

ISLE OF ANGLESEY COUNTY COUNCIL

COMMITTEE:	AUDIT COMMITTEE
DATE:	25 SEPTEMBER 2012
TITLE OF REPORT:	DRAFT LOCAL CODE OF GOVERNANCE
REPORT BY:	HEAD OF SERVICE - AUDIT
ACTION:	Recommendation to the Executive to adopt the revised policy.

1. INTRODUCTION

- 1.1 The CIPFA/SOLACE Framework Delivering Good Governance in Local Government requires local authorities seeking to meet best practice to adopt a Local Code of Governance. The aim of the Code is to bring together the key elements of corporate governance which exist within the Authority.
- 1.2 The Council has not previously produced and adopted such a Code and this has been identified as a weakness in the two Annual Governance Statements published by the Council to date.
- 1.3 The CIPFA/SOLACE Framework Delivering Good Governance in Local Government comprises six core principles, together with a number of supporting principles for each. The framework sets out the requirements for meeting each principle and also what should be reflected in the Local Code of Governance. The Council's draft Code is based on those principles.
- 1.4 The Committee is asked to recommend the adoption of the Code of Local Governance by the Executive Committee. A copy of the draft Code is attached as **Appendix A**

Policy Name	DRAFT LOCAL CODE OF GOVERNANCE
Version No.	Version 1: 2012
Date Adopted	September 2012
Adopting body	Executive Committee
Next Review Date	September 2014
Author	Head of Service - Audit
Implementation Responsibility	Section 151 Officer
Target Audience	All Council employees, Members, Partners, Contractors, Agents and other stakeholders.

INTRODUCTION

Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.

The Isle of Anglesey County Council recognises the need for sound corporate governance arrangements and has put in place policies, systems and procedures designed to achieve this and the stewardship of the resources at its disposal. This Local Code of Governance brings together the key elements of corporate governance which exist within the Authority.

This Code is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. The framework comprises six core principles, together with a number of supporting principles for each. The framework sets out the requirements for meeting each principle and also what should be reflected in the Local Code of Governance. This Code is based on those principles.

The Local Code of Governance will require constant review as those processes develop and, therefore, will be reviewed on an annual basis as part of the annual governance statement review process.

Principle One:**Focusing on the purpose of the Authority and on outcomes for the community and creating a vision for the local area.**

The Council is committed to ensuring that it provides strategic leadership by clearly communicating the Authority's purpose and vision and its intended outcomes for citizens and service users.

The Council values the importance of citizens and communities to support key priorities, and undertakes consultation with a wide range of stakeholders to ensure that the Council is focusing on delivering the right outcomes.

The Single Integrated Strategic Plan sets out a vision for the Island and long term objectives for the area. The Single Integrated Strategic Plan and other key documents provide the strategic context for many of the Council's work programmes.

The Isle of Anglesey County Council Improvement Plan (Corporate Business Plan) sets out the priorities for the year and is based upon the Council's corporate priorities which are themselves developed and adopted following wide consultation. The corporate priorities provide a blue print for future and ongoing developments and improvements. The Improvement Plan sets out the adopted Council strategic aim which is that: 'the Council will promote and protect the interests of the Island locally, regionally and nationally.'

The annual Corporate Business Plan which sets out the Council's high level work programme for the next year and provides details on a number of improvement objectives set. These build on the priorities outlined in the previous year's plan with the continued focus on delivering quality services to citizens. Individual Services are required to produce Service Business Plans linked to the corporate objectives of the Corporate Business Plan.

The Council's community leadership role is contained in the work of the Local Services Board which is a multi agency body which consists of representatives from the Isle of Anglesey County Council, the Police, Health, Voluntary, Fire, Further and Higher Education sectors and One Voice Wales representing local community and town councils. The purpose of the Board is to shape future priorities in response to the key challenges facing the Island over the next few years.

The Council provides leadership on the Energy Island initiative an initiative that has the potential to bring in £billions to Anglesey and North West Wales over the next 15 years through a range of energy related projects. These include Wylfa B and Centrica Wind Farm, plus other schemes (e.g. wave generated power schemes).

Supporting policies, strategies, procedures and processes include:

- Sign up to the Compact Agreement between the Welsh Government, Welsh Local Government Association and the 22 Welsh Local Authorities to realise 47 specific themes with regards to the co-operation and collaboration agenda.

Principle Two:

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

The Council recognises the need to have effective political and management structures and processes to govern decision making and the exercise of authority within the organisation. To this end, the Council has a number of policies and procedures designed to ensure that the roles and responsibilities of officers and Members are clearly defined and allow them to work together to a common purpose. Such procedures include the Council's Constitution, Codes of Conduct, Scheme of Delegations, Protocol for Member / Officer Relations, Rules of Procedure, Terms of Reference of Committees etc. Other documents such as job descriptions define the functions and roles of different members and different officers. The Council also has Political Management Protocols in place which help to establish and maintain better working relations between Members and individual Political Groups.

The Council also has designated Member portfolio holders for key Council services and their roles and responsibilities are clearly defined in job descriptions and person specifications. Portfolio holders provide leadership on giving political direction to officers and in gaining the respect of officers and providing support to officers in implementing portfolio related projects.

Supporting policies, strategies, procedures and processes include:

- Pre Council Briefings aim to achieve agreement amongst leaders to avoid unnecessary conflict at meetings.

Principle Three:

Promoting values for the Authority and demonstrating the value of good governance through upholding high standards of conduct and behavior.

The Council recognises that the openness, integrity and accountability of individuals within a local authority form the cornerstone of effective corporate governance. Also, the Council's reputation depends on the standards of behaviour of everyone in it, whether Members, employees or agents contracted to it.

The Council has Codes of Conduct covering both Members and officers. A Policy for the Prevention of Fraud and Corruption is in place and the Council has a designated Monitoring Officer and Standards Committee whose roles include ensuring that high standards of conduct and behavior are maintained.

The Council has in place an Officer / Member protocol, the purpose of which is to set standards of conduct expected from Members and Officers of the Council in their relations with one another and to offer guidance on some of the issues which most commonly arise. It is acknowledged that the quality and effectiveness of the relationship between Members and Officers of the Council lie at the heart of good local governance.

Supporting policies, strategies, procedures and processes include:

- Whistleblowing policy;
- Financial Procedure Rules;
- Contract Procedure Rules;
- Gifts and Hospitality policy and registers;
- Officer and Member declarations of interest;

**Principle Four:
Taking informed transparent decisions which are subject to effective scrutiny and managing risk.**

The Constitution and associated procedures establish responsibilities for decision-making. Decisions are made taking account of appropriate professional advice. Executive decisions are published and subject to scrutiny. Performance management arrangements are in place to record the Council's performance against both local and national KPIs.

Pre Committee Meetings are held before every Scrutiny, Audit and Planning Committee and also prior to Commissioner Board meetings. The meetings are attended by the Chair and Vice Chairs and relevant senior officers. The aim of these meetings is to familiarise the Chair and Vice Chair with the agenda items and reports, identify any areas of significance or issues that are likely to be contentious, and to provide any additional supporting documents or information required by the Chair and Vice Chair. The meetings also aim to ease the work flow of committees and to ensure that the meetings can be managed effectively.

The effectiveness of the Audit Committee is enhanced through workshops attended by Committee Members and senior officers. These workshops are designed to provide Members with the necessary skill base to fully carry out the role expected of them as members of the Audit Committee.

The Council uses the 'Ffynnon' performance management system as the Council's prime performance management tool and the basis of the Quarterly Performance Management meetings. Such meetings require Service Business Plan targets to be scrutinised and monitored on a quarterly basis.

All reports, minutes and decision registers are published in a timely manner and are published on the Council's website and are open for inspection. All meetings are held in public, subject to the consideration of exempt information as defined by the 1972 Local Government Act.

The current Scrutiny Committees Structure is made up of five Scrutiny Committees:

- Corporate;
- Housing and Social Services;
- Economic Development, Tourism and Property;
- Education and Leisure; and
- Environment and Technical Services.

The aims of the Scrutiny Committees are to:

- Promote open and transparent decision making and to hold the decision takers to account in a constructive manner;
- Support the Council on achieving its vision for the county and its strategic aims and priorities; and
- Promote continuous improvement, best practice and innovation with the services, functions and policies which the Council has responsibility for or influence over.

Each Scrutiny Committee produces a Work Programme. Request for items to be included in a Scrutiny Committee Work Programme can be made by any Member or citizen, but as the Committees have limited resources, a test of significance is in place to prioritise which items are included.

Shadow Executive Members cannot be a Member of a Scrutiny Committee and so Committees are independent from the Executive. A key aim of the Scrutiny process is stated as being 'to promote open and transparent decision making and to hold the decision takers to account in a constructive manner.' By so doing the Scrutiny Committees accomplish their function of being a 'critical friend' to the Executive. An Overview and Scrutiny Annual Report is completed each year.

The Council is in the process of formalising its risk management processes and publishing its Corporate Risk Strategy along with its latest Corporate Risk Register. The Corporate Risk Register will be presented at future Audit and Scrutiny Committees for update and discussion.

Supporting policies, strategies, procedures and processes include:

- The monitoring and recording of the number of citizens / community groups involved in Scrutiny per annum is a local performance indicator.

Principle Five: Developing the capacity and capability of Members and Officers to be effective.

The Council has established arrangements to provide training for both Members and officers suited to their respective roles. Performance management and appraisal arrangements assist to identify training needs.

The Council has developed an appraisal system which includes all employees including Directors and Heads of Service. The Council has worked collaboratively with Conwy and Denbighshire Councils to produce a corporate competency appraisal scheme. The scheme is the same for all officers from the Chief Executive down.

The Council has introduced a change management initiative aimed at beginning a culture change process within the Council in terms of how managers manage people, finance and performance. The initiative is called Ethos Môn and includes the adoption by managers of a number of values and beliefs focused on the citizen and customer.

An Annual Development Plan for Elected Members is produced and implemented. The Development Plan is a living document and is amended as changes in priorities and circumstances warrant. Progress with Member Development is reported to the Standards Committee on a regular basis. The Committee monitors and evaluates the training provided. The Annual Development Plan is endorsed by the Standards Committee.

Supporting policies, strategies, procedures and processes include:

- Member attendance at workshops and training opportunities outside of the Council;
- Joint Member / Officer sessions are provided which aim to ensure that both Members and officers are pulling in the same direction;
- The Member Development Working Group determines the programme of training and workshops needed to ensure Members are provided with the skills that they require to operate as effective Councillors;
- Piloted personal development reviews are undertaken with Members to identify their training needs;
- Quarterly review of Members training plans and Member attendance at training courses;
- Corporate Personal Development Review process for employees.

Principle Six:

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

The Council maintains initiatives to ensure that it engages with stakeholders to ensure robust accountability. Examples of such initiatives are: planning decisions (public speaking at Committees); collaboration / partnership participation (attendance at programme boards); Energy Island collaboration (with public, voluntary and private sector stakeholders); and increased e-democracy to allow more public consultation and petitioning and publication of on line minutes and agendas.

Key strategic documents include the emerging Single Integrated Plan which needs to be produced by April 2013, the Council's Corporate Business Plan 2012/15 and other supporting strategies. The documents provide a long term vision for improving the economic, environmental and social well-being of the area.

Supporting policies, strategies, procedures and processes include:

- All meetings of the Council and its Committees are held in public whenever possible. All papers for open meetings are published in advance on the Council's website;
- The use of drop in sessions to consult on proposed strategic outcomes that the Council should work on for the future;
- Liaison and consultation with the Children and Young People's Partnership and Llais Ni on proposed strategic outcomes giving an opportunity for feedback from a young person's perspective;
- Consultation on the Corporate Business Plan including an Anglesey citizen survey;
- Development of the Democratic Renewal Strategy;
- Development and implementation of the Community Engagement Strategy;
- Development and publication of the Strategic Equality Plan;
- Implementation of the Children & Young People's Partnership Plan;
- Supporting the achievement of an effective / integrated Local Service Board;
- Liaison meetings with Town and Community Councils;
- Tenant's Participation Forum;
- Older People's Forum;
- Planning Forum;
- Questionnaire sent to schools to gain their perception of the service;
- Questionnaire sent to schools to gain pupils' perception on key issues/themes.

Resident Surveys – This is a new initiative which will become a regular part of the engagement process. In 2012/13 a resident's survey of 1,100 residents and five focus groups was held across Anglesey, each attended by seven to eleven participants. The survey and focus groups provide representative evidence across a range of social segments (including gender, age, ethnicity, disability, Welsh language and social grade) and geographical areas. One of the focus groups was made up of people over the age of 65 and people who stated that they had a disability, with one moderated in Welsh.

The purpose of this exercise was to gain the views of the public on Council services and key priorities that need to be addressed in the future. Residents were also asked whether they would be interested in participating in further engagement exercises in the future. This was followed by a further questionnaire to those who had expressed an interest, to gain information on the area they would be interested in participating in – six were offered on the questionnaire.

A database of resident responses has been created and this will be used to support future engagement and consultation arrangements. We now have a cohort of around 200 residents who have expressed an interest in supporting this process on an on going basis.

Tenant participation - Housing Service include tenants in all aspects of the delivery of its services in order to improve their quality and to ensure that Housing are accountable for its services. To deliver this, Housing have a bi-annual STAR survey, where its services are benchmarked with other Social Housing providers. Housing also have a range of tenant participation activities such as Task and Finish groups and Tenant Forums, and also involve its tenants in quality assurance work such as 'tenant inspectors' and 'mystery shoppers'. Tenant participation is also engaged in relation to:

- Development of the Local Housing Strategy, Homelessness Strategy, Tenant Participation Strategy, Local Housing Market Assessment;
- Housing Policies, service standards, handbooks and other written material; and
- Customer satisfaction surveys.

DRAFT