

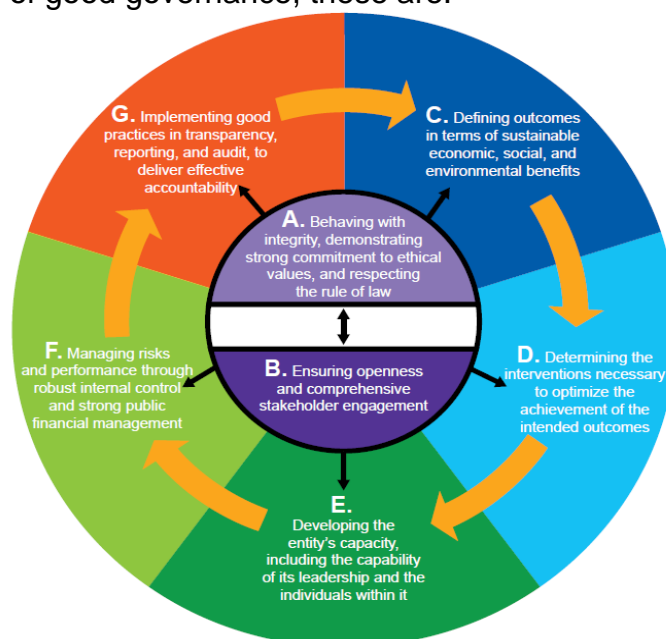
Code of Local Governance

1. Executive Summary

- 1.1 Governance is about how the Council ensures it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. It comprises systems, processes, cultures and values by which the Council is directed and controlled and through which it accounts to, engages with and, where appropriate, leads the community. The Leader of the Council and Chief Executive have a special relationship role as custodians of the Council's governance arrangement, but good governance is also the responsibility of all Members and Officers.
- 1.2 The Chartered Institute of Public Finance and Accountancy, ("CIPFA") and the Society of Local Authority Chief Executives ("SOLACE") have published a framework document for Corporate Governance in Local Government, April 2016. The Council is committed to the principles of good corporate governance through the adoption and maintenance of a Local Code of Governance, as recommended by the CIPFA/SOLACE Framework.
- 1.3 This Local Code of Corporate Governance therefore sets out and describes West Berkshire Council's commitment to corporate governance and identifies arrangements that will ensure its effective implementation and application in all aspects of the Council's work. This Local Code of Governance will be reviewed by the Statutory Officers through the Finance and Governance Group annually.

2. Supporting Information

- 2.1 The Council should have an overarching code of governance, and for West Berkshire this is based on the CIPFA/SOLACE framework. The framework "Delivering Good Governance in Local Government" sets out seven core principles of good governance, these are:



3 The Governance Framework

- 3.1 There are a number of key elements to the systems and processes that comprise the Council's governance arrangements. These elements form our local code of Governance and these are underpinned by the CIPFA / SOLACE framework above and core principles of good governance which are:-
- 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
- 3.2 The Council's Constitution explains existing policy making and delegation procedures and the matters which must be dealt with by the full Council. It documents the role and responsibilities of the Executive, portfolio holders, each committee and Members and officers.
- 3.3 The Council has approved a protocol governing relationships between Members and Officers as part of its Constitution and has adopted codes of conduct for both Officers and Members which facilitate the promotion, communication and embedding of proper standards of behaviour. Officers have job descriptions and there are clearly defined schemes of delegation, all of which are reviewed from time to time.
- 3.4 The Council's Constitution incorporates clear guidelines to ensure that business is dealt with in an open manner except in circumstances when issues should be kept confidential. Meetings are open to the public except where personal or confidential matters are being discussed. All Executive /committee agendas, minutes and portfolio holder decisions are published promptly on the Council's website. In addition, senior officers of the Council can make decisions under delegated authority. The over-arching policy of the Council is decided by the full Council.
- 3.5 The Scrutiny Committees and Governance Committee hold Portfolio Holders to account for delivery of the Council's policy framework within the agreed budget, and protocols are in place for any departure from this to be properly examined.

- 3.6** The Council engages with its communities through a number of channels, including consultation and engagement events, surveys and campaigns relating to specific initiatives.
- 3.7** The Council Strategy is supplemented by more detailed information on the key projects and programmes of work that the authority will be delivering during the year – with actions to achieve priority outcomes set out in department plans, with objectives set for individual members of staff through the annual appraisal process. This process also looks at the development and training needs of staff, with a programme of training then put in place to meet these needs.
- 3.8 Progress against the Council Strategy outcomes and budgets is monitored regularly by Corporate Board and Portfolio Holders. The Resources and Place Scrutiny Committee will receive regular reports focusing on delivery of key projects and programmes of work and drawing attention to other areas where progress is exceeding or falling short of targets. Portfolio Holders also monitor progress of delivery, especially through the Transformation and Corporate Programme Board.
- 3.9 The Council has an officer Strategic Leadership Team (Corporate Board) to monitor financial performance, service performance, the progress of key corporate projects and risk management and to oversee the implementation of recommendations from Internal Audit reports.
- 3.10 The Council publishes an Annual Financial Report (the Statement of Accounts) annually within the statutory timescales. The Annual Financial Report incorporates the full requirements of best practice guidance in relation to corporate governance, risk management and internal control.
- 3.11 The Council is subject to independent audit by KPMG and receives an Annual Audit Letter reporting on findings. The Council supplements this work with its own internal audit function and ad hoc external peer reviews. The Governance Committee undertakes the core functions as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities.
- 3.12 The Council has arrangements for managing risk detailed in its Risk Management Strategy that was approved in December 2024.

4 Review of effectiveness

- 4.1 The authority has a statutory responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of Service Directors who have responsibility for the development and maintenance of a sound governance environment.
- 4.2 Staff awareness training has been undertaken to ensure that the Council complies adequately with the provisions of the General Data Protection

Regulation (GDPR) and Freedom of Information Acts, and Equality requirements.

- 4.3 The Council has appointed the Service Director Finance, Property and Procurement as the Section 151 officer with the statutory responsibility for the proper administration of the Council's financial affairs. Service Director Finance, Property and Procurement is a member of the Executive Leadership Team.
- 4.4 The Council has appointed the Interim Executive Director Resources as the statutory "Monitoring Officer" and has procedures to ensure that the Monitoring Officer is aware of any issues which may have legal implications.
- 4.5 All Executive reports are reviewed by the S151 and Monitoring Officers. All reports to Executive are required to demonstrate how the proposal links to the Council Strategy and highlight resource implications. Officers are also asked to draw out risk, equality, environmental, management and legal issues as appropriate. Similar procedures are in place for the other Council Committees.
- 4.6 The Council has whistle-blowing and anti-fraud and corruption policies. It has a formal complaints procedure and seeks to address and learn from complaints. The Council's Governance Committee deals with complaints relating to the conduct of Members.
- 4.7 Members' induction training is undertaken after each election. Members also receive regular updates and training on developments in local government.
- 4.8 Key roles in maintaining and reviewing the effectiveness of governance within the Council are as follows:

| Key Roles | Responsibilities |
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| Council | <p>The Council is collectively responsible for approving the governance arrangements of the Council. Full Council is also responsible for agreeing the Constitution, policy framework and budget.</p> <p>Manages risk in making operational and governance decisions together with proposing and implementing the policy framework, budget and key strategies.</p> |
| Executive | <p>The Executive receives regular monitoring reports on revenue and capital expenditure and on key performance measures.</p> |
| Governance Committee | <p>Governance Committee approves the annual audit plan, monitors the internal control environment through receipt of audit reports and the AGS, and keeps an overview of arrangements for risk management. It also approves this Statement and the Statement of Accounts.</p> |

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| Internal Audit | <p>The internal audit team provide the Council with an internal audit service which includes the Council's entire control environment. The Internal Audit Manager takes account of the Council's assurance and monitoring mechanisms, including risk management arrangements, for achieving the Council's objectives. The Internal Audit Plan is based on the Risk Register and identifies Internal Audit's contribution to the review of the effectiveness of the control environment. The process includes reports to the Governance Committee on progress of audits. Regular summaries are also produced of the outcome of each audit, together with reviews of whether agreed recommendations have been implemented.</p> <p>There is a requirement for internal audit to undertake an annual self-assessment and independent external assessment every five year. Any areas of non-conformance must be reported as part of their annual report and opinion. In the light of feedback, we have concluded that internal audit is an effective part of the Council's governance arrangements.</p> |
| Chief Internal Auditor | <p>Internal Audit provides an annual opinion on the internal control environment and issues that should be included in the AGS.</p> <p>This provides additional assurance to elected members regarding the adequacy of the review of effectiveness.</p> |
| External Audit | <p>External Audit external audit is provided by KPMG. Whilst the external auditors are not required to form an opinion on the effectiveness of the Council's risk and control procedures, their work does give a degree of assurance following the annual audit of the Council's financial accounts.</p> |
| Statutory Officers | <p>Head of Paid Service – Chief Executive Section 151 Officer – Service Director Finance, Property and Procurement Monitoring Officer – Interim Executive Director Resources</p> <p>Statutory officers with responsibilities linked to effective governance. Normally, one of these officers will be responsible for drafting the Annual Governance Statement.</p> <p>The Chief Executive and Leader must sign the AGS once approved.</p> |

5 Core Principles

5.1 To achieve and maintain good governance, the Council will seek to apply each of the seven core principles above, along with their supporting principles. Evidence of how this is achieved is set out below:

| Core Principle | Where evidenced |
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| <p>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p> <p>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved.</p> | <ul style="list-style-type: none"> • Constitution • Members code of conduct • Council values • Behaviour Framework • HR Policies & Procedures • Council policies e.g. Anti-fraud and Whistleblowing Policies • Review of the Constitution |
| <p>B. Ensuring openness and comprehensive stakeholder engagement</p> <p>Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.</p> | <ul style="list-style-type: none"> • Transparent decision making in accordance with the legislative framework and Constitution • Openness and accessibility of Council meetings • Public participation in the democratic processes • Access to information rules • Consultation, engagement and co-production with key stakeholders |
| <p>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</p> <p>The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable.</p> <p>Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.</p> | <ul style="list-style-type: none"> • Council Strategy 2023-2027 • Supporting Plans and Strategies for example the Environment Strategy • Health & Wellbeing Strategy • Quarterly Finance and Performance Reports to Resources and Place Scrutiny Committee and to Executive |

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| <p>D. Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p>‘Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. ‘</p> | <ul style="list-style-type: none"> • Council Strategy Delivery Plan • Transformation and Corporate Programme Board • Senior Leadership Team monitoring and management of overall list of projects • Ensuring strong link between Council Strategy and the Medium-Term Financial Strategy (MTFS) |
| <p>E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it</p> <p>‘Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole.’</p> | <ul style="list-style-type: none"> • Leadership and Management development through the Workforce Strategy • Induction Programme for Officers and Members • Member Development Programme • HR Policies and Procedures including performance management |
| <p>F. Managing risks and performance through robust internal control and strong public financial management</p> <p>‘A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability.’</p> | <ul style="list-style-type: none"> • Robust quarterly monitoring of performance, finance and corporate risk register • Public scrutiny of the above at Executive, Scrutiny and the Governance Committees • Annual review and approval of financial statements and progress reporting on action plans • Role of internal and external audit |

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| <p>'It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery.'</p> | <ul style="list-style-type: none"> • Review of proposals by Corporate Board • Review of relevant reports by the Risk Management Group |
| <p>G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p> <p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p> | <ul style="list-style-type: none"> • Council Constitution • Executive and Council Bodies Forward Plans • Internal audit reports to Governance Committee • The annual report from the Internal Audit manager • Committee reports containing a clear summary of implications including links to strategic priorities and risk management. • Annual report from the Governance Committee to Full Council • Annual monitoring officer report to Full Council |