

LOCAL CODE OF CORPORATE GOVERNANCE

1. INTRODUCTION

- 1.1 Spelthorne Borough Council recognises the need to ensure that its affairs are managed in a way which achieves the highest standards of corporate governance. Corporate governance in this context means the systems, processes and values by which the Council ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable way.
- 1.2 On the basis that effective leadership is the foundation for effective corporate governance the Council commits:
- ⇒ To engage in effective partnerships and provide leadership for and with the community.
 - ⇒ To ensure the delivery of high-quality local services whether directly or in partnership or by commissioning
 - ⇒ To perform a stewardship role which protects the interests of local people and makes best use of resources.
 - ⇒ To develop citizenship, local democracy and communities

2. THE PRINCIPLES OF CORPORATE GOVERNANCE

- 2.1 The Council recognizes that its commitments for corporate governance need to be reflected in its working arrangements. The framework for corporate governance published by CIPFA (Chartered Institute of Public Finance) and SOLACE (Society of Local Authority Chief Executives) suggests, and the Council accepts, that the following core principles should be applied to its activities:
- ⇒ Behave with integrity demonstrating strong commitment to ethical value and respecting the rule of law.
 - ⇒ Ensure openness and comprehensive stakeholder engagement.
 - ⇒ Define outcomes in terms of sustainable economic, social, and environmental benefits.
 - ⇒ Determining the interventions necessary to optimise the achievement of the intended outcome.

- ⇒ Manage the entity's capacity, including the capability of its leadership and the individuals within.
- ⇒ Managing risks and performance through robust internal control and strong public financial management.
- ⇒ Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The detail of what is covered by each principle and the Council's approach to each is set out in the **Appendix**.

3. ARRANGEMENTS FOR CORPORATE GOVERNANCE

- 3.1 The Council has established structures, procedures, processes and a system of controls to ensure that the necessary standards of corporate governance are achieved and maintained. It first reviewed these against the framework for corporate governance published by CIPFA (Chartered Institute of Public Finance) and SOLACE (Society of Local Authority Chief Executives) in April 2002. Since then it has reported on a regular basis to the Overview and Scrutiny Committee. In 2018 the Council reviewed its arrangements for corporate governance taking into account the revised framework published by CIPFA and SOLACE in the 2016 addendum– “Delivering Good Governance in Local Government”.
- 3.2 Most of the arrangements are set out in the Council's constitution and supporting policies and documentation. However, the Council recognises that these arrangements must be kept up-to-date and need to be kept under review to ensure that they remain appropriate and are improved where possible. Without proper monitoring, the effectiveness of the Council's arrangements could be compromised so the Council will ensure that systems are in place to monitor compliance with the agreed processes and procedures including the Annual Governance Statement and the Review of the Effectiveness of the System of Internal Audit.
- 3.3 Various staff members have responsibility for different areas of the Council's corporate governance arrangements. The majority of these responsibilities are established in the Council's constitution. These responsibilities will change over time as the Constitution develops and management structures change. However, overall responsibility for ensuring that the Council's Corporate Governance arrangements are followed and that they remain adequate, lies with the Chief Finance Officer.
- 3.4 Councillors will need to be assured that the activities of the Council are properly controlled and the Chief Finance Officer will be responsible for providing the Corporate Policy and Resources Committee with an annual report on compliance with the arrangements and any actions required to improve these.

- 3.5 In addition, the Audit Manager and Head of Corporate Governance will review the Council's arrangements against the Code and the standards laid down in the CIPFA/SOLACE framework and will advise the Corporate Policy and Resources Committee as necessary on the adequacy and effectiveness of the Code and the extent of compliance.