



# **LOCAL CODE OF CORPORATE GOVERNANCE 2023 - 2026**

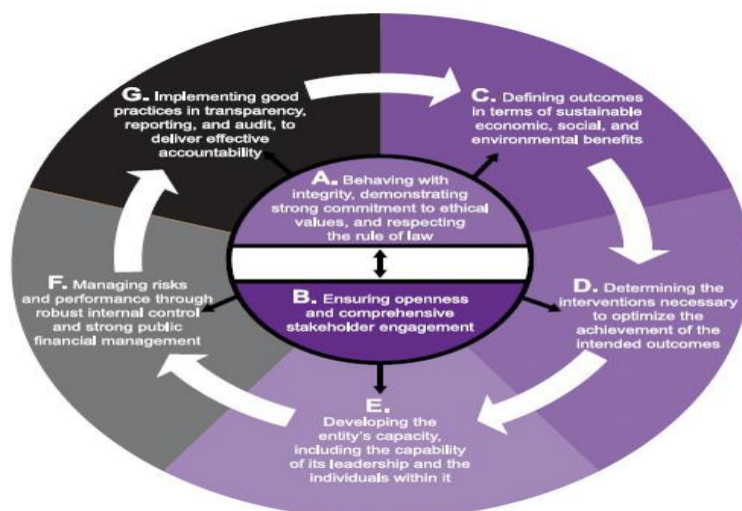
## **Introduction**

South Holland District Council 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. To this end, members and senior officers are responsible for ensuring that proper arrangements exist for the governance of the Council's affairs and stewardship of its resources.

South Holland District Council is committed to achieving good corporate governance and this Local Code describes how the Council intends to achieve this in an open and explicit way. The Local Code is based upon the CIPFA SOLACE framework "Delivering Good Governance in Local Government" (2016), which states it is:

*"Intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities."*

Therefore, this Local Code has been written to reflect the Council's own structure, functions, and the governance arrangements in existence.



## **Principles**

The Local Code is based on the following 7 principles, the first 2 of which underpin the remaining 5, with the overall aim of achieving the intended outcomes while acting in the public interest at all times.

The principles are as follows:

Acting in the public interest requires a commitment to and effective arrangements for:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law ;
- B. Ensuring openness and comprehensive stakeholder engagement;

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:

- 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.

The following part of the report details how the council meets the core principles and the systems, policies, and procedures it has in place to support this.

## **Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

### **Behaving with integrity**

- Constitution: [Browse - South Holland District Council Constitution - South Holland District Council \(sholland.gov.uk\)](https://www.sholland.gov.uk/about-us/constitution)
- Codes of conduct and protocols establishing standards of behaviour for members and officers, including Nolan principles
- Governance & Audit Committee have responsibility for governance and member ethics
- Corporate Management Team (CMT) have responsibility for officer ethical standards and culture
- Monitoring Officer has specific responsibility for advising on governance and ethics and investigating complaints
- Investigation and disciplinary process for conduct issues and action taken where conduct falls below that expected
- Induction and training for members and officers on expected standards of behaviour
- Shared values communicated with members, staff, the community, and partners
  - We Trust
  - We Deliver
  - We Work Together
  - We are Proud
  - We Care
- Open and transparent decision-making practice and protocols including scheme of delegation
- Member register of interests published, and declaration of interests made at meetings
- Staff declarations of interests and register of gifts and hospitality
- Whistleblowing policy

### **Demonstrating strong commitment to ethical values**

- Overview & Scrutiny Committees and 'call in' protocol enables scrutiny of ethical decision making
- Ethical compliance championed by Monitoring Officer and Governance and Audit Committee
- Robust recruitment and selection process

## **Respecting the rule of law**

- Regular review of procedures, protocols, and processes, including Constitution
- Statutory officers: Chief Executive (Head of Paid Service); Section 151 Officer (Deputy Chief Executive); and Monitoring Officer (Assistant Director, Governance). Responsible for ensuring that the council acts within the law and in accordance with established policy and procedure
- Statutory Assigned Role: Data Protection Officer (DPO)
- Compliance with CIPFA's statement on the role of the Chief Financial Officer in Local Government (CIPFA 2015)
- Review of new legislative responsibilities as they arise; emerging case law identified by Monitoring Officer
- Record of legal advice provided by officers
- Anti-Fraud and Corruption Policy with annual reporting to Governance and Audit Committee

## **Core Principle B: Ensuring openness and comprehensive stakeholder engagement**

### **Openness**

- Compliance with transparency requirements
- Constitution, values, and corporate plan
- Compliance with Freedom of Information Act
- Publication Scheme
- Committee report templates and record of decision making and supporting materials
- Forward Plan of key decisions published in advance

### **Engaging comprehensively with institutional stakeholders**

- Consultation with specific stakeholders as required

### **Engaging stakeholders effectively including individual citizens and service users**

- Consultation including outcomes is published on the Council website
- Communication via press releases, website, social media, and bulletins
- Specific media and promotion campaigns

## **Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefit**

### **Defining outcomes**

- Annual Delivery Plan and Performance Management Framework (including outcome measures) signed off and monitored by CMT and portfolio holders
- Innovation, Transformation and Efficiency Board
- Local Plan

### **Sustainable economic, social, and environmental benefits**

- Quarterly reporting of outcomes to Scrutiny and Cabinet
- Contract Procedure Rules include award criteria which refer to considerations of local suppliers, community benefits and sustainability
- Capital investment strategy and capital programme
- Asset Management Strategy

## **Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes**

### **Determining interventions**

- Scrutiny acts as a critical friend
- Scrutiny makes recommendations supporting future decision making
- Committee report template including financial, legal, and other implications; also, reasons for recommendations and alternative options
- Business case and options appraisal templates
- Budget consultation

### **Planning interventions**

- Forward Plan, Performance management Framework and quarterly reporting
- Quarterly performance clinic to challenge and address performance issues
- Project management, monitoring, and reporting
- Budget monitoring and reporting

### **Optimising achievement of intended outcomes**

- Medium Term Financial Strategy
- Budget guidance and protocols
- Social value in Contract Procedure Rules



**Core Principle E: Developing the entity's capacity, including the capability of its leadership and the individual's within it.**

**Developing the entity's capacity**

- Regular reviews of activities, outputs, and planned outcomes – quarterly reporting
- Research and benchmarking
- Information analysis
- Annual Monitoring Report (AMR) [auditors annual report - 25 march 2022.pdf \(sholland.gov.uk\)](#)
- Partnership working

**Developing the capability of the entity's leadership and other individuals**

- Roles and responsibilities in the Constitution
- Training plans for officers and partnership induction approach in place
- Effective working relationships
- Efficient systems and technology
- Workforce Development Strategy
- Peer reviews

## **Core Principle F: Managing risks and performance through robust internal control and strong public financial management**

### **Managing risk**

- Risk Management protocols, monitoring, and reporting

### **Managing performance**

- Performance Management protocols, monitoring, and reporting

### **Robust internal control**

- Governance and Audit Committee; terms of reference; regular review of effectiveness
- Effective internal audit service
- Public Sector Internal Audit Standards
- Audit Manager role compliant with CIPFA Statement on the Role of the Head of Internal Audit (2010)
- Internal Audit Plan
- Internal and external audit reports
- Compliance with the code of practice on Managing the Risk of Fraud & Corruption (CIPFA, 2014)
- Annual Governance Statement

### **Managing data**

- Digital Strategy includes information governance as 'Digital Data' Pillar
- Register of Processing Activities and DPIA's
- Information Sharing Agreements (ISAs)
- Data protection (DP) arrangements; designated DP officer; breach reporting
- General Data Protection Regulation (GDPR)
- IT policies and protocols
- Data quality and validation
- Other acts include Privacy and Electronic Communications and FOI

## **Strong public financial management**

- Annual Governance Report / Annual Audit Letter - audit opinion and value for money conclusion
- Code of Practice on Local Authority Accounting; International Financial Reporting Standards (IFRS)
- Medium Term Financial Strategy (MTFS), annual budget process, compliance with CIPFA codes and guidance on capital finance, treasury management and management of reserves
- Financial Regulations; Contract Procedure Rules
- Innovation, Transformation and Efficiency Board

## **Core Principle G: Implementing good practice in transparency, reporting, and audit to deliver effective accountability**

### **Implementing good practice in transparency**

- Committee reports and decisions published online
- South Holland District Council website: [South Holland District Council - South Holland District Council \(sholland.gov.uk\)](https://www.sholland.gov.uk)
- Data transparency

### **Implementing good practices in reporting**

- Annual and quarterly reporting for key and statutory functions
- Annual Governance Statement
- Financial statements prepared in line with CIPFA guidance and best practice

### **Assurance and effective accountability**

- Audit recommendations monitored by internal audit, with monthly reporting to SLT
- Compliance with Public Sector Internal Audit Standards
- Combined assurance report; management assurance

## **Monitoring and Review**

The Council will monitor and review the arrangements in place within the Council to meet and demonstrate compliance with this Code on an ongoing basis, to ensure they remain effective, up to date and continue to reflect best practice. The code will be fully reviewed every three years and signed off by Governance and Audit Committee. The Code will also be reviewed on an annual basis and updated where appropriate.

The Council will report annually on compliance with the Code through the Annual Governance Statement, which will be published with the Annual Accounts and considered by the Governance and Audit Committee prior to completion.

All revisions will be dated and recorded in the table below:

Version	Reason for change:	Amended by: (position & date)	Approved by: (position & date)	Published date:
1.0	Full review done; new document created	Rebecca James Scrutiny & Policy Officer June 2023	John Medler Assistant Director, Governance & Monitoring Officer June 2023	TBC