

WINCHESTER CITY COUNCIL

LOCAL CODE OF CORPORATE GOVERNANCE

1. Introduction

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.

Winchester City Council is committed to the principles of good corporate governance and wishes to confirm its ongoing commitment and intentions through the development, adoption and continued maintenance of a Local Code of Corporate Governance, as recommended within the aforementioned CIPFA/SOLACE Guidance.

This document, Winchester City Council's Local Code of Corporate Governance, therefore sets out and describes the Council's commitment to corporate governance, and identifies the arrangements that have been made, and indeed will continue to be made, to ensure its ongoing effective implementation and application in all aspects of the Council's work.

2. What Is Corporate Governance

For the purpose of this Local Code, the Council has accepted the definition of Corporate Governance as stated within the CIPFA/SOLACE documents, as follows: *"Corporate governance is the system by which local authorities direct and control their functions and relate to their communities"*.

The Council recognises that effective local government relies upon establishing and maintaining the public's confidence in both the elected Members and officials, and that it underpins credibility and confidence in the services that we provide.

In addition, as an enabling authority, the Council recognises that the setting of high standards of self governance provides a clear and demonstrable lead to both our existing and potential partners, and therefore provides the basis of effective community governance.

3. Winchester City Council's Vision

Winchester City Council's agreed priorities for 2006/2009 fall within three programmes of activity:

- *Homes and Jobs*
- *Safer and More Inclusive Communities*
- *Safeguarding our high quality environment for the future*

The Council's corporate strategy assists it in providing relevant, responsive local governance which addresses local needs in an effective and efficient manner. In doing so, the Council's approach will be open and transparent, having due regard to equal opportunities and the opportunities and benefits to be realised through innovative and flexible partnership working.

The Council seeks annually to identify key local priorities, with Members taking account of local consultation and needs analysis. The identified priorities are then developed to assist in the corporate service planning process.

In this way the planning of service delivery is directly influenced by the needs of the local communities.

4. Corporate Governance at Winchester City Council – The Theory

Winchester City Council positively recognises and accepts the following underlying principles of good governance, as identified within the CIPFA/SOLACE Framework and Guidance documents:

- Openness and inclusiveness
- Integrity
- Accountability

It also accepts that for these principles to be translated into the key business areas, it must establish systems and processes that can:

- Monitor its effectiveness in practice
- Ensure that these are reviewed on a regular basis and kept up to date.

The need for effective leadership is acknowledged as providing the keystone to corporate governance, and as such the principles can only be achieved if effective leadership is demonstrated through:

- The Council providing a vision for its community and leading by example in its decision making and other processes and actions
- Members and Managers conducting themselves in accordance with high standards of conduct

In accordance with the CIPFA/SOLACE Framework, the Council recognises the following Dimensions to its corporate activities, accepting that these are not mutually exclusive:

- Community Focus
- Service Delivery Arrangements
- Structures and Processes
- Risk Management and Internal Control
- Standards of Conduct

Hence the Council accepts that in conducting its activities, one or more of the above Dimensions will be applicable, and within these the principles of good corporate governance should be applied.

5. Corporate Governance at Winchester City Council – The Practice

This is the third year that Winchester City Council has operated this Code. It will carry out a review of this document annually.

The Annual Review will be facilitated by a thorough analysis of the recommendations made within the CIPFA/SOLACE Guidance and Framework documents. The result of this analysis will be provided in the form an Annual Action Plan.

6. Corporate Governance at Winchester City Council- The Future

In addition to identifying a number of areas where work needs to be carried out, the production of this document has also confirmed the good work already being undertaken corporately.

Consequently the Council is entirely committed to developing its arrangements for corporate governance in order to ensure that proper procedures are put in place for the effective delivery of the Council's affairs and the stewardship of the resources at its disposal.

To this end, the Council will:

- a) Ensure that the Local Code of Corporate Governance is made available to all Members and Officers, and is made publicly available through the use of the Council's web-site.
- b) Designate the Director of Finance as the Officer responsible for overseeing, monitoring and reviewing the operation of the Code in practice.
- c) Provide a statement in key corporate documents on how the Council is complying with the Code, including how it has maintained the effectiveness of its corporate governance arrangements during the year, and any planned changes for the forthcoming year. A statement has been included in the Council's Statement of Accounts as required by the Accounting Code.
- d) The Director of Finance will draft an annual Action Plan for consideration by Corporate Management Team to identify any areas of the Code where further work is required, including the allocation of appropriate time scales and the designation of Lead Officers. Since the Council already has high standards of corporate governance, it is expected that the plan will be limited to a small number of achievable actions each year to improve continually the level of the Council's Corporate Governance.