# Wokingham Borough Council

Local Code of Corporate Governance

July 2020

1. Delivering Good Governance

1.1   Good governance is everyone's responsibility. The Leader of the Council and the Chief Executive have a special leadership role as custodians of the Council's governance arrangements.

1.2   Each year an Annual Governance Statement is published with the Statement of Accounts (as required by the Accounts and Audit (England) Regulations 2015). This follows a review on the effectiveness of the Council's system of internal control and governance.

1.3   Good governance at Wokingham Borough Council is delivered and guided by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority of Chief Executives (SOLACE): *Delivering Good Governance in Local Government – Framework (2016)* and the *International Framework: Good Governance in the Public Sector* (Chartered Institute of Public Finance and Accountancy / International Federation of Accountants, 2014).

1.4   The 'International Framework' defines governance as follows: "*Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved*".
It also states that:
"*To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.*
Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders".

1.5   The Foreword to the 'Framework' sets out that "*Good governance requires a qualitative approach, not a mindless quantitative one. It requires integrity, objectivity, transparency, and accountability, built on a foundation of intellectual honesty. These principles are already embedded throughout this Framework, but it should be read with these fundamentals firmly in mind*".

1.6   The diagram below shows how the various principles of good governance in the public sector relate to each other.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times
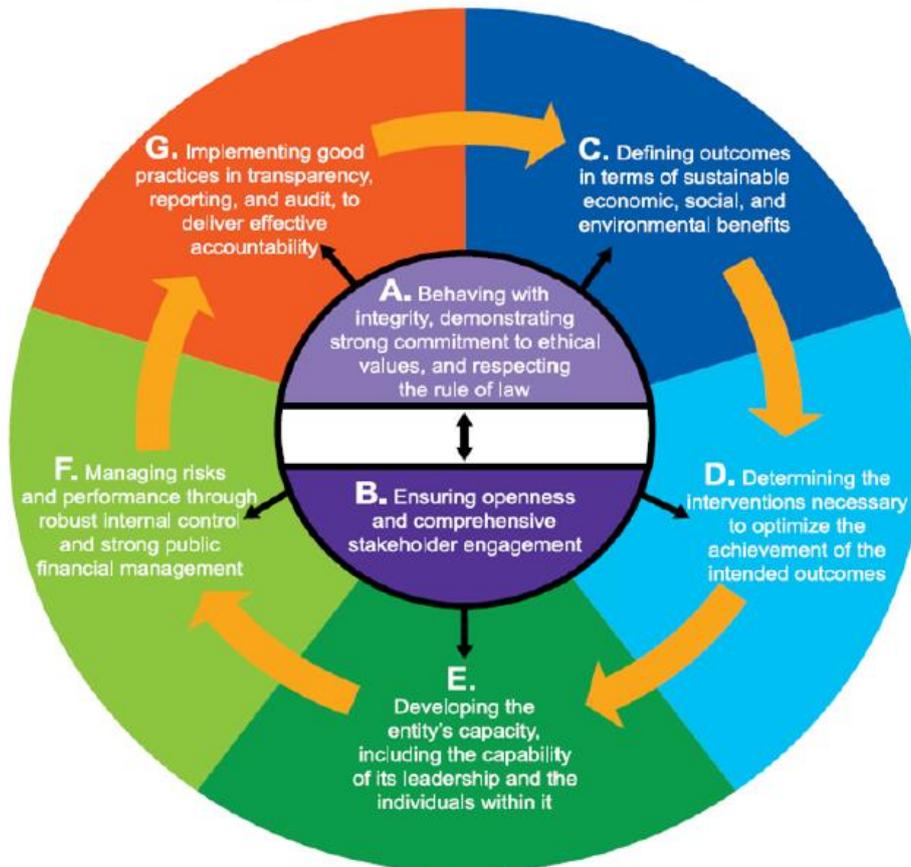
2. The Principles of Good Governance

2.1   The Framework requires governance processes and structures to focus on the attainment of sustainable outcomes for the economy, society and the environment.

2.2   Principles A and B are overarching principles and spread through all other principles C to G and ensure that the Council achieves its intended outcomes while acting in the public interest at all times. This requires:
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
B. Ensuring openness and comprehensive stakeholder engagement.

2.3   In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance in the public sector also requires 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 Council's capacity, including the capability of its leadership and the individuals within it.

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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.

3. Monitoring and Review

3.1   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. The process of review to produce the Annual Governance Statement will assess in more detail how the Council has performed in its adherence to the adopted principles of governance detailed in this code.

3.2   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.

4. Certification

We hereby endorse 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.

Leader of the Council – John Halsall   Chief Executive – Susan Parsonage

How the Council ensures good governance:

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Behaving with integrity.	• Ensure that members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation. • Ensure that members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These will build on the Seven Principles of Public Life (The Nolan Principles). • Lead by example and using the above standard operating principles or values as a framework for decision making and other actions. • Demonstrate, communicate and embed the standard operating principles or values through appropriate policies and processes, which are reviewed on a regular basis to ensure that they are operating effectively.	• The Council's values • The Community Vison and Corporate Delivery Plan • The Constitution • Standards Committee • Member and Officer Codes of Conduct • Member Declarations of Interests, Register of Interests and details of Gifts and Hospitality are published on the Council's website • Officer declarations of interest • Officer job descriptions and Appraisals • Member and Officer induction and training • Whistleblowing and counter-fraud arrangements
Demonstrating strong commitment to ethical values.	• Seek to establish, monitor and maintain the organisation's ethical standards and performance. • Underpin personal behaviour with ethical values and ensure they permeate all aspects of the organisation's culture and operation. • Develop and maintain robust policies and procedures which place emphasis on agreed ethical values. • Ensure that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation.	• The Council's values • The Constitution • Standards Committee • Overview & Scrutiny Committees • Regulatory and other Committees • Codes of Conduct • Member and Officer induction and training • Member Declarations of Interests, Register of Interests and details of

		Gifts and Hospitality are published on the Council's website • Officer declarations of interest • Equality Policy / BAME Group • Procurement and Contract rules, and procedures
Respecting the rule of law.	• Ensure that members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations. • Create the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements. • Strive to optimise the use of the full powers available for the benefit of citizens, communities and other Stakeholders. • Deal with breaches of legal and regulatory provisions effectively. • Ensure that corruption and misuse of power are dealt with effectively.	• Legal and finance senior officers review reports going for Member decision making. • Project Managers have responsibility to secure legal and finance advice for projects • Corporate complaints, compliments and monitoring procedures. • Ombudsman process • Companies – Compliance with Companies Act and Directors duties • Head of Paid Service post / advice • S151 officer post / advice • Monitoring Officer post / advice • The Constitution • Roles, responsibilities and competencies • Anti-Fraud and Corruption Policy • Whistleblowing Policy • Data Protection Policy

Principle B - Ensuring openness and comprehensive stakeholder engagement.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Openness.	• Ensure an open culture through demonstrating, documenting and communicating the organisation's commitment to openness. • Make decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. • Provide clear reasoning and evidence for decisions in both public records and explanations to Stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensure that the impact and consequences of those decisions are clear. • Use formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action.	• The Council's values • The Community Vison and Corporate Delivery Plan • Communication Strategy / Policy • WBC website • Committee meetings documentation, standard report templates and minutes • Call-in periods for Executive decisions • Overview & Scrutiny panels • Forward Plan • Publication Scheme • Consultation Policy, webpage and e-Petitions • Transparency data published • Freedom of Information processes • HR Policies and procedures • Equality Framework and Equality Impact Assessments
Engaging stakeholders effectively, including individual citizens and service users.	• Establish a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes. • Ensure that communication methods are effective and that members and officers are clear about their roles with regard to community engagement. • Encourage, collect and evaluate the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs. • Implement effective feedback mechanisms in order to demonstrate how views have been taken into account. • Balance feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity • Take account of the impact of decisions on future generations of tax payers and service users.	• Consultation Policy, webpage and e-Petitions • Corporate complaints, compliments and monitoring procedures • Customer Service Strategy • Public attendance at meetings and web stream • Annual Budget consultation • Wokingham Borough News surveys

| Engaging comprehensively with institutional stakeholders. | • Effectively engage with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.
• Develop formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.
• Ensure that partnerships are based on:
  - trust;
  - a shared commitment to change;
  - a culture that promotes and accepts challenge among partners; and,
  - that the added value of partnership working is explicit. | • The Community Vison and Corporate Delivery Plan
• Local Enterprise Partnership Arrangements
• Joint Strategic Needs Assessment
• Joint Health and Wellbeing Strategy
• Community Safety Partnership
• Berkshire West Children's Safeguarding partnership
• Wokingham Integrated Partnership
• Public Protection Partnership |

Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits.		
Supporting Principles	To embed the behaviour and actions that demonstrate good governance, the council is committed to:	This is demonstrated by:
Defining outcomes.	• Have a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions. • Specify the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer. • Deliver defined outcomes on a sustainable basis within the resources that will be available. • Identify and manage risks to the achievement of outcomes. • Manage service users' expectations effectively with regard to determining priorities and making the best use of the resources available.	• The Community Vison and Corporate Delivery Plan • Directorate and Service Plans • Medium Term Financial Plan • Capital Strategy • Statement of Accounts • Corporate Risk Register and project risk assessments • Performance Framework and reporting to Officers and Members
Sustainable economic, social, and environmental benefits.	• Consider and balance the combined economic, social and environmental impact of policies and plans when taking decisions about service provision. • Take a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints. • Determine the wider public interest associated with balancing conflicting interests between achieving the	• Standard templates for Business Cases and Executive papers • MTFP, Capital and Investment Strategies • The Community Vison and Corporate Delivery Plan

	various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs. • Ensure fair and equal access to services.	• Directorate and Service Plans • Adults social care strategies and policies • Children's social care strategies and policies. • Climate emergency objectives. • Air Quality Management Group • Health & Wellbeing Strategy • Development and Planning policies • Housing policies • Equality Framework and Equality Impact Assessments

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Determining interventions.	• Ensure that decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided. • 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 including people, skills, land and assets and bearing in mind future impacts.	• Standard templates for Business Cases and Executive papers • Consultation Policy, webpage and e-Petitions • Corporate complaints, compliments and monitoring procedures. • Annual Budget consultation
Planning interventions.	• Establish and implement robust planning and control cycles that cover strategic and operational plans, priorities and targets. • Engage with internal and external stakeholders in determining how services and other courses of action should be planned and delivered. • Consider and monitor risks facing each partner when working collaboratively, including shared risks. • Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances. • Establish appropriate key performance indicators (KPIs) as part of the planning process in order to identify	• The Community Vison and Corporate Delivery Plan • Directorate and Service Plans • MTFP, Capital and Investment Strategies. • Consultation Policy, webpage and e-Petitions • Performance Framework and

	how the performance of services and projects is to be measured. • Ensure that capacity exists to generate the information required to review service quality regularly. • Prepare budgets in accordance with objectives, strategies and the medium term financial plan. • Inform medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.	reporting to Officers and Members • Corporate and service risk registers • Project management policies and guidance
Optimising achievement of intended outcomes.	• Ensure that the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints. • Ensure that the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term. • Ensure that the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage. • Ensure that the achievement of 'social value' through service planning and commissioning (The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community…. over and above the direct purchasing of goods, services and outcomes".	• MTFP, Capital and Investment Strategies • Capital and revenue monitoring and reporting to officers and Members • Annual budget consultation • Consultation Policy, webpage and e-Petitions • Resident surveys

Principle E - Developing the Council's capacity, including the capability of its leadership and the individuals within it.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Developing the entity's capacity.	• Review operations, performance and use of assets on a regular basis to ensure their continuing effectiveness. • Improve resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently. • Recognise the benefits of partnerships and collaborative working where added value can be achieved • Develop and maintain an effective workforce plan to enhance the strategic allocation of resources.	• The Community Vison and Corporate Delivery Plan • Asset Management Plan • Highways Asset Management Strategy • Benchmarking within Directorate and Service plans • Local Enterprise Partnership Arrangements • Joint Strategic Needs Assessment • Joint Health and Wellbeing Strategy • Community Safety Partnership • Berkshire West Children's

			Safeguarding partnership • Wokingham Integrated Partnership • Public Protection Partnership • Shared Services arrangements • Workforce plan

Developing the entity's leadership and the capability of individuals within the entity.	• Develop protocols 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.
	• Publish a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.
	• Ensure that the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.
	• Develop the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:
	  - Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged;
	  - Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis;
	  - Ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.
	• Ensure that there are structures in place to encourage public participation.
	• Take steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.
	• Hold staff to account through regular performance reviews which take account of training or development needs.
	• Ensure that arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.
		• Member / officer protocol
		• Constitution including delegated powers
		• Training plans for officers and Members
		• Standard induction and training for both officers and Members
		• Mandatory e-learning modules
		• Intranet guidance, policies and procedures
		• Corporate recruitment processes with job profiles and competencies
		• Appraisals and 121s
		• Corporate staff surveys
		• Apprenticeship scheme
		• Coaching Cadre
		• Peer Reviews – council and service Specific
		• Companies – Companies Act, Articles of Association, Directors duties
		• Health and Wellbeing policies, guidance and events	

Principle F - Managing risks and performance through robust internal control and strong public financial management.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Managing risk.	• Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making. • Implementing robust and integrated risk management arrangements and ensuring that they are working effectively. • Ensuring that responsibilities for managing individual risks are clearly allocated.	• Risk Management Strategy • Corporate Risk Register • Directorate and Service risk Registers • Standard templates for Executive decision making • Audit Committee • Overview & Scrutiny panels • Audit & Investigation service
Managing performance.	• Monitor service delivery effectively including planning, specification, execution and independent post implementation review • Make decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook. • Ensure that an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible. • Provide members and senior management with regular reports on service delivery plans and on progress towards outcome achievement. • Ensure that there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements).	• Performance reporting framework to officers and Members • Standard templates for Executive decision making • Overview & Scrutiny panels and quarterly performance reporting to them • Directorate and Service plans • MTFP • Capital and revenue budget Monitoring • Statement of Accounts • Project monitoring • Internal and External Audit reports • Peer reviews / inspections
Robust internal control.	• Align the risk management strategy and policies on internal control with achieving objectives. • Evaluate and monitor risk management and internal control on a regular basis. • Ensure that effective counter fraud and anti-corruption arrangements are in place. • Ensure that additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor. • Ensure an audit committee which is independent of the executive and accountable to the governing body:	• Audit & Investigation annual plan • External Audit • Audit Committee • Anti-Fraud and Corruption Policy • Whistleblowing Policy

	- Provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and, - That its recommendations are listened to and acted upon.	• Anti-Money Laundering Policy • Financial Procedure Rules, Regulations and Contract Standing Orders • Chief Audit Executive annual report • Annual Governance Statement • Risk Management Strategy and Policy
Strong public financial management.	• Ensure that financial management supports both long term achievement of outcomes and short-term financial and operational performance. • Ensure that well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	• MTFP • Financial Regulations / Contract Standing Orders • Capital and revenue reporting to officers and Members • Standard templates for Executive decision making • Annual budget process
Managing data	• Ensure that effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data. • Ensure that effective arrangements are in place and operating effectively when sharing data with other bodies. • Review and audit regularly the quality and accuracy of data used in decision making and performance monitoring.	• Information Security and Acceptable Use of ICT Policy • Data Protection / GDPR Guidelines • Privacy Notices • Mandatory GDPR e-learning • Data sharing agreements with Partners • E-mail security classification • Freedom of Information policy • Records Retention guidance • Internal Audit • Caldicott Guardians

Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.		
Supporting Principles	**To embed the behaviour and actions that demonstrate good governance, the council is committed to:**	**This is demonstrated by:**
Implementing good practices in transparency.	• Write and communicate reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. • Strike a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.	• Standard templates for public reports • Committee Agendas, papers and minutes published • Forward Plan • Publication Scheme • Only using Part 2 reporting for the purposes intended • Website streaming of meetings and public questions • Transparency Data published • Annual Governance Statement • Companies – Companies House reporting and submissions
Implementing good practices in reporting.	• Report at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way. • Ensure that members and senior management own the results reported. • Ensure that robust arrangements for assessing the extent to which the principles contained in this framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the Annual Governance Statement). • Ensure that this Framework is applied to jointly managed or shared service organisations as appropriate. • Ensure the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations.	• Statement of Accounts • Annual Governance Statement and improvement plan • Annual External Audit report and Letter
Assurance and effective accountability.	• Ensure that recommendations for corrective action made by external audit are acted upon. • Ensure that an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon. • Welcome peer challenge, reviews and inspections from regulatory bodies and implementing recommendations. • Gain assurance on risks associated with delivering services through third parties and that this is evidenced in the Annual Governance Statement.	• External Audit reporting to Audit Committee • Internal Audit reporting to Audit Committee • Peer reviews / inspections published results and monitoring of outcomes

	• Ensure that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.	• Overview & Scrutiny panels • Partnerships Governance Protocol

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