

Thanet District Council Local Code of Corporate Governance

Approved on

LOCAL CODE OF CORPORATE GOVERNANCE INTRODUCTION

Good governance is about how the 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. This document is the reviewed and updated Local Code of Corporate Governance for 2021.

GOOD CORPORATE GOVERNANCE

Thanet District Council is committed to achieving good corporate governance and this Local Code describes how the Council intends to achieve this in an open and explicit way. The local code is based upon the CIPFA SOLACE framework “Delivering Good Governance in Local Government” (April 2016) which replaced the document published in 2007. As laid out in the guidance it “is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities”. Consequently the local Code has been written to reflect the Council’s own structure, functions, and the governance arrangements in existence.

The local code is based on the following 7 principles, the first 2 of which underpin the remaining 5 with the overall aim of “Achieving the intended outcomes while acting in the public interest at all times”.

The principles are as follows:

Acting in the public interest requires a commitment to and effective arrangements for:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement.

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:

- 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

Many of the requirements of the code are included in the Council's Constitution and the Council's key strategies and policies.

<https://www.thanet.gov.uk/info-pages/how-we-make-decisions/>

MONITORING AND REVIEW

The Code of Corporate Governance is subject to annual review. This review includes an assessment as to the effectiveness of the processes contained within the Code. This includes annual assessments such as:

- Annual review of the Constitution
- Annual report of the Standards Committee
- Overview and Scrutiny Panel Annual Report
- Head of Internal Audit Annual Report
- Governance and Audit Committee Annual Report
- External Audit Annual Letter

The outcome of these reviews are reported in the Annual Governance Statement.

The following table details how the Council meets the core principles and the systems, policies and procedures it has in place to support this.

Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.	
<p>Rational: 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. In addition, they have 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, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>	<p>To demonstrate its commitment to achieving good governance, Thanet District Council has:</p> <p>Behaving with integrity</p> <ul style="list-style-type: none"> ● A well-established Code of Conduct for Members to ensure that high standards of conduct are maintained. ● All new members are made aware of the Code as part of their induction process. ● A 'Declaration of Acceptance of Office' that is signed by members once elected which makes reference to the Code. ● Established procedures for dealing with breaches of the Member Code of Conduct. ● All Town and Parish Councils have adopted the Member Code of Conduct. ● The Council's Standards Committee is responsible for overseeing the conduct of members and identifying learning and development for members in relation to the Code of Conduct. ● The Committee receives a report at each meeting on the progress of complaints/investigations. ● An annual report is presented to the Standards Committee on councillors' compliance with the ethical standards framework. ● An Employee Code of Conduct sets out standards of behaviour and conduct that the Council expects of its employees to ensure that public business is conducted with fairness and integrity. This is signposted as part of staff induction. Officers use a standard decision making report which is in an accessible template format and ensures that all those responsible for taking decisions have the necessary information on which to do so and ensures that report authors cover issues such as financial, legal, corporate and equality implications. ● The Council has a Code of Practice for Employees for declaring interests and registering gifts and hospitality.. ● The Council publishes a register of members' Interests on its website.

- There is a standing agenda item on all meetings to record members' declaration of interests.
- Minutes show declarations of interest are sought and appropriate declarations made.
- The Council publishes a Customer Complaints and Compliments Policy on the website.
- A Whistleblowing Policy is published to enable individuals to raise concerns about malpractice or wrongdoing.
- The Council has member and staff induction policies
- Job Descriptions are provided to Officers to provide clarity on their roles and responsibilities
- The Council has a Protocol on Member/Officer Relations within its Constitution to manage the different but complementary roles of members and officers.
- The Council has a specific Protocol for Planning Committee members to ensure probity and robust decision making.
- The Council requires compulsory training for members of the Licensing, Planning and General Purposes Committees to ensure lawful and robust decision making.

Demonstrating strong commitment to ethical values

- The Council has adopted a regularly reviewed Constitution which sets out how the Council operates and how it makes decisions. It also states that the Council will exercise all its duties in accordance with the law.
- All committees and decision making bodies have clear terms of reference set out in the Constitution.
- Policies and procedures that are updated, to ensure adherence to ethical standards including online HR resources, Contract Procedure Rules, Financial Procedure Rules etc .
- Many council staff are also subject to regulation by and the standards of their professional body.

Respecting the rule of law

- The Council has three statutory officers, whose roles are set out in the Constitution.
- Councillors' roles are described in the Constitution.
- An Anti-Fraud and Corruption Policy is supported by the Whistleblowing Policy.
- A Safeguarding Policy is in place to protect children and vulnerable adults.

Core Principle B: Ensuring openness and comprehensive stakeholder engagement

Rational: 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.

Ensuring Openness:

- A range of annual reports that summarise achievements for the year across a range of functions.
- The Council's annual statement of accounts published annually and are subject to approval by external audit.
- A Publication Scheme that describes the kinds of information available and provides guidance about how to access personal information and submit a Freedom of Information request.
- Systems in place to ensure that relevant decisions taken by officers are published in accordance with legislative requirements.
- A standard decision making report format is used to ensure the decision maker is presented with all the information necessary to inform the decision including outcomes of consultation.
- Appropriate background papers are cited and links provided in the standard report format. Agendas, reports and minutes are published on the Council's website.
- Meetings are open to the public unless there are good reasons for not doing so in accordance with the exemption rules in Schedule 12A Local Government Act 1972.
- Dates for submitting, publishing and distributing timely reports are set and adhered to.
- Corporate Statement 2019-2023 that sets out the vision and priorities for Thanet and strategic direction for the Council.
- The Council's Constitution which is available on the Council's website.

Engaging comprehensively with institutional stakeholders

- Established strong partnerships with the public sector, business and community and voluntary sector across Thanet, including statutory arrangements for Community Safety, Safeguarding and the East Kent Health & Care Partnership.
- Mechanisms in place to consult where necessary with public sector bodies such as Police, Fire and Town and Parish Councils.
- Working through the Thanet Leadership Group (a forum for Senior Officers of member public sector organisations) to work collectively as 'Place Leaders' to improve outcomes for

	<p>people and place.</p> <ul style="list-style-type: none"> ● Engaging stakeholders effectively including individual citizens and service users ● Information is provided to the public about Council activities and its business ● Public consultations are conducted using online tools, via the Council website. A Public Engagement Framework, which sets out the plan for public engagement development. ● Established mechanisms to seek the views from individuals, organisations and businesses on a number of areas. ● A Petition scheme for the public to bring concerns to the Council's attention.
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Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefit	
<p>Rationale: 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. Decisions should further the organisation's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. 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>	<p>To demonstrate its commitment to achieving good governance, Thanet District Council has:</p> <p>Defining Outcomes</p> <ul style="list-style-type: none"> ● A Corporate Statement that sets out the Council's ambitions and defines the outcomes for people and place. ● A strategic planning framework. ● A Community Safety Partnership Plan 2020-23 which includes a Thanet wide approach to community safety ● Economic Development and Growth Strategies including the Margate Town Deal ● The Council works with others through structures like the Thanet Leadership Group and Multi-Agency Task Force to collectively improve the wellbeing of Thanet residents. <p>Set the budget around the outcomes.</p> <ul style="list-style-type: none"> ● A Business Case Framework that is used for projects that meet the key decision definition. ● An agreed set of principles for the purposes of budget setting.

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

Rationale: 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. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

To demonstrate its commitment to achieving good governance, Thanet District Council has:

Determining interventions

- A financial planning process that determines level of resources to achieve Council priorities and outcomes and meet statutory duties
- A clear and regularly reviewed Constitution which sets out the decision making process and a scheme of delegations

Planning interventions

- A Strategic planning framework and adopted Local Plan (2020) which is subject to early review
- Annual work programmes developed by Overview and Scrutiny committees
- A performance management framework which provides reporting at operational, strategic and executive levels
- Financial management and reporting processes that enable regular and timely reporting to budget holders, leadership team and Cabinet

Optimising achievement of intended outcomes

- Service Plans that identify service developments and specifications.
- A medium term financial strategy agreed and reviewed annually based upon Council Plan ambitions and priorities
- Securing continuous improvement through engagement with external and peer review mechanisms
- Annual Performance and Finance reports
- Annual Capital Programme
- Treasury Investment Strategy
- Strategic Asset Management Plan 2017 - 21
- Organisation Plan
- Performance Framework
- Risk Management Policy
- HRA Business Plan

- Housing, Homelessness and Rough Sleeping Strategy

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

Rationale: 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. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and

To demonstrate its commitment to achieving good governance, Thanet District Council has:

Developing the entity's capacity

- A suite of published employment policies
- Mechanisms established for staff engagement, for example Manager's Forum, team briefings, all staff briefings and the Chief Executive's coffee mornings
- Engagement with the recognised unions through Employee Council and more informal meetings
- Engagement with members through all member briefings, Cabinet/CMT meetings, Service Director meetings etc
- Governance structures for strategic planning of workforce development including the People Strategy 2017-20 (which is currently subject to review)
- The Council has an employee Appraisal System which is reviewed regularly

Developing the capability of the entity's leadership and other individuals

- Strong Leader and Cabinet political management model is well established
- Opposition groups within the Council have their own CMT briefing meetings
- The political management model provides opportunities for non-executive members to focus on their key roles in overview and scrutiny, on regulatory committees, outside bodies and as local community representatives.
- Protocols are in place for governing members' and officers' responsibilities.
- Member role descriptions are set out in the Constitution.
- A Scheme of Delegation to Officers and Appointment of Proper Officers that are reviewed annually in light of legal and organisational changes.
- A Constitution that sets out financial management arrangements through the Financial Regulations and Contract Procedure Rules
- Member induction and development programme to ensure specific and specialist roles have up to date training to effectively carry out role.
- E-learning packages are available for members and officers.
- Specific training for officers is funded and made available through the annual

diversity of communities.	<p>Corporate Training Programme.</p> <ul style="list-style-type: none"> ● Health & Safety policies designed to protect and enhance the welfare of staff are actively promoted and monitored. ● The Council has adopted an Apprenticeship Programme offering training, skills and experience in careers in Local Government.
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Core Principle F: Managing risks and performance through robust internal control and strong public financial management	
<p>Rationale: Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services.</p> <p>Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. 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</p>	<p>To demonstrate its commitment to achieving good governance, Thanet District Council has:</p> <p>Managing risk</p> <ul style="list-style-type: none"> ● The Governance and Audit Committee which provides strategic oversight of the processes in place to manage risk and to identify and manage council and strategic risk. ● The Council has in place a Risk Management Strategy and Process which include robust systems of identification, evaluation and control of risks which threaten the Council's ability to meet its objectives to deliver services. ● Responsibilities for managing individual risks are devolved through CMT to Service Managers. ● The Governance and Audit Committee is responsible for considering the effectiveness of the authority's risk management arrangements. ● The Council has a very active internal Audit team, through the East Kent Audit Partnership <p>Managing performance</p> <ul style="list-style-type: none"> ● A well-established performance management framework, with various levels and frequencies for reporting. ● Performance monitoring reports that are produced periodically throughout the year. ● The format of decision making reports ensure that all relevant information is considered such as analysis of options, resource implications etc. ● Reports and minutes and decisions under member consideration are published on the website and are available in hard copy in a variety of formats on request. ● Work Programmes are developed involving all members applying the overview and scrutiny disciplines of policy review and development, call-in, added items and monthly review meetings with Cabinet members and directors.

allocation of resources, efficient service delivery and accountability.

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. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

- Overview and Scrutiny training for members is provided initially at induction, also on an annual basis or on request regarding specific subjects.

Robust internal control

- An annual report is produced by Internal Audit which provides an opinion on the Council's control environment, and a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guidance.
- Anti Fraud and Corruption Strategy which is subject to regular review and is approved by the Audit Committee.
- An annual fraud report summarises anti-fraud activity in the year.
- Annual Governance Statement (AGS) that provides a high level summary of how the Council is meeting the principles of good governance.
- The AGS is reviewed annually by the Governance and Audit Committee and the external auditors and is published prior to or at the same time as the Council's audited annual financial statements.
- An effective internal audit service is resourced and maintained through EKAP
- Internal Audit prepares and delivers a risk based audit plan which is kept under review to reflect changing priorities and emerging risks.
- The Council is subject to external Audit and inspection regimes which require action plans which are assigned to officers.
- The Governance and Audit Committee, which is independent of the Executive, oversees the management of governance issues, internal controls, risk management and financial reporting.
- Training is provided to new Governance and Audit Committee members on their role and responsibilities.
- The Constitution, through its Overview and Scrutiny Procedure Rules provides opportunities for the Overview and Scrutiny Committee to challenge and debate policy and objectives before, during and after decisions are made.

Managing data

- Effective information sharing is undertaken in accordance with the Data Protection Act and the Council's Data Protection Policy and procedures.
- The Council has a registered Data Protection Officer with the Information Commissioners' Office and communicates with the ICO for advice and information on data security as

necessary.

- The Council is a signatory to the Kent and Medway Information Sharing Agreement.
- The Council's ICT and Information Security Standards provide guidance on the arrangements that must be in place to ensure personal data is kept protected and secure.
- Information governance and security awareness with officers and members through mandatory information governance training, Council wide messages
- Data subjects are informed why their personal information is being collected and how it will be processed (including when shared with other bodies) through the Council's overall Privacy Notices published on the website and individual Privacy Statements
- Information Sharing Agreements are reviewed on a regular basis, are in place to document the sharing of information using national agreements, or inter-council protocols and agreements
- Data verification and validation processes are integrated within systems and processes.
- A system for Data Protection Impact Assessments has been put in place to ensure that data protection is considered in relevant reports.
- The Council completes external self-assessments when required

Strong public financial management

- The Medium Term Financial Plan makes a realistic assessment of the resource that growth allows and allocates that resource to create a sustainable council capable of delivering council priorities and outcomes.
- The Council has effective financial management secured through budget planning and control using a system of devolved budget management.
- Contract Procedure Rules and Financial Regulations within the Constitution set out the Council's arrangements and ensure that processes continue to operate consistently.
- Financial accountability applied through a hierarchy of reporting arrangements up to the level of full Council.
- Financial procedures documented and available for reference on the Council's TOM intranet

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

Rationale: 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.

To demonstrate its commitment to achieving good governance, Thanet District Council has:

Implementing good practice in transparency

- Agendas, reports and minutes are published on the Council's website.
- The Council publishes information on its website in accordance with the Local Government Transparency Code

Implementing good practices in reporting

- Production of Annual Reports on various areas summarising achievements in the year published on the Council's website.
- All reports, agendas and minutes are published on the Council's website
- Annual Financial Statements are produced to meet legal requirements on timeliness and accuracy; are subject to independent external audit; and published on the Council's website.

Assurance and effective accountability

- The Council responds to the findings and recommendations of Internal Audit, external Audit, Scrutiny and Inspection bodies.
- For example, the Council is currently responding to statutory recommendations made by the external auditors on 12 October 2021 under s24 of the Local Audit and Accountability Act 2014. The Council is taking immediate steps to address those recommendations.
- The relevant committees involved in scrutiny, assurance and accountability provide annual reports which are published and linked to within the Annual Governance Statement (AGS). The following annual reports are provided: Governance and Audit Committee, Overview and Scrutiny Committee, Standards Committee.
- The AGS sets out the Council's governance framework and the results of the annual review

of the effectiveness of the Council's arrangements.

- The AGS includes areas for improvement and an action plan which is reviewed and reported to quarterly meetings of the Governance and Audit Committee.
- An effective, robust and active internal Audit service is resourced and maintained through membership of EKAP.
- EKAP produces an audit plan each year setting out those areas of the Council it intends to audit. These audits are robust and rigorous
- EKAP has direct access to members and provides assurance on governance arrangements via an annual report containing an opinion on the Council's internal control arrangements.
- An annual report is produced by Internal Audit which includes a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guide to the role of the Head of Internal Audit.
- External Audit provides an annual opinion on the Council's financial statement and arrangements for securing Value for Money.