



# CODE OF CORPORATE GOVERNANCE

## 1. INTRODUCTION

- 1.1 This document sets out Wirral Council's Code of Corporate Governance. It has been produced in line with the guidance outlined in the framework document published jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives/Senior Managers (SOLACE) *Framework for Delivering Good Governance in Local Government*.
- 1.2 Wirral Council ("the Council") is committed to the principles of good corporate governance and demonstrates this commitment through the development, adoption and implementation of this Code. This Code sets out the Corporate Governance arrangements which are currently in place, how the Council will continue to review these arrangements and identify improvements to ensure its effective application in all aspects of the Council's work.
- 1.3 This Council recognises that in order to fulfil its purpose and deliver the intended outcomes for its citizens and service users it needs to have in place comprehensive arrangements for corporate governance and accountability designed to ensure that it operates in an effective, efficient and ethical manner.

## 2. WHAT IS CORPORATE GOVERNANCE?

- 2.1 It is defined within the CIPFA/SOLACE framework document as being:

*...about how local government bodies ensure that they are doing the right things, in the right way for the right people, in a timely, inclusive, open honest and accountable manner.*

*It comprises the systems and processes, and cultures and values by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.*

This means the way in which organisations manage their business, determine strategy and objectives and go about achieving those objectives. This reminds local authorities of their key role in governing and leading communities and that effective local government relies on public confidence in Councillors and officers. Where good corporate governance is in place it underpins credibility and confidence in public services.

- 2.2 There are 6 core principles which underpin a strong governance framework. These are:

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area;
- Members and officers working together to a clearly defined purpose with clearly defined functions and roles;
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of members and officers to be effective; and
- Engaging with local people and other stakeholders to ensure robust public accountability.

### 3.0 THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE

3.1 These core principles underpin the Council’s Code of Corporate Governance.

CODE OF CORPORATE GOVERNANCE PRINCIPLES	SUPPORTING EVIDENCE
<p><b>1. Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.</b></p> <p><i>1.1 Exercising strategic leadership by developing and clearly communicating the authority’s purpose and vision and its intended outcomes for citizens and service users.</i></p>	<p>1.1 There is a clear statement of the organisation’s purpose in:</p> <ul style="list-style-type: none"> <li>• Wirral’s Sustainable Community Strategy;</li> <li>• The Council’s Corporate Plan; and</li> <li>• Wirral’s Story of Place (in the Local Area Agreement, “LAA”).</li> </ul> <p>The Council’s vision is of, “a more prosperous and equal Wirral enabling all communities to thrive and achieve their full potential”. This is also consistent with the partnership vision of the Local Strategic Partnership.</p> <p>Clear delivery arrangements are in place through the corporate plan / departmental plans</p> <p>The Council reviews its plan, priorities and</p>

<p><i>1.2 Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning</i></p> <p><i>1.3 Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.</i></p>	<p>objectives on an annual basis.</p> <p>A partnership register is in place and is subject to review. A partnership toolkit is being developed.</p> <p>The Council has also developed a Community Engagement toolkit with partners.</p> <p>1.2 There is a clear focus on outcomes for citizens and users as highlighted in our:</p> <ul style="list-style-type: none"> <li>• Annual Performance Plan; and</li> <li>• Quarterly Performance Update Report to Chief Officers' Management Team and Cabinet.</li> </ul> <p>We engage with customers through the customer engagement toolkit. We have revised our customer care standards and improved our complaints procedure.</p> <p>1.3 The council works towards improving value for money and submits evidence of success in this area through our:</p> <ul style="list-style-type: none"> <li>• Annual efficiency statement;</li> <li>• Publication of annual budget and accounts;</li> <li>• Internal audit reports;</li> <li>• Medium Term Financial Plan;</li> <li>• Use of Resources Action Plan; and</li> <li>• Regular reports to the Council's Cabinet on value for money of services.</li> </ul>
<p><b>2 Members and officers working together to achieve a common purpose with clearly defined functions and roles.</b></p> <p><i>2.1 Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are</i></p>	<p>2.1 The council has a protocol for relations between Members and Officers and the council's Constitution sets out clearly the decision making powers of:</p> <ul style="list-style-type: none"> <li>• The Council,</li> <li>• The Cabinet,</li> <li>• Regulatory Committees; and</li> </ul>

<p><i>carried out to a high standard.</i></p> <p><b>2.2</b> <i>Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</i></p> <p><b>2.3</b> <i>Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other</i></p>	<ul style="list-style-type: none"> <li>• Officers.</li> </ul> <p><b>2.2</b> The council's Constitution also sets out clearly the process for holding the executive to account through the Overview and Scrutiny Committees. These have recently been strengthened by the addition of a scrutiny toolkit and call in guidelines which have received positive comment from the centre for public scrutiny.</p> <p><b>2.3</b> The public ultimately controls the council through the electoral process, but the council consults with the public through the citizen's panel and in accordance with the community engagement toolkit.</p> <p>The council also consults with the public through the residents' survey, area forums and other engagement mechanisms in accordance with the community engagement toolkit.</p> <p>The Council is the Accountable Body for the LAA. There are terms of reference in place. The Council is currently reviewing the governance arrangements for the LAA.</p> <p>The Council's constitution sets out the statutory roles of the Section 151 Officer and the Monitoring Officer.</p> <p>The Council has a partnership register which is reviewed regularly. This records the terms of reference for the partnership which set out the respective roles and responsibilities. A partnership toolkit is being developed.</p>
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**3 Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

*3.1 Ensuring authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.*

*3.2 Ensuring that organisational values are put into practice and are effective.*

3.1 The council has a code of conduct for members and conduct is monitored by the Standards Committee. In addition the council has:

- An Equalities Policy;
- A Code of Conduct for staff;
- Declarations of interest of members and for staff;
- Register of Gifts and Hospitality for members and for staff;
- Financial Regulations;
- A whistleblowing policy;
- Members' Training Programme;
- Contract Procedure Rules and Financial Regulations; and
- Freedom of Information Procedures

3.2 The Council's Corporate Plan and vision has been communicated to staff and stakeholders.

The Council's vision and objectives are linked in to the service planning process, other plans and policies and decision making. They are also contained within the Sustainable Community Strategy and the LAA. There are clear links to the priorities and objectives of partners. These are communicated to staff and partners through a variety of delivery arrangements.

The Council's Standards Committee operates effectively. It has developed a Protocol for local assessment.

<p><b>4 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk</b></p> <p><i>4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny</i></p> <p><i>4.2 Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</i></p> <p><i>4.3 Ensuring that an effective risk management system is in place.</i></p> <p><i>4.4 Using their legal powers to the full benefit of the citizens and communities in their area</i></p>	<p>4.1 The council's Constitution sets out the clearly the decision-making powers of:</p> <ul style="list-style-type: none"> <li>• The Council;</li> <li>• The Cabinet;</li> <li>• Regulatory Committees; and</li> <li>• Officers</li> </ul> <p>Scrutiny feedback is taken into account in decision-making</p> <p>4.2 The council's Data Quality Policy sets the rules and standards for ensuring that high quality information is consistently achieved. Our performance management framework underpins this policy in ensuring that high standards are also achieved in the provision of advice and support. The council's Financial Regulations support the provision of high quality financial advice.</p> <p>4.3 The council effectively controls risk through its:</p> <ul style="list-style-type: none"> <li>• Risk Management Strategy;</li> <li>• Corporate and Departmental Risk Registers;</li> <li>• Consideration of risk in all Cabinet reports;</li> <li>• The Audit and Risk Management Committee; and</li> <li>• Annual Governance Statement</li> </ul> <p>4.4 Legal issues are considered in respect of all reports to the Cabinet, Council and other Committees. There is a protocol in place that ensures the Head of Legal and Member Services is consulted on all reports.</p>
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**5 Developing the capacity and capability of members and officers to be effective**

*5.1 Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles*

5.1 The council has an annual training programme for members approved by the Members' Training Steering Group and holds regular training sessions for members on a variety of topics, including:

- Service specific training;
- Induction training for all new members; and
- Finance and Audit and Risk Management Committee training.

Members have also received performance management and Equalities and Diversity training.

The council has an extensive training programme for council officers including a leadership development course delivered in partnership with Chester University.

*5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group*

5.2 The council examines the capability of its people with governance responsibilities through Key Issues Exchange and the performance management framework and identifies any training gaps. The relevant training programmes are updated accordingly.

Attached to this Code of Corporate Governance is a list of those policies and procedures which form the core documents with which officers must familiarise themselves upon induction. They will be regularly reviewed and updated and all officers will be required to be aware of all changes on at least an annual basis.

*5.3 Encouraging new talent for membership of the authority so that best use can be made in individuals' skills and resources in balancing continuity and renewal.*

5.3 The Council engages with all parts of the community, through its community engagement toolkit, work with the voluntary sector, the Older People's Parliament and the Youth Parliament

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

*6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive and accountability relationships*

*6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.*

6.1 The council is clear that ultimately it is accountable to the citizens of Wirral. The Council's community engagement toolkit outlines the means by which local stakeholders will be engaged and how constructive, challenging relationships will be built. The Council is engaging widely with the public in consultation on the Sustainable Community Strategy and the Strategic Asset Review.

6.2 Building on our community engagement toolkit the council seeks to engage with citizens in a number of ways including:

- The Citizen's Panel,
- Area Forums,
- Older People's Parliament;
- The Youth Parliament; and
- The Council's website.

The council engages with other key stakeholders through, amongst other methods:

- The Wirral Local Strategic Partnership
- The LAA Programme Board;
- The Crime and Disorder Reduction Partnership;
- The Children and Young People Strategic Partnership Board;
- The Strategic Housing Partnership

The council welcomes complaints, whether through the internal complaints system or via the Ombudsman, and seeks to learn from them.



<p>6.3 <i>Making best use of human resources by taking an active and planned approach to meet responsibility to staff.</i></p>	<p>6.3 The council has Investors' in People accreditation for the whole council and actively engages with its staff through:</p> <ul style="list-style-type: none"> <li>• Chief Executive's Roadshows;</li> <li>• One Council;</li> <li>• Team briefings;</li> <li>• The Joint Staff Consultative Committee</li> </ul> <p>The Council produces an annual report on scrutiny.</p> <p>The Council reports regularly on its performance including an annual performance report.</p> <p>The Council is committed to openness and transparency in its decision making.</p>
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#### 4.0 ANNUAL REVIEW AND REPORTING

4.1 The Council by adopting this local code, commits itself to continuously improving corporate governance in all of its activities. To ensure it keeps to this on-going commitment, the Corporate Governance Group will monitor the Council's systems and processes for their effectiveness in practice, and keep them under review to ensure that they are up-to-date. Performance monitoring will take the form of:

- i. an Annual Report;
- ii. production of an Annual Governance Statement as part of the financial reports which will summarise:
  - compliance with the Local Code;
  - how compliance has been monitored;
  - if changes are required; and
  - how changes are to be implemented.

4.2 A copy of the Annual Governance Statement is attached at Appendix 1.

4.3 The Corporate Governance Group has been assigned responsibility for Corporate Governance, reporting, as appropriate to the Cabinet and the Audit and Risk Management Committee. The Corporate Governance Group consists of:

- the Chief Executive, as Head of Paid Service;
- the Deputy Chief Executive/Director of Corporate Services;
- the Director of Finance, as section 151 officer;
- the Director of Law, HR and Asset Management, as the Monitoring Officer;
- the Chief Internal Auditor; and

- the Audit Commission, Audit Manager.

4.4 A copy of this Code of Corporate Governance will be included as part of the Council's constitution and made available to the public on the Authority's website and the results of the annual review to be published each year.

## 5.0 **REGULAR REVIEW OF POLICIES AND PROCEDURES**

5.1 The Council recognises that Corporate Governance needs to be embedded in all the services it delivers. Therefore, it has identified all those policies and procedures which staff and members need to be aware of and comply with to meet the required standards of corporate governance. A copy of these is attached as Appendix 2. All of these policies will be reviewed at least annually as part of the review of this Code.

## 6. **CONCLUSION**

6.1 The Council is fully committed to the principles of corporate governance, and through the measures outlined within this Code, will ensure that adequate arrangements are made with regard to its continued implementation, monitoring and review.

Simon Goacher  
Head of Legal and Member Services  
15 January 2009.

**CODE OF CORPORATE GOVERNANCE**  
**Appendix 1**

**Annual Governance Statement to be added**

# CODE OF CORPORATE GOVERNANCE

## Appendix 2

### Core Policies

Corporate Plan  
Departmental Plans  
Annual Governance Scheme  
Freedom of Information Publication Scheme  
Budget Variation Reporting Protocol  
Scheme of Delegation  
ICT Security Policy  
Code of Practice for Internet and Email use  
Conflict of Interest  
Gifts and Hospitality  
Corporate Hospitality  
Officer/Member Protocol  
Corporate Risk Register  
Contract Procedure Rules  
Risk Management Strategy  
Member/Officer Code of Conduct  
Anti Fraud and Corruption Policy  
Fraud Investigation Plan  
Equality and Diversity  
Financial Procedure Rules  
Whistleblowing Policy  
Money Laundering Policy  
Business Continuity/Contingency Plan  
Health and Safety Policies  
Media Protocol