

Local Code of Corporate Governance

1. Introduction

- 1.1 Runnymede Borough Council's Code of Corporate Governance is based upon the CIPFA/SOLACE publication entitled "Delivering Good Governance in Local Government: Framework 2016 Edition." This version supersedes the previous Code of Corporate Governance approved by the Full Council in April 2018.

2. Defining Governance

- 2.1 The International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) defines governance as follows 'Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved'. The Framework 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.

3. Core Principles

3.1 This Code of Corporate Governance is based on seven core principles: -

- 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 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; and
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

- 3.2 The diagram below, taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the 'International Framework'), illustrates the various principles of good governance in the public sector and how they relate to each other. The diagram demonstrates how principles A and B sit at the core of the implementation of all of the remaining principles and that good governance is a dynamic process based on continuing evaluation and review.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



- 3.3 Runnymede Borough Council is committed to the principles and sub-principles of good governance identified within the International Framework and reproduced within its own local Code. These principles set out the actions and behaviours expected of the Council to ensure good governance is delivered in all that it does.
- 3.4 In addition, the Code sets out the Council's governance structure, bringing together a framework of policies, documents and structures that support governance within the Council and which reflect the guiding principles set out in the Code. Appendix A to the code describes the mechanisms by which Runnymede Borough Council complies with these principles to deliver the best outcomes for the communities it represents.
- 3.5 The Standards and Audit Committee is responsible for reviewing this Code to ensure it remains effective and up-to-date and for recommending any revisions to Full Council for adoption.

Appendix A - The Council's framework for ensuring good governance.

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

The Council is responsible not only for how much it spends but also for how it uses the resources under its stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes it has achieved. In addition, it has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, the Council can demonstrate the appropriateness of all of its actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Supporting Principles:	Evidence:
Behaving with integrity	Constitution
<ul style="list-style-type: none"> Ensure that Members and Officers behave with integrity and lead a culture where acting in the public interest is visible and consistently demonstrated thereby protecting the reputation of the Council; 	Financial Regulations and financial procedures
<ul style="list-style-type: none"> Ensure that Members take the lead in establishing specific standard operating principles or values for the Council and its staff and that they are communicated and understood. These will build on the Seven Principles of Public Life (The Nolan Principles); 	Contract Standing Orders / Procurement Toolkit
<ul style="list-style-type: none"> Lead by example and use the above standard operating principles or values as a framework for decision making and other actions; and 	Procurement Strategy and Procurement Policies for Social Value and Sustainable Procurement
<ul style="list-style-type: none"> Demonstrate, communicate and embed the standard operating principles or values through appropriate policies and processes which will be reviewed on a regular basis to ensure they are operating effectively. 	Member and Officer Codes of Conduct
Demonstrating strong commitment to ethical values	Member Induction and Training Programme
<ul style="list-style-type: none"> Seek to establish, monitor and maintain the Council's ethical standards and performance; 	Schemes of Delegation
<ul style="list-style-type: none"> Underpin personal behaviour with ethical values and ensure they permeate all aspects of the Council's culture and operation; 	Standards and Audit Committee
<ul style="list-style-type: none"> Develop and maintain robust policies and procedures which place emphasis on agreed ethical values; and 	Standards (Hearings) Sub Committee
<ul style="list-style-type: none"> 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 Council. 	Overview and Scrutiny Select Committee
Respecting the Rule of Law	Protocols for use of Council equipment and facilities
<ul style="list-style-type: none"> Ensure Members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations; 	Role of Statutory Officers: Chief Executive, Chief Financial Officer and Monitoring Officer
<ul style="list-style-type: none"> 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 provisions; 	Member/Officer Register of Interests
<ul style="list-style-type: none"> Strive to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders; 	Member/Officer Register of Gifts and Hospitality
<ul style="list-style-type: none"> Deal with breaches of legal and regulatory provisions effectively; and 	Member/Officer protocol
<ul style="list-style-type: none"> Ensure corruption and misuse of power is dealt with effectively. 	Anti-Fraud & Corruption/Whistle-Blowing Policies
	Customer Complaints Policy
	Members Planning Code of Good Practice
	Committee Procedure Rules
	Mayoral Protocol/Monitoring Officer Protocol
	Licensing Code of Conduct
	Modern slavery and human trafficking statement

Principle B – Ensuring openness and comprehensive stakeholder engagement

The Council is run for the public good and should therefore ensure openness in its activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, including individual residents, businesses and service users, as well as institutional stakeholders.

Supporting Principles:	Evidence:
Openness	Corporate Business Plan and strategies Empowering our Communities Strategy Statement of Community Involvement Housing Engagement and Inclusion Officer Tenant Engagement Neighbourhood and Communities Group Community Safety Partnership Constitution Partnership Protocol Local Code of Governance Decision-making Committees Overview and Scrutiny Select Committee and call-in process Calendar of meetings Public meetings, minutes and records of decisions Access to information - Freedom of information Council Publication Scheme Local Government Transparency code data Annual Statement of Accounts Privacy notices Business engagement through Business Runnymede Council publications e.g. Runnymede Talks Use of social media including Facebook, LinkedIn, Twitter and Nextdoor Consultations and surveys Customer Complaints Policy Council tax information
<ul style="list-style-type: none"> Ensure an open culture through demonstrating, documenting and communicating the Council's commitment to openness; 	
<ul style="list-style-type: none"> Make decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption will be for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential will be provided; 	
<ul style="list-style-type: none"> Provide clear reasoning and evidence for decisions in both public records and explanations to stakeholders and be explicit about the criteria, rationale and considerations used. In due course, the Council will ensure that the impact and consequences of those decisions are clear. 	
<ul style="list-style-type: none"> Use formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action. 	
Engaging comprehensively with institutional stakeholders	
<ul style="list-style-type: none"> 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; 	
<ul style="list-style-type: none"> Develop formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively; and 	
<ul style="list-style-type: none"> 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. 	
Engaging effectively with individual residents and service users	
<ul style="list-style-type: none"> Establish a clear policy on the type of issues that the Council 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; 	
<ul style="list-style-type: none"> Ensure that communication methods are effective, and that Members and Officers are clear about their roles with regard to community engagement; 	
<ul style="list-style-type: none"> Encourage, collect and evaluate the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs; 	
<ul style="list-style-type: none"> Implement effective feedback mechanisms to demonstrate how their views have been taken into account; 	
<ul style="list-style-type: none"> Balance feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity; and 	
<ul style="list-style-type: none"> Take account of the interests of future generations of taxpayers and service users. 	

Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits

The long-term nature of many of the Council's responsibilities means that it should define and plan sustainable outcomes. Decisions should further the Council's purpose, contribute to intended benefits and outcomes, and remain within the limits of its authority and resources. Input from all groups of stakeholders is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

Supporting Principles:	Evidence:
Defining outcomes	Corporate Business Plan and strategies Climate Change Strategy Constitution Medium-Term Financial Strategy Budget, Treasury Management Strategy, Capital and Investment Strategy, and Capital Programme Budget and service information Overview and Scrutiny procedure Procurement Strategy and Procurement Policies for Social Value and Sustainable Procurement Contract Standing Orders / Procurement Toolkit
<ul style="list-style-type: none"> Have a clear vision, which is an agreed formal statement of the Council's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the Council'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; and Manage service users' expectations effectively with regard to determining priorities and making the best use of the resources available. 	
Sustainable economic, social and environmental benefits	Risk Management Strategy and Registers Project Management Office and associated templates Use of Business Cases Environmental Information Regulations Consultations and surveys Customer Complaints Policy Equality Impact Assessments
<ul style="list-style-type: none"> Consider and balance the combined economic, social and environmental impact of policies, plans and decisions 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 Council'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 various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs; and Ensure fair access to services. 	

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

The Council achieves its intended outcomes by providing a mix of legal, regulatory and practical interventions. Determining the right mix of these interventions is a critically important strategic choice that the Council must make to ensure intended outcomes are achieved. Robust decision-making mechanisms are required to ensure that defined outcomes are achieved and provide the best trade-off between the different types of resource input, whilst still enabling effective and efficient operations. Decisions may need to be reviewed frequently to ensure that outcomes are optimised.

Supporting Principles:	Evidence:
Determining interventions	Corporate Business Plan and strategies Consultations and surveys Use of Business Cases Option appraisal Budget Consultation Consideration of alternative service models and Shared Services
<ul style="list-style-type: none"> Ensure decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided; and 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. 	Project Management Office and associated templates Business Planning cycle linked to Budget-setting process Production of annual Service Area Plans Project Performance reporting Key Performance Indicators Service Review process Medium-Term Financial Strategy Budget and service information Budget consultation Financial Reporting framework Budget Monitoring Treasury Management Reporting Supplementary Estimate and Virement process Budget, Treasury Management Strategy, Capital and Investment Strategy, and Capital Programme Statement of the Chief Financial officer (s25 Local Government Act 2003) Procurement Strategy and Procurement Policies for Social Value and Sustainable Procurement
Planning interventions	
<ul style="list-style-type: none"> 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; Ensure arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances; Establish appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured; Ensure capacity exists to generate the information required to review service quality regularly; Prepare budgets in accordance with organisational objectives, strategies and the medium-term financial plan; and Inform medium- and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy. 	
Optimising achievement of intended outcomes	
<ul style="list-style-type: none"> Ensure the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints; Ensure the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term; Ensure 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; and Ensure 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". 	

Principle E – Developing the Council’s capacity, including the capability of its leadership and the individuals within it

The Council 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. The Council 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 operational capacity for the Council as a whole. As both individuals, and the environment in which the Council operates, will change over time, there will be continuous need to develop its capacity and the skills and experience of individual staff members. Leadership in the Council is strengthened through the participation of people of different types of background, reflecting the diversity of the communities it represents.

Supporting Principles:

Developing the Council’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 the Council’s resources are allocated so that 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.

Developing the capability of the Council’s leadership and other individuals within the organisation

- 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;
- Develop the capabilities of Members and senior management to achieve effective shared 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; and
 - ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.

Evidence:

[Key Performance Indicators](#)

[Asset Management Strategy](#)

Use of Business cases and project management techniques

[Corporate Business Plan and strategies](#)

[Organisational Development Strategy](#)

[Constitution](#)

[Partnership Protocol](#)

Consideration of alternative service models and Shared Services

[Council Publication Scheme](#)

[Public meetings, minutes and records of decisions](#)

[Schemes of Delegation](#)

[Role of Statutory Officers: Chief Executive, Chief Financial Officer and Monitoring Officer](#)

Member Induction and Training Programme

Peer reviews and external inspections

Leadership Development Programme

Apprenticeship Programme and participation in the National Graduate Scheme

Staff appraisal system

Leadership and staff competency guide

Developing the capability of the Council's leadership and other individuals within the organisation (continued)	
<ul style="list-style-type: none"> Ensure the Leader and the Chief Executive have clearly defined and distinctive leadership roles within a structure whereby the Chief Executive leads the Council 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; 	Reimbursement of relevant professional membership subscriptions Continuous Performance Management Guide Guide to one-to-one conversations Probation process Suite of HR policies to support staff well being Staff induction E-Learning modules
<ul style="list-style-type: none"> Ensure that there are structures in place to encourage public participation; 	
<ul style="list-style-type: none"> Take steps to consider the leadership's own effectiveness and ensure leaders are open to constructive feedback from peer review and inspections; 	
<ul style="list-style-type: none"> Hold staff to account through regular performance reviews which take account of training or development needs; and 	
<ul style="list-style-type: none"> Ensure arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing. 	

Principle F – Managing risks and performance through robust internal control and strong public financial management

The Council need to ensure that it has implemented—and can sustain—an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. A strong system of financial management is essential for the implementation of public sector policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.

Supporting Principles:	Evidence:
Managing Risk	Risk Management Strategy and processes Corporate and Service Risk Registers Risk assessments All report templates and business cases include risk sections Risk-based approach to Project Management Corporate Business Plan and strategies Service Area Plans Constitution Medium-Term Financial Strategy Budget and policy framework / Procedure rules Overview and Scrutiny Select Committee and call-in process
<ul style="list-style-type: none"> Recognise that risk management is an integral part of all activities and must be considered in all aspects of decision making; 	
<ul style="list-style-type: none"> Implement robust and integrated risk management arrangements and ensure that they are working effectively; and 	
<ul style="list-style-type: none"> Ensure that responsibilities for managing individual risks are clearly allocated. 	
Managing Performance	
<ul style="list-style-type: none"> Monitor service delivery effectively including planning, specification, execution and independent post implementation review; 	
<ul style="list-style-type: none"> Make decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the Council's financial, social and environmental position and outlook; 	
<ul style="list-style-type: none"> Ensure an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the Council's performance and that of any organisation for which it is responsible; 	

Managing Performance (continued)	
<ul style="list-style-type: none"> Provide Members and senior management with regular reports on service delivery plans and on progress towards outcome achievement; and Ensure there is consistency between specification stages (such as budgets) and postimplementation reporting (e.g. financial statements). 	Key Performance Indicators Annual Statement of Accounts Internal audit opinion Risk-based internal audit annual plan Internal audit reports on progress with implementation of recommendations External audit opinion on the Statement of Accounts External auditor's value for money conclusion Role and function of the Standards and Audit Committee
Robust internal control	
<ul style="list-style-type: none"> Align the risk management strategy and policies on internal control with achieving objectives; Evaluate and monitor the Council's risk management and internal control arrangements on a regular basis; Ensure effective counter fraud and anti-corruption arrangements are in place; Ensure 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 Council: <ul style="list-style-type: none"> 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. 	Emergency Response/Business Continuity General Data Protection Regulations Information governance and privacy notices Data sharing protocols Protocol for access to personal data Member's IT protocols Privacy policy Environmental Information Regulations 2004 (EIR) Medium-Term Financial Strategy Budget and policy framework / Procedure rules
Managing data	
<ul style="list-style-type: none"> Ensure effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data; Ensure effective arrangements are in place and operating effectively when sharing data with other bodies; and Review and audit regularly the quality and accuracy of data used in decision making and performance monitoring; 	Budget Monitoring process
Strong public financial management	
<ul style="list-style-type: none"> Ensure financial management supports both long term achievement of outcomes and short-term financial and operational performance; and Ensure well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls. 	

Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Accountability is about ensuring that those making decisions and delivering services are answerable for them, although the range and strength of different accountability relationships varies for different types of governing bodies. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the entity plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

Supporting Principles:

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 ensuring that they are easy to access and interrogate; and
- 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.

Implementing good practices in reporting

- Report at least annually on performance, value for money and the stewardship of its resources to stakeholders in a timely and understandable way;
- Ensure Members and senior management own the results;
- Ensure robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publish the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (Annual Governance Statement);
- Ensure that the Framework is applied to jointly managed or shared service organisations as appropriate; and
- 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.

Robust internal control

- Ensure that recommendations for corrective action made by external audit are acted upon;
- Ensure an effective internal audit service with direct access to Members is in place which provides assurance with regard to governance arrangements and that recommendations are acted upon;
- Welcome peer challenge, reviews and inspections from regulatory bodies and implement recommendations;
- Gain assurance on risks associated with delivering services through third parties and evidence this in the annual governance statement; and
- Ensure that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.

Evidence:

[Constitution](#)

Report templates / business case templates

[Council Publication Scheme](#)

[Local Government Transparency code data](#)

[Annual Report](#)

[Annual Governance Statement](#)

[Annual Statement of Accounts](#)

[Internal audit reporting and follow up of outstanding actions](#)

Regular discussion of audit recommendations with Senior Leadership team

[Partnership Protocol](#)

Partnership governance arrangements

Participation in external reviews

[Overview and Scrutiny Select Committee and call-in process](#)

Regular Project Portfolio reports and dashboards

[Key Performance Indicators](#)

[Internal audit opinion](#)

[Risk-based internal audit annual plan](#)