



Local Code of Governance 2023-25

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1. Introduction

Good Governance

Good governance is about how West Lancashire Borough Council ensures that it is doing the right things, in the right way, for the communities it serves, in a timely, inclusive, open, honest and accountable manner. Good governance will enable the Council to pursue its vision and secure its agreed priorities in the most effective and efficient manner.

Our Commitment

West Lancashire Borough Council is committed to upholding the highest possible standards of good corporate governance, believing that good governance leads to high standards of management, strong performance, effective use of resources, increased public involvement and trust in the Council and ultimately good outcomes. Good governance flows from shared values, culture and behaviour and from systems and structures. This Local Code of Governance is a public statement that sets out the framework through which the Council meets its commitment to good corporate governance.

The Governance Framework

The Governance Framework comprises the systems and processes, and 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. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost-effective services.

Corporate governance in West Lancashire Borough Council is based on the following principles recommended by the Chartered Institute of Public Finance and Accountancy / Society Of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) in a joint document entitled “Delivering Good Governance in Local Government (2016 Edition)” which builds on the seven “Principles for the Conduct of Individuals in Public Life” (Appendix A):

The seven principles of Corporate Governance laid out in the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government (2016 Edition) are as follows:

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



(International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the “International Framework”)

The Framework is based on the principles in the inner circle permeating and being evident throughout the application of the principles in the outer circle. The diagram also illustrates that good governance is dynamic and involves continuous evaluation and review.

This document describes how the Council achieves the seven principles of good governance and describes how the council’s corporate governance arrangements will be monitored and reviewed.

2. How West Lancashire Borough Council Achieves the Seven Principles of Good Governance.

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> Behaving with integrity. Demonstrating strong commitment to ethical values. Respecting the rule of law. 	<ul style="list-style-type: none"> The Council has an agreed constitution which sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. It also refers to the adherence of the Seven Principles of Public Life (the 'Nolan Principles'). The Council has put processes in place to minimise the risk that its councillors and employees act in an improper way (influenced by prejudice, bias or conflict of interest) when dealing with stakeholders. The Council has Codes of Conducts and a suite of policies and procedures for councillors and employees which define the standards of behaviour expected. Deviation from these policies may result in the use of the embedded disciplinary processes in place. The Council has approved Management and Employee Core Expected Behavioural Standards in place. All employees of the Council are expected to display the Employee Core Expected Behavioural Standards whilst they are undertaking their duties. Employees who are appointed as supervisors and managers are expected to display certain Manager Expected Behavioural Standards as well as the Employee Core Expected Behavioural Standards. The Council's Vision and Priorities are clear and demonstrates its commitment to its stakeholders. The Standards Committee ensure that there are high standards of ethical governance from elected members of the Council. The committee provides a summary of its work in its annual report. The Chief Operating Officer is designated Head of Paid Services and is responsible for reporting to Council on the manner in which the discharge of the Council's functions is co-ordinated, the number and grade of officers required for the discharge of functions and the organisation of officers. The Head of Finance, Procurement and Commercial Services is the designated Chief Finance Officer and is responsible for ensuring lawfulness and financial prudence of decision making, administering the financial affairs of the Council, contribute to the corporate management of the Council through the provision of professional financial advice, provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors and the elected mayor and will support and advise 	<ul style="list-style-type: none"> Constitution Council Plan Codes of conduct Council Meeting minutes Anti-Fraud & Corruption Policy Whistleblowing Code Internal Audit reports Register of Interests Register of Gifts & Hospitality Complaints Procedure Council Vision and Priorities

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
	<p>councillors and officers in their respective roles; and provide financial information to the media, members of the public and the community when required.</p> <ul style="list-style-type: none"> The Head of Legal & Democratic Services undertakes the role of the Monitoring Officer. Details of the role of the Monitoring Officer is documented in the Monitoring Officer Protocol and Council Constitution. The role includes maintaining the Council Constitution, ensuring that Council decisions are taken in a lawful and fair way, correct procedures are followed, and that all applicable laws and regulations are complied with. 	

Principle B - Ensuring openness and comprehensive stakeholder engagement

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> Openness. Engaging comprehensively with institutional stakeholders. Engaging with individual citizens and service users effectively. 	<ul style="list-style-type: none"> The Council publishes all relevant information (as required by the Local Government Transparency Code 2015) on its website. The Council's website contains comprehensive information pertaining to the services provided by West Lancashire Borough Council and its partners. The Council's decision-making information, including committee agendas and minutes (not restricted) is available via the council's website and intranet. Members of the public can inspect the council's financial statements, attend council meetings and make representations at the Planning Committee. The Council undertakes consultation exercises regularly including budget proposals, these can be found on the Council's website. 	<ul style="list-style-type: none"> Public attendance at Council meetings Constitution Local Plan Publication of all council agendas and minutes Public inspection of accounts by our customers Public speaking in planning committee Consultation exercises

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> Defining outcomes. Sustainable economic, social and environmental benefits. 	<ul style="list-style-type: none"> The Council is committed to community engagement and involvement. The Council has a new Council Plan 2023-2028 which will provide a framework for the next five years. There will be an associated delivery plan which is refreshed annually. The Council has a clear vision for the future as set out in its Vision and Council Priorities which considers all relevant economic, social and environmental factors. Outcomes are reported in the Annual Council Report which available on the Council website. 	<ul style="list-style-type: none"> Our council vision and priorities Council Plan 2023-2028 Annual Governance Statement Statement of Accounts External Auditors letter and report Service Action Plans Local Plan

Principle C- Defining outcomes in terms of sustainable economic, social and environmental benefits		
Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
	<ul style="list-style-type: none"> The Council has structured budget and treasury management processes in place. Each Council service area has its own service action plan that contributes to delivering an effective service. The Council's wholly owned company, Tawd Valley Developments has its own website where information regarding current and future developments and the Annual Review Report are documented. A TVD Shareholders committee is also in place and is made up of cross-party membership. The Council declared a Climate Emergency in 2019 and has a Climate Change Strategy and Action Plan 2023 in place which can be found on the Council Website. Climate Action news is available on the Council Website and details actions to deliver carbon reduction projects across West Lancashire. 	<ul style="list-style-type: none"> Performance Management framework Project management Publication of transparency data

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes		
Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> Determining interventions. Planning interventions. Optimising achievement of intended outcomes. 	<ul style="list-style-type: none"> The Council operates a Scrutiny and Review Committee system, and the decision-making process allows for challenge where necessary. The Council has a robust financial strategy with financial planning protocols in place (Medium Term Financial Strategy, annual budget monitoring and Forward Plans). Cabinet receives regular reports on the General Revenue, Housing Revenue and Capital Budgets. The Council engages and undertakes consultation exercises with its stakeholders in relation to service provision changes and new initiatives. The Council Plan is underpinned by individual Service Action Plans which set out the core priorities and activities for each service. 	<ul style="list-style-type: none"> Risk Management Framework Medium Term Financial Strategy Forward Plan Financial and performance reporting to Cabinet Business Continuity Plans Disaster recovery arrangements and emergency plan Council strategies & policies Council Consultation exercises

Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> Developing the entity's capacity. Developing the capability of the entity's leadership 	<ul style="list-style-type: none"> The Council has an agreed constitution which details roles and responsibilities of councillors and key officers of the Council. 	<ul style="list-style-type: none"> Constitution Induction Procedure Council Policies and Procedures

Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
and other individuals.	<ul style="list-style-type: none"> • The Council requires all new employees and councillors to undertake an induction process. • The Council has an Our People Strategy in place. • The Council has a number of human resource policies in place to support employees and managers. • Employee training needs are identified through the annual appraisal process. • The Council has a training system in place which includes mandatory modules for employees to complete and a selection of other useful training modules. • Financial Regulations are contained within the Council's Constitution and all employees are required to operate within them. • A number of new projects are being progressed as part of the Council's Our Futures Strategy. • The Council works with a number of partners in order to deliver services throughout the borough. 	<ul style="list-style-type: none"> • 1:1 Documents • Occupational Therapy Service • Annual Development Appraisals • Financial Regulations • Health and Safety Procedures and support • Project Strategy and Delivery Plans • Mandatory training reports.

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> • Managing risk. • Managing performance. • Robust internal control. • Managing data. • Strong public financial management. 	<ul style="list-style-type: none"> • The Council has a Risk Management Framework and toolkit in place which is updated annually. All members and employees receive mandatory training in it. • The Council's has a suite of Key Performance Indicators which are managed and monitored using the Pentana Risk System. Reports on performance are presented to Executive Overview and Scrutiny Committee on a regular basis. • A system of scrutiny and review is in place as part of the Council's decision-making process. • The Council has an Audit and Governance Committee who meet quarterly and provide independent assurance of the adequacy of the Council's Risk Management Framework and the associated control environment. • The Council has a Standards Committee in place and are required to promote and maintain high standards of conduct throughout the Council and create a sense of 'ethical well-being' and ensure that Councillors and Co-opted Members within West Lancashire follow the highest standards of conduct. • An Internal Audit Service is maintained that is compliant with the Public Sector Internal Audit Standards 2017 and it reports quarterly to the Audit and Governance Committee. 	<ul style="list-style-type: none"> • Risk Management Policy and Toolkit. • Risk Registers - Pentana • Performance Reports to Cabinet • Internal Audit Annual Report and Opinion • Internal Audit Reports • Internal Audit Charter • Internal Audit Progress Reports • PSIAS 2017 External Report – February 2023 • SIRO Annual Report • Annual Governance Statement • Information Governance Policies and Procedures • Medium Term Financial Strategy • Statement of Accounts

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
	<ul style="list-style-type: none"> • The role of the Head of Internal Audit is undertaken by the Corporate Compliance and Governance Manager (CCGM). The CCGM conforms with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019). • The Council maintains policies and arrangements in respect of Anti-fraud, Bribery & Corruption, Anti-Money Laundering and Whistleblowing. • A data management framework and procedures are in place and are readily available to all members of staff. • The Council has appointed a Senior Information Risk Owner and Data Protection Officer (DPO). The DPO provides the Council with independent assurance regarding compliance with the data protection law. • The Council has an Information Governance Committee (IGC) and has appointed Information Asset Owners who are required to attend and contribute to IGC meetings. • Effective arrangements are in place and operating effectively for the collection, storage and sharing of information. • The Council complies with the NHS Data Security and Protection Toolkit. • The Council has a robust financial strategy with Financial Planning protocols in place (Annual Budget Monitoring, Medium Term Financial Strategy and Forward Plans). • The Council's Financial Statements are available to the Public on the Council's website. 	

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
<ul style="list-style-type: none"> • Implementing good practice in transparency. • Implementing good practices in reporting. • Assurance and effective accountability 	<ul style="list-style-type: none"> • The Council has a website that is designed for ease of navigation. There are tabs across the top which are designed to assist the public. The services are grouped together so that the intended user can locate the service that they require. There are also links to Lancashire County Council and a list of the links to their website for the services that they provide. • Information about the Council's spending, strategies and performance is all disclosed on the Council website for the public to view. • The Council Annual Report is published on the Council Website. • The Council's Financial Statements and External Auditor's Letters are available on the Council's website. • The Council produces Financial Statements in accordance with CIPFA's Practice on Local Authority Accounting in the UK following 	<ul style="list-style-type: none"> • Council Website • Council Annual Report • Council financial spending reports • Financial statements • External Auditor Reports and letters. • Annual Governance Statement • LGA Peer review reports

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

Sub Principles	How West Lancashire Borough Council Achieves the Principle	This is evidenced by
	<p>International Financial Reporting Standards (IFRS). The Financial Statements are scrutinised by the External Auditor with a separate report produced.</p> <ul style="list-style-type: none">• An Annual Governance Statement is produced and incorporated into the Council's approved Financial Statements.• The Council has undergone an LGA Peer review and published the findings on its website. Additionally, the outcome of the follow up review has also been published.	

3. Monitoring and Reporting

The Code is reviewed annually, and the outcome of the review, along with adoption of any revision to the Code is reported annually to the Audit and Governance Committee. It is then presented to Council for approval.

The Council will undertake an annual review of its governance arrangements to ensure continuing compliance with best practice to provide assurance that corporate governance arrangements are adequate and operating effectively in practice. Where reviews of the corporate governance arrangements have revealed gaps, actions will be planned to enhance the governance arrangements accordingly.

The Council will prepare an Annual Governance Statement which will be submitted to the Audit and Governance Committee for consideration and will form part of the Council's annual Financial Statement.

The Annual Governance Statement will include:

- an acknowledgement of responsibility for ensuring there is a sound system of governance and system of internal control.
- a brief description of the key elements of the governance arrangements.
- a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements.
- an evaluation of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide; and
- an outline of the actions taken, or proposed, to deal with significant governance and internal control issues.

The Annual Governance Statement will be signed by the Leader of the Council and the Chief Operating Officer on behalf of the Council.

APPENDIX A - The Seven Principles of Public Life

The Seven Principles of Public Life (also known as the Nolan Principles) apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the Civil Service, local government, the police, courts and probation services, non-departmental public bodies (NDPBs), and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.