Melton Borough Council

Local Code of Corporate Governance

2020/23

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1 Introduction to Delivering Good Governance

1.1 The Council is committed to ensuring good governance principles and management practices are adopted in all business activities to ensure public trust.

1.2 This Local Code of Governance provides a public statement that sets out the way in which the Council will meet and demonstrate that commitment. It includes the political arrangements, administrative systems, policies and processes as well as the culture and values that underpin arrangements for the effective:

- Allocation of resources in accordance with agreed policies and priorities
- Sound, transparent and inclusive decision making
- Management of the organisation, performance and accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

1.3 Delivering Good Governance in Local Government; Framework, published by CIPFA, provides guidance on the standards for local authority governance in the UK.

1.4 Melton Borough Council's Corporate Governance Framework is based on the following seven principles recommended by CIPFA / SOLACE:

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

B. Ensuring openness and comprehensive stakeholder engagement

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

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

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

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

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

1.5 This Code sets out these seven core principles of governance as detailed in the diagram below, and illustrates that good governance is dynamic and involves continuous evaluation and review.

1.6 Melton Borough Council has adopted these principles of good governance and adapted its Local Code to reflect its responsibilities. This is demonstrated through the adoption, monitoring and continued development of this document

1.7 The Council's key governance areas and how it will provide assurance that it is complying with these are set out in more detail within this Corporate Governance Framework.

1.8 The Council recognises that establishing and maintaining a culture of good governance is as important as putting in place a framework of policies and procedures. The Council expects members and officers to uphold the highest standards of ethics, conduct and behaviour and to act with openness, integrity and accountability in carrying out their duties.

2 Monitoring and Review

2.1 Regulation 6(1)(a) of the Accounts and Audit regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its systems of internal control and include a statement reporting on the review with any published Statement of Accounts. This is known as an Annual Governance Statement.

2.2 As such the Council will monitor its governance arrangements for their effectiveness in practice and will review them on a continuing basis to ensure that they are up to date and working effectively. This document sets out the Council's Governance Assurance Framework explaining how the Council will seek assurance on its adherence to the adopted principles of governance.

2.3 On an annual basis, the Chief Executive and Leader of the Council will publish an Annual Governance Statement which will:

- assess how the Council has complied with this Code of Corporate Governance
- provide an opinion on the effectiveness of the Council's arrangements
- provide details of how continual improvement in the systems of governance will be achieved.

3 Certification

3.1 We hereby certify our commitment to this Code of Corporate Governance and will ensure that the Council continues to review, evaluate and develop the Council's Governance arrangements to ensure continuous improvement of the Council's systems.

Signed:		
Designation:	Leader of the Council	Chief Executive
Date:		

Council	• Comprises 28 elected Members (Councillors) • Approves the Council's Corporate Strategy, Policy and Budgetary Framework • Approves the Constitution • Appoints to Committees, Sub-Committees and Outside Bodies
Mayor	• Is the ceremonial figurehead of the Council • Is the person in charge of managing debate when all 28 Councillors meet at Council meetings • Is a non-political role • Is voted for every year at the Council meeting
Cabinet	• Comprises the Leader and 5 Cabinet members appointed by the Leader; one of which is appointed as Deputy Leader. All cabinet members are responsible for a portfolio (Portfolio Holders) • Provide strategic leadership to the Council and discharge executive functions which are any decisions that are not reserved to Council or another Committee • Decisions can be made bv Cabinet as a whole or bv the relevant Cabinet Portfoilio Holder
Scrutiny	• Not a decision-making body but seek to influence policies and decisions prior to them being made • Have the ability to challenge/review decisions by calling them in • Can investigate issues of public importance
Regulatory Committees	Comprising: • **Audit and Standards** – The audit function of this Committee provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements risk management framework and internal control environment. This Committee also approves the Local Code of Governance, Annual Governance Statement and the Statement of Accounts • **Audit and Standards** – The standards function of this Committee promotes high standards of member conduct • **Planning Committee** – makes decisions on certain planning applications • **Licensing Committee** – makes decisions on all aspects of local licensing for which the Council is responsible

Head of Paid Service	• Overall Corporate management and operational responsibility for the Council (including overall management responsibility for all employees) • The Head of Paid Service will determine how the Council's functions are discharged, the number and grade of officers required to discharge those functions and how officers are organised into an overall officer structure • The provision of professional advice to all parties in the decision-making process and responsibility for a system of record keeping for all the council's decisions. • Proper Officer for Access to Information
Chief Finance Officer (s.151)	• Accountable for developing and maintaining the Council's governance, risks and control framework • Ensuring lawfulness and financial prudence of decision making and the administration of financial affairs • Providing advice to all Councillors on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues • Support and advise Councillors in their respective roles • Contributes to the effective corporate management and governance of the Council
Monitoring Officer	• Monitoring, reviewing and maintaining the Constitution • Ensuring lawfulness and fairness of decision making • Supporting the Audit and Standards Committee by conducting investigations and/or undertaking other action in respect of matters referred by the Committee • Advising whether decisions are in accordance with the Constitution • Providing advice to all Councillors on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues • Support and advise Councillors in their respective roles • Contributes to the effective corporate management and governance of the Council

Head of Internal Audit	• Provides independent assurance and opinion on the adequacy and effectiveness of the Council's risk management and control framework • Through the internal audit service delivers an annual programme of risk-based audit activity, including counter fraud and investigation activity and makes recommendations for the improvement in the management of risk and control
Senior Leadership Team (SLT)	• Implements policy and budgetary framework set by Council and provides advice to Committees of the Council on the development of future policy, procedure and budgetary issues • Oversees the delivery of the Councils Corporate Strategy and implementation of Council Policy • Oversees the implementation of audit recommendations to improve weaknesses in controls in a timely manner
Operational Leadership Team (OLT)	• Responsible for developing, maintaining and implementing the Council's governance risk and control framework • Contribute to the effective corporate management and governance of the Council • Responsible for ensuring audit recommendations to improve weaknesses in controls are actioned in a timely manner

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

Sub-Principles	Melton Borough Council's commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Behaving with integrity ❖ Demonstrating strong commitment to ethical values ❖ Respecting the rule of law	The Council('s): ➢ Constitution, Policy Framework and HR Policies create the conditions to enable Members and Officers to demonstrate a strong commitment to the rule of the law, and adhere to relevant laws and regulations, allowing them to utilise powers for the benefit of the community ➢ Constitution outlines the roles and responsibilities of Members and Statutory Officers (Head of Paid Services, Monitoring Officer and Section 151 Officer) in line with legislative and regulatory requirements. ➢ Ethical Framework (Code of Conduct, Declarations of Interests and Gifts and Hospitality) is built on the Seven Principles of Public Life and sets out the standards of behaviour, conduct and values the Council expects of its Members, Officers and those who work with the Council. This together with promoting the framework ensures that high standards of conduct are maintained and where appropriate safeguards are put in place, and action is taken where breaches occur. ○ Organisational values of We Care, We Innovate, We Achieve are communicated through the Corporate Strategy and its supporting policies and procedures. ➢ Policy Framework identifies the key policies and strategies that ensure effective delivery of the Council's Corporate Strategy, ensuring compliance with statutory duties/responsibilities. ○ Policy and strategy guidance ensures that the policy development process gives due consideration to key aspects such as sustainable economic social and environmental benefits, equalities considerations and the long-term view ○ Council policies are considered and approved by Members ➢ Effective procurement arrangements are embedded to enable the Council to demonstrate good practice, ethical values, compliance with legislation, realise value for money and public accountability.	✓ Pay policy to be updated ✓ Review of Code of Ethics

Sub-Principles	Melton Borough Council's commitment to achieving good governance in practice includes:	Priorities for 2021/22
	➢ Robust Audit and Counter Fraud procedures ensure corruption and misuse of power are dealt with effectively. ➢ Whistleblowing Policy demonstrates our commitment to review / investigate matters that may compromise the Councils values or integrity. ➢ Corporate training and induction programme ensures that Members are offered, and Officers receive appropriate training to assist them in effectively executing their duties, and understand the standards of behaviour expected of them ○ Decision making processes ensure that legal, finance, ethical and other implications are fully considered.	

B. Ensuring Openness and comprehensive stakeholder engagement

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Openness ❖ Engaging comprehensively with institutional stakeholders ❖ Engaging with individual citizens and service users effectively	The Council('s): ➢ has adopted a Scheme of Delegation which provides a clear transparent, effective and accountable decision-making process. ➢ effectively evidences and records decisions made in connection with the discharge of its functions and publishes those appropriately and where applicable. ○ This is achieved through the adoption of a standard reporting format in relation to committee reports, Senior Management reports, officer decision records and portfolio holder decision records which ensures all relevant information is provided to enable transparent decision making. ○ The awards of contracts are appropriately documented and the Council maintains and publishes a Contracts Register. ○ All payments to suppliers over £500 are published on a monthly basis ➢ wishes to retain the ability to work in an agile manner using a range of partnership delivery models to ensure outcomes are achieved in the most efficient and effective ways possible.	✓ Covid-19 Recovery work (internal and external workstreams) ✓ Review of Partnership arrangements ✓ Monitor and continually improve our complaints procedure

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
	○ For each Partnership clarity is sought on what constitutes appropriate governance for different types of partnership working. This, in turn, ensures accountability, both in terms of achieving outcomes, but also in terms of corporate governance and managing risks. ➢ is committed to engaging with the community and other stakeholders on key matters affecting the Council. Our Consultation and Engagement Policy and toolkit, defines the types of issues it will consult and engage on, how this will be undertaken and how we will utilise the feedback received ○ A survey with residents will be completed every two to three years so that we can access an up to date summary of the view of citizens on the Borough, their neighbourhood and the delivery of public services. ○ We use various forums and groups to consult / involve communities and service users (formal and informal) to obtain their views and experiences to help determine the most appropriate and effective interventions or course of action ○ Communications Strategy sets out the plan for improving communications across the Council with employees, partners, residents and other stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear ○ Encourages, collects and evaluates the views and experiences of communities, citizens, service users and organisations of different backgrounds through groups such as TFEC (tenant's forum), BID (Business Improvement District), Community Safety Partnership, Melton Place Board and other community groups. ➢ recognises and values the diversity of our communities and our workforce. We are committed to providing inclusive services that meet the needs of all our service users and to ensuring that we are an inclusive employer. ○ This is supported by our Single Equality Strategy 2020-2024. ➢ has installed a new AV system to enable the public to access Committee meetings virtually ➢ has a 2 stage corporate complaints/compliments process which enables the public to raise concerns/compliments in respect of service delivery.	

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

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2020/21:
❖ Defining outcomes ❖ Sustainable economic social and environmental benefits	The Council(s): ➢ Maintains a Corporate Strategy, supported by a Corporate Programme of delivery which outlines its ambitions and promises to our residents and shows how the Council will use its resources to deliver these. Outcome based approach to service delivery and performance management. ➢ Publish Council and Committee reports to communicate the Council's activities and achievements including its financial position and performance ➢ Identify and manage risks to the achievement of outcomes ➢ Services regularly review key performance indicators ➢ Work through effective partnerships ➢ Identify projects that will deliver strategic outcomes ➢ Established a new Performance and Risk Framework ➢ Continue to review the Local Plan, in accordance with legislation and national policy that sets the overall strategic direction for the Borough for up to 2036.	✓ Impact assessment for COVID-19 pandemic – including a review of strategic priorities ✓ COVID-19 recovery – internal and external ✓ Publication of Annual Governance Statement ✓ Publish an annual update and refresh of the Corporate Strategy ✓ Full reviews of live and prospective projects underway to ensure future projects aligned to strategic priorities and corporate objectives. ✓ Approval of delivery strategy to set direction for Housing Programme over next years

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

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Determining interventions ❖ Planning interventions ❖ Optimising achievement of intended outcomes	The Council('s): ➢ Planning and control cycles cover strategic and operational plans, ensuring that key priorities/outcomes are identified and delivery plans are in place to achieve the desired outcomes. ➢ Ensures that it forward plans key decisions and reports to allow for effective scrutiny and challenge ➢ Decision Making Guide and templates for reports ensures that all relevant implications are considered to affectively achieve the intended objectives and outcomes, and that there is a rigorous analysis of the options available. ○ Key support services are default reviewers for any committee reports where a decision is required to be taken, thus ensuring that relevant implications have been considered. ➢ Consultation and Engagement policy and toolkit sets out the Council's commitment to consider 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. ➢ Comments, Compliments and Complaints Policy recognises that customer feedback is a valuable resource for improving the experiences of customers and shaping the design and delivery of our services. ➢ Business Continuity framework ensures the resilience of the organisation to any eventuality and to help ensure continuity of service to its key customers. Emergency Planning processes are in place to allow a response to an external incident as part of the Authorities duties under the Civil Contingencies Act 2004.	✓ Impact assessment following COVID-19 – including reviewing of strategic aims ✓ Continuously review our council policies and strategies ✓ Working with multi agencies to put plans in place for Brexit transition ✓ Climate Change and Environment action plans to be developed.

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

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Developing the entity's capacity ❖ Developing the capability of the entity's leadership and other individuals	The Council('s): ➢ Leader and Chief Executive have clearly defined/distinctive leadership roles. o The Chief Executive leads in implementing strategy and managing the delivery of services and other outputs set by Members. o The Leader gives appropriate overall direction and policy to the Council, and works with other authorities to help shape and influence National Policy ➢ Constitution sets out the protocols on Member relations to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained ➢ Constitution and supporting delegations specify the types of decisions that are delegated and those reserved for the collective decision making of the governing body ➢ The Constitution Review Working is a cross-party, member led group responsible for review of the Constitution and the Member Development Programme to ensure : o The constitution remains fit for purpose and complies with developments in best practice and legislative changes. o Members receive adequate and appropriate training and development opportunities. ➢ ICT road map and work programme provides Members and Officers with efficient systems and technology that support them in performing their role and delivering against the Councils Corporate Strategy	Review of the Constitution to be approved by Council Implementation of new People Strategy and Way We Work Principles through the Organisational Development Programme

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
	➢ Measures have been established to ensures that all of the Council's assets are compliant, sustainable, fit for purpose and support the delivery of Council services and strategic objectives. ➢ Workforce and development plan ensures the Council has a workforce which can deliver against the Corporate Strategy, and that it has the right behaviours which reflect the Councils ambitions and values. o Holds staff to account for their performance and behaviour through regular 121's which take account of training or development needs. o Training and development programmes for both Members and Officers ensures they have the appropriate skills and knowledge to support them in fulfilling their roles and responsibilities, and that they remain up to date with current best practise and statutory requirements. o Health and Wellbeing programme helps maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing. ➢ Audit and Standards Committee assists in ensuring organisational development through shared learning as a result of lessons learnt from governance weaknesses	

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

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Managing risk ❖ Managing performance	The Council(s): ➢ Risk Management Policy and Strategy recognises that risk management is an integral part of the operation of the Council and must be considered in all aspects of decision making.	Ongoing review of the effectiveness of our complaints and compliments procedure

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
❖ Robust internal control ❖ Managing data ❖ Strong public financial management	➢ Health and Safety Policy supported by a strategy and management framework, seeks to ensure compliance with the law and ensure the risks associated with the Health and Safety of those engaging in Council activities are appropriately managed, regularly reviewed and investigations completed where incidents occur. ➢ Safeguarding policy, strategy and procedures actively promotes safeguarding to prevent harm and reduce the risk of abuse, neglect or exploitation to adults with care and support needs and children at risk. ➢ Performance Management framework includes a suite of outcome based performance information which demonstrates how the Council is achieving the ambitions detailed within the Corporate Strategy and how its services are performing. o Performance will be regularly reviewed by Senior Officers and Members to monitor the effectiveness of the Councils arrangements, and where appropriate, the Council will also benchmark its activities with others. o The Council maintains a programme board structure which has oversight of the delivery of the Council's key programmes and projects, with the chairs responsible for monitoring and reporting on progress to the Senior Leadership Team. o Managers regularly review and validate the quality and accuracy of performance data. o Internal audit regularly review and audit the quality and accuracy of data as part of each audit review o Committees are responsible for reviewing delivery against policies to hold the Council to account ➢ Programme and Project Management Framework guides the authority on the project life-cycle and sets out how key corporate programmes and service projects will be managed. o Appropriate Project Management procedures are in place to enable delivery, allow challenge, seek improvements and make effective decisions to ensure achievement of targeted outcomes.	Review of impact of COVID-19 on control arrangements Ongoing assessment of impact of COVID-19 through maintenance of Risk Register Review of Business Continuity Plans Review of the Contract Procedure Rules Implement the refreshed Performance and Risk Framework

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
	➢ Committees, boards and meetings create a platform for Members and Senior Officers to challenge and discuss key issues before, during and after decisions are made, thus encouraging effective and constructive challenge and debate. o Committee reports are circulated to key officers and undergo a series of reviews, revisions, and comments prior to finalising. ➢ Senior Managers are responsible for putting into place an appropriate control environment to manage the risks facing their services ➢ Maintains an effective audit service. o In line with the Public Sector Internal Audit Standards and CIPFA's guide to the role of the Head of Internal Audit o Produces an annual report providing an opinion on the Council's adequacy and effectiveness of the framework of governance, risk management and control. o Services undertake self-assessment audits in relation to their professionalism such as Health and Safety and Safeguarding. ➢ Maintains an effective Audit and Standards Committee which provides a source of effective assurance regarding arrangements for managing risk, Counter Fraud and maintaining an effective control environment and governance arrangements. o Reflects the political composition of the Council. o Operates in compliance with CIFPA guidance on effective audit committees. ➢ Counter Fraud framework ensures that effective Counter Fraud and corruption arrangements are embedded across the Council promoting zero tolerance. o Internal Audit service is responsible for investigating suspected or identified fraud. o The Council participates in the National Fraud Initiative ➢ Information governance arrangements are embedded, and we will investigate suspected or identified breaches of data o The Councils Information Management Policy sets out a commitment for the safe collection, storage, use and sharing of	

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22
	data, underpinned by processes and developed procedures to safeguard personal data ○ The Council's ICT and Information Security Standards are captured in policies and provide guidance on the arrangements that must be in place to ensure personal data is kept protected and secure ○ Effective information sharing arrangements are in place and operating effectively when sharing data with other bodies in accordance with the Data Protection Act, GDPR and the Council's Information Management Policy ➢ Ensure that effective financial management arrangements are embedded across the Council, which supports short, medium and long-term achievement of the Councils ambitions and service provision. ○ Medium and Long-Term Financial Strategy and budget setting process align resources to the organisations objectives. ➢ Budget development and management framework enables the Council to review and adjust its budget during the financial year to make the most effective use of resources in delivering the Councils policies and objectives	

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

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22:
❖ Implementing good practice in transparency	The Council(s): ➢ Publication Scheme describes the kinds of information available, where this can be found and provides guidance about how to access personal information and submit a Freedom of Information request	✓ Ongoing work to ensure GDPR compliance with data sharing review

Sub-Principles	Melton Borough Council's Commitment to achieving good governance in practice includes:	Priorities for 2021/22:
❖ Implementing good practices in reporting ❖ Assurance and effective accountability	➢ Forward plan of committee dates and work plans for each committee provides transparency and access to information regarding future decisions ➢ Reports for the public and other stakeholders are written and communicated in a fair, balanced and understandable style, appropriate to the intended audience and ensuring that they are easy to access and understand. ➢ Demonstrates its commitment to openness and transparency by producing an annual report covering the performance of the Council, value for money and stewardship of resources. ➢ Produces the annual financial statements in accordance with statutory best practice guidance. ➢ Reviews its governance arrangements periodically in line with its Local Code of Corporate Governance and associated Assurance Framework, and publishes its results in an Annual Governance Statement ➢ Recommendations for corrective action made by internal and external audit and other regulatory bodies are monitored to ensure that they are acted upon and progress is reported to the Audit and Standards Committee ➢ Ensures that jointly managed or shared service arrangements are appropriately governed which will ensure accountability in terms of achieving outcomes and managing risks.	✓ Actions from previous AGS to be monitored quarterly by Senior Leadership Team ✓ Review of impact of COVID-19 on Annual Audit Plan – reassessment of risk