of the Council’s affairs and that the stewardship of the resources at its disposal are effective.

The Code of governance will be reviewed periodically to ensure that it remains up to date.

What our governance arrangements are measured against

The Council will make use of the six core and supporting principles of good governance, as identified in the CIPFA/SOLACE Framework to assess our governance arrangements.

The six core principles are:

1. Focusing on the purpose of the Council 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 Council 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.

Who is responsible for our governance arrangements ?

All Members of the Authority share responsibility for good governance. Members are the governors. The Members who are first among equals in this responsibility are the Chairman of the Authority, who has a unique leadership role in ensuring the development of a culture within the Council which reflects its values, the Chair of the Audit Sub-Committee and the Leader of the Authority, who is the Members' Champion for Corporate Governance.

The Audit Sub-Committee is responsible for advising the Council on its Corporate Governance policies and agenda and implementing and managing the Council's agreed policies in this area. It will receive an Annual Corporate Governance Report from the Monitoring Officer. The Standards Committee is also responsible for oversight of ethical issues and has been asked to advise the Council on ethical issues which affect governance.

At Officer level, good governance is first and foremost the responsibility of the Council's three Statutory Officers, namely the Chief Executive, Section 151 Officer and the Monitoring Officer. Amongst their responsibilities is leadership in promoting a culture and practice of good governance throughout the staff of the Council so that all Officers understand and promote it.

The lead officer on governance issues is the Monitoring Officer. She will be responsible in particular for:

- monitoring the operation of this policy, ensuring that it remains up to date and that any significant developments in public sector governance are brought to the attention of the Council and, if appropriate, that recommendations are considered by Members
- keeping the Council's structures, policies and procedures under review in the light of the "Good Governance Standard" and drawing any concerns to the attention of the other Statutory Officers and, if necessary, to Members

The Authority's internal and external Auditors will also assess the Council's governance arrangements and their work will provide assurance to Members that governance arrangements are sound. Details of these and other assurance arrangements will be published annually by the Council as part of an Annual Governance Statement within the Statement of Financial Accounts.

Who will assess our governance arrangements ?

A corporate group of senior Officers consisting of the Director of Corporate Services, Head of Legal & Democratic Services, Head of Financial Services, Head of Organisational Development, Audit Manager and the Corporate Performance and Policy Officer, who will meet formally on a six monthly cycle to assess our governance arrangements.

How will an assessment of our governance arrangements be made ?

An assessment against the CIPFA/SOLACE checklist is carried out by assessing the documents/processes and other means used to measure compliance with the supporting principle, with a score between 0 and 10.

Score	Level of compliance with supporting principle
1 – 6	Unacceptable
7	Partial
8	Substantial
9	Practically
10	Fully

Although the scores awarded are judgemental, they are determined through robust discussion by the corporate group. In addition, any comments/plans for improvement are noted on the checklist for subsequent review.

How will we monitor our governance arrangements ?

Monitoring occurs when the results of the self-assessment exercise determined by the corporate group are reported to and discussed by Management Team. This assists with ensuring corporate ownership of the self-assessment document, the result of this self-assessment being reported to the Audit Sub-Committee and then Full Council and thereafter being published on South Derbyshire District Council's web page so that it is widely available.

Review of the self-assessment document occurs on a six monthly cycle whereby documents/evidence, scores and actions to implement noted improvements are reviewed by the corporate group. This helps assess whether appropriate governance arrangements are in place or further improvements are needed.