

Code of Corporate Governance

What is Corporate Governance?

Corporate governance is about the systems, processes and values by which Councils operate and by which they engage with, and are held accountable to, their communities and stakeholders.

Epsom and Ewell Borough Council is committed to the principles of effective corporate governance and has therefore adopted a Code of Corporate Governance which follows the latest guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE), entitled "Delivering Good Governance in Local Government (2016)"

The guidance defines the seven core principles, each supported by subprinciples that should underpin the governance framework of a local authority.

- A - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rules 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 Council'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.**

What are the benefits of having a Code of Corporate Governance?

Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for citizens and service users. It enables the Council to pursue its vision effectively as well as underpinning that vision with mechanisms for control and the management of risk.

The Council has a robust governance framework in place. The documents and arrangements which comprise the framework demonstrate that the Council continually seeks to ensure it is and remains, well governed, through integration of with the core principles of the CIPFA/SOLACE framework into all aspects of the Council's conduct and operation.

The Monitoring Officer and Head of Corporate Governance are responsible for ensuring the Code is reviewed annually, and the outcome of the review, along with any required amendments is reported for Committee for approval.

Code of Corporate Governance (Principle A)

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rules of law:		
Supporting Principles	To meet the requirements of this principle, the Council will:	This will be evidenced by:
Behaving with integrity Demonstrating strong commitment to ethical values Respecting the rule of law	Maintain shared values (Openness, Customer Focus, Integrity and Forward Thinking) between the Council and its officers. These are defined in the Corporate Plan and reflect public expectations about the conduct and behaviour of individuals. Use shared values as a guide for decision making and as a basis for developing positive and trusting relationships within the Council. We demonstrate this by adherence to the constitution.	Corporate Plan The Constitution which includes : Financial Procedure Rules Procurement Strategy and Contract Standing Orders Anti-Fraud and Corruption Strategy Anti-Bribery Policy

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rules of law:		
Supporting Principles	To meet the requirements of this principle, the Council will:	This will be evidenced by:
	<p>Have adopted formal codes of conduct defining standards of personal behaviour for Members and Officers</p> <p>Maintain the Audit, Crime & Disorder and Scrutiny Committee to raise awareness and take the lead in ensuring high standards of conduct are embedded within the Council's culture.</p> <p>Have put in place arrangements to ensure that Members and officers of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. We have put in place appropriate processes to ensure that these arrangements are workable including declaration of interests and anti-corruption policies.</p> <p>Ensure that systems and processes for financial administration and control together with protection of the Council's resources and assets comply with ethical standards; and are subject to monitoring of their effectiveness.</p> <p>Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making if appropriate. Officers will actively recognise the limits of lawful activity</p>	<p>Rules relating to Members external interests</p> <p>Rules relating to Gifts and Hospitality</p> <p>Codes of Conduct for Members and Employees</p> <p>Scheme of Delegation to officers</p> <p>Information Security Policy</p> <p>Information Governance Policy</p> <p>Money Laundering Policy</p> <p>Whistleblowing Policy</p> <p>Annual Governance Statement</p> <p>External inspections of accounts</p> <p>Internal Audit Annual Plan</p>

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rules of law:		
Supporting Principles	To meet the requirements of this principle, the Council will:	This will be evidenced by:
	<p>placed on them but also strive to utilise their powers to the full benefit of their communities.</p> <p>Officers will observe all specific legislative requirements placed upon the Council as well as the requirements of general law, and in particular integrate the key principles of administrative law – rationality, legality and natural justice into the procedures and decision making.</p> <p>Have put in place effective systems to protect the rights of staff. We ensure that policies for whistleblowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place.</p> <p>Have established a corporate governance group that includes within its remit the collecting assurance information across all council functions.</p> <p>Publish an Annual Governance Statement, signed by the Chair of Strategy & Resources Committee and the Chief Executive to review the effectiveness of the Council's governance framework</p>	<p>Corporate Governance Group</p> <p>Assurance framework supporting the Annual Governance Statement</p>

Code of Corporate Governance (Principle B)

Principle B: Ensuring openness and comprehensive stakeholder engagement:		
Supporting Principles	To meet the requirements of this Principle, the Council will:	This will be evidenced by:
<p>Openness</p> <p>Engaging comprehensively with institutional stakeholders</p> <p>Engaging with individual citizens and service users effectively</p>	<p>Ensure that the Council's vision and priorities within the Corporate ~Plan and targets are developed in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p> <p>Maintain a culture of accountability so that Members and Officers understand to whom they are accountable and for what.</p> <p>Strive to engage with stakeholders on an individual and collective basis to demonstrate that we deliver services and outcomes that meet the needs and expectations of the public. These arrangements will recognise that different sections of the community have different priorities and establish robust processes for dealing with these competing demands.</p> <p>Publish reports giving information on the Council's strategies, plans and financial statements as well as information about outcomes, achievements.</p> <p>Deliver effective scrutiny of the Council's business as appropriate and produce an annual report on the activities of scrutiny function.</p>	<p>Corporate Plan</p> <p>Consultation Strategy</p> <p>Constitution</p> <p>Scheme of Delegation</p> <p>Budget reports</p> <p>Partnership Risk Register and risks identified in committee reports</p> <p>Community Safety Agreement</p> <p>Statement of Accounts</p> <p>Scrutiny Reports</p> <p>Website</p> <p>Public consultation & staff surveys</p> <p>Committee reports available</p>

Principle B: Ensuring openness and comprehensive stakeholder engagement:		
Supporting Principles	To meet the requirements of this Principle, the Council will:	This will be evidenced by:
	<p>Ensure that the Council as a whole is open and accessible to the community, service users and staff and we are committed to openness and transparency in all dealings.</p> <p>Publish all committee reports under Part 1 – open for inspection the public - unless there is a legitimate need to preserve confidentiality on the basis of the statutory tests.</p>	through Mod Gov

Code of Corporate Governance (Principle C)

Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits		
Supporting Principles	To meet the requirements of this Principle, the Council will	This will be evidenced by:
<p>Defining outcomes.</p> <p>Defining sustainable economic, social and environmental outcomes benefits.</p>	<p>Make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.</p> <p>Publish annual reports to communicate the Council's activities and achievements, its financial position and performance.</p>	<p>Corporate Plan</p> <p>Budget Reports</p> <p>Audit Reports</p> <p>Statement of Accounts</p> <p>External Auditors letter & reports</p>

Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits		
Supporting Principles	To meet the requirements of this Principle, the Council will	This will be evidenced by:
	<p>Ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose relevant, timely and gives clear explanations of technical issues and their implications.</p> <p>Identify and monitor service performance indicators which demonstrate how the quality of service for users is to be measured.</p> <p>Maintain a prudential financial framework, balance commitments with available resources; and monitor income and expenditure levels to ensure this balance is achieved.</p> <p>Ensure compliance with the CIPFA codes regarding a Prudential Framework for Capital Finance and Treasury Management.</p>	<p>External Inspections</p> <p>New performance management framework and Annual Report</p> <p>Project Management arrangements</p>

Code of Corporate Governance (Principle D)

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
<p>Determining interventions.</p> <p>Planning interventions.</p> <p>Optimising achievement of intended outcomes.</p>	<p>Make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.</p> <p>Clear process for decision making.</p> <p>Have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes.</p> <p>Ensure that there are effective arrangements in place to monitor service delivery.</p> <p>Put in place effective arrangements to deal with a failure in service delivery and explore options for improving service delivery and outcomes for our residents.</p>	<p>Corporate Plan</p> <p>Risk Management Framework</p> <p>Leadership and Service Risk Registers</p> <p>Performance Management Reports to Committees and to the Leadership Team</p> <p>Business Continuity Plans</p> <p>Emergency & Resilience Plans</p> <p>Feedback from consultation exercises</p> <p>Monitoring of all KPI's and key projects.</p> <p>Budget monitoring arrangements.</p> <p>Project monitoring and action taken to support the implementation of key projects.</p>

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Have prepared contingency arrangements including disaster recovery plans and business continuity plans to ensure resilience in delivering services, for example during adverse weather conditions.</p> <p>Provide senior managers and Members with timely financial and performance information.</p> <p>Ensure that budget calculations are robust Align financial and performance data to provide an overall understanding of performance.</p>	<p>Process for committee approvals and delegated approval</p>

Code of Corporate Governance (Principle E)

Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
<p>Developing the Council's capacity.</p> <p>Developing the capability of the Council's leadership and other individuals.</p>	<p>Through the constitution set out a clear statement of the respective roles and responsibilities of the Committees I and individual Members.</p> <p>Set out a clear statement of the respective roles and responsibilities of the Council's senior officers.</p> <p>Have developed protocols to ensure effective communication between Council Members and officers in their respective roles.</p> <p>Set out the terms and conditions for remuneration of officers and publish an Annual Pay policy statement in accordance with the requirements of the Localism Act 2011.</p> <p>Review and approve the Members' Allowance Scheme on an annual basis on the recommendation of the Remuneration Panel</p>	<p>Constitution</p> <p>Annual Pay Policy Statement</p> <p>Members' Allowance Scheme</p> <p>Scheme of Delegation</p> <p>Leadership Development Programme</p> <p>Personal Development Plans</p> <p>Appraisals</p> <p>Member Induction & Development Programme</p> <p>ICT Digital Strategy</p> <p>Organisational Development Plan</p>

Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Reviewing and updating the scheme of delegation within the constitution on a regular basis</p> <p>Ensure that effective management arrangements are in place.</p> <p>Ensure the Chief Executive is responsible and accountable to the Council for all aspects of operational management.</p> <p>Ensure the S151 Officer has direct access to the Chief Executive and other members of the leadership team.</p> <p>Support the Section 151 Officer in 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>Support the Monitoring Officer in ensuring that the constitution and the Code of Conduct for Elected Members are adhered to.</p>	<p>Project management arrangements</p> <p>Key Projects Register</p>

Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Assess the skills required by Members including the understanding of financial systems.</p> <p>Assess the skills required by officers through the appraisal process and address any training gaps, to enable roles to be carried out effectively.</p> <p>Develop skills on a continuing basis to improve</p> <p>Performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</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 Council.</p> <p>Provide the Director of Finance & Resources with the resources, expertise and systems necessary to perform the role effectively within the Council.</p>	

Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Provide operational divisions with the resources, expertise and systems necessary to perform the role effectively within the Council.</p> <p>Monitor all key corporate projects</p>	

Code of Corporate Governance (Principle F)

Principle F: Managing risks and performance through robust internal control and strong public financial management.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
Managing risk	Maintain an effective Audit Crime & Disorder and Scrutiny Committee is independent of the executive and scrutiny functions.	Risk Management Strategy
Managing performance		Annual Risk Management Framework Report
Robust internal control	Ensure that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job.	Leadership Risk Register
Managing data		Service Risk Registers
Strong public financial management	Ensure our arrangements for financial and internal control and management of risk are formally addressed within the annual governance statement.	Budget Reports
		Annual Governance Report
	Ensure effective internal control arrangements exist for sound financial management systems and processes.	Performance Management Framework and reporting cycle to all Committees
		Annual Report of performance against the Corporate Plan
	Ensure that a there is a performance management framework and performance is report to relevant committee for improvement.	Dashboard to Leadership Team on corporate health
		Internal Auditing standards
		Annual Audit Plan

Principle F: Managing risks and performance through robust internal control and strong public financial management.		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Effective arrangements are in place for the safe collection, storage and sharing of data including processes to safeguard personal data.</p> <p>Enable the Director of Finance & Resources to bring influence to bear on all material decisions and provide advice on the levels of reserves and balances to be retained.</p>	<p>Internal Audit Reports</p> <p>Head of internal audit's annual opinion of assurance</p> <p>Key Projects Register</p> <p>IT Security & Acceptable Use Policy</p> <p>IT Information Assurance Policy</p> <p>MTFS and Efficiency Plan.</p> <p>Budget Targets and monitoring reports to Committee</p>

Code of Corporate Governance (Principle G)

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
<p>Implementing good practice in transparency.</p> <p>Implementing good practices in reporting. Assurance and effective accountability.</p>	<p>Comply with the local government transparency code and publish all required information in a timely manner.</p> <p>Have established a medium term financial planning process in order to deliver a financial strategy ensuring sustainable finances, a robust annual budget process ensuring financial balance and an adequate monitoring process; all of which are subject to regular review.</p> <p>Put in place effective transparent and accessible arrangements for dealing with complaints</p> <p>Maintain an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall.</p> <p>Maintain an effective Audit Crime & Disorder and Scrutiny Committee</p> <p>Ensure an effective internal audit function is resourced and maintained.</p>	<p>MTFS</p> <p>Efficiency Plan</p> <p>Complaints Procedures</p> <p>Audit, Crime & Disorder & Scrutiny Committee</p> <p>Constitution</p> <p>ModGov</p> <p>Whistle-blowing Policy</p> <p>Monthly budget and quarterly monitoring reports</p> <p>Annual Pay Policy Statement</p> <p>Compliance with Transparency Agenda</p> <p>Partnership Risk Register</p>

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability		
Supporting Principles	To meet the requirements of the Council will	This will be evidenced by:
	<p>Take corrective action from internal and external audit reports.</p> <p>Maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.</p> <p>Publish all committee reports under Part 1 open to inspection by the public - unless there is a legitimate need to preserve confidentiality on the basis of the statutory tests.</p> <p>Ensure when working in partnership arrangements for accountability are clear and the need for wider accountability has been recognised and met.</p>	<p>Internal audit plan and the monitoring of the implementation of audit recommendations</p> <p>Head of internal audit's annual opinion of assurance</p>