

Oxford City Council Code of Corporate Governance

DIMENSION 1 - COMMUNITY FOCUS

What the guidance says on how the principles of corporate governance should be reflected

Through carrying out their general and specific duties and responsibilities and their ability to exert wider influence, local authorities should:

- work for and with their communities
- exercise leadership in their local communities, where appropriate
- undertake an “ambassadorial” role to promote the well-being of their area, where appropriate, through maintaining effective arrangements:
 - for explicit accountability to stakeholders for the authority’s performance and its effectiveness in the delivery of services and the sustainable use of resources
 - demonstrate integrity in the authority’s dealings in building effective relationships and partnerships with other public agencies and the private/voluntary sectors
 - demonstrate openness in all their dealings
 - demonstrate inclusivity by communicating and engaging with all sections of the community to encourage active participation
 - develop and articulate a clear and up-to-date vision and corporate strategy in response to community needs.

Oxford City Council commits itself to:	How the Council will do this:
(a) publish on a timely basis an annual report presenting an objective, understandable account of the Council's: <ul style="list-style-type: none"> • activities and achievements • financial position and performance The report will include statements: <ul style="list-style-type: none"> • explaining the Council's responsibility for the financial statements • confirming that the Council complies with relevant standards and codes of corporate governance • on the effectiveness of the Council's system for risk management and internal control 	By publishing an Annual Report and Statement of Accounts that summarises activity and achievements and the financial position for the previous year.
(b) publish on a timely basis a performance plan presenting an objective, balanced and understandable account and assessment of the Council's: <ul style="list-style-type: none"> • current performance in service delivery • plans to maintain and improve service quality 	By publishing a Best Value Performance Plan in June each year and by sending summary financial performance information on to every household in Oxford in the preceding March.
(c) put in place proper arrangements for the independent review of the financial and operational reporting processes	By scrutiny from internal and external audit and the Best Value and other Inspectorates.

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DIMENSION 1 - COMMUNITY FOCUS (cont.)

Oxford City Council commits itself to:	How the Council will do this:
(d) put in place proper arrangements designed to encourage individuals and groups from all sections of the community to engage with, contribute to and participate in the work of the Council and put in place appropriate monitoring processes to ensure that they work in practice	By its commitment to consultation, participation and involvement. By working with the Local Strategic Partnership, on a Community Strategy for Oxford. By holding Area Committee and other community based meetings, periodically reviewing their effectiveness. By inviting participation on Talkback panels, and publishing City News.
(e) make an explicit commitment to openness in all of its dealings, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so, and by its actions and communications deliver an account against that commitment	By making this clear in the Council's Access to Information procedure rules in the Constitution. By having provision for the public to ask questions at Council, Executive Board and Area Committee meetings. By developing a Council publication scheme under the Freedom of Information Act.
(f) establish clear channels of communication with all sections of the community and other stakeholders, and put in place proper monitoring arrangements to ensure that they operate effectively	By its commitment to citizen/stakeholder consultation, participation and involvement. By working, with the Local Strategic Partnership, on a Community Strategy for Oxford By having a well-publicised and monitored Complaints system
(g) ensure that a vision for local communities and strategic plans, priorities, and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated	By working, with the Local Strategic Partnership, on a Community Strategy for Oxford. By having robust business planning and monitoring processes. By publishing the Best Value Performance Plan annually. By having Tenants', Pensioners' and Access forums.

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DIMENSION 2 - SERVICE DELIVERY ARRANGEMENTS

What the guidance says on how the principles of corporate governance should be reflected

A local authority should ensure that continuous improvement is sought, agreed policies are implemented and decisions carried out by maintaining arrangements which:

- discharge their accountability for service delivery at a local level
- ensure effectiveness through setting targets and measuring performance
- demonstrate integrity in dealings with service users and developing partnerships to ensure the “right” provision of services locally
- demonstrate openness and inclusivity through consulting with key stakeholders, including service users
- are flexible so that they can be kept up-to-date and be adapted to accommodate change and meet user wishes

Oxford City Council commits itself to:	How the Council will do this:
(a) set standards and targets for performance in the delivery of services on a sustainable basis and with reference to equality policies	By having a sound performance monitoring system. By publishing targets for services and performance against these in the annual Best Value Performance Plan. By committing to racial equality standards.
(b) put in place sound systems for providing management information for performance measurement purposes	Through business planning and performance management processes.
(c) monitor and report performance against agreed standards and targets and develop comprehensive and understandable performance plans	Through business planning and performance management processes.
(d) put in place arrangements to allocate resources according to priorities	By producing 3 year Business Plans and a budget that allocates revenue and capital resources to support the Council’s strategic priorities.
(e) foster effective relationships and partnerships with other public sector agencies and the private and voluntary sectors, and consider outsourcing where it is efficient and effective to do so, in delivering services to meet the needs of the local community, and put in place processes to ensure that they operate effectively in practice	By working, with the Local Strategic Partnership, on a Community Strategy for Oxford. By having a clear Procurement Policy. By considering all resourcing options as part of Best Value Reviews.
(f) respond positively to the findings and recommendations of external auditors and statutory inspectors and put in place arrangements for the effective implementation of agreed actions	By considering the District Auditor’s Annual Audit Letter and all Best Value and other Inspectorate reports at Executive Board and scrutiny committee meetings.

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DIMENSION 3 - STRUCTURE AND PROCESSES

What the guidance says on how the principles of corporate governance should be reflected

A local authority needs to establish effective political and managerial structures and processes to govern decision-making and the exercise of authority within the organisation. A local authority should maintain arrangements to:

- define the roles and responsibilities of members and officers to ensure accountability, clarity and ordering of the authority's business
- ensure that there is proper scrutiny and review of all aspects of performance and effectiveness
- demonstrate integrity by ensuring a proper balance of power and authority
- document clearly such structures and processes and ensure that they are communicated and understood to demonstrate openness and inclusivity
- ensure such structures and processes are kept up-to-date and adapted to accommodate change

Oxford City Council commits itself to:	How the Council will do this:
Balance of Power and Authority	
(a) put in place clearly documented protocols governing relationships between members and officers	By producing a Protocol on Member/Officer relations to accompany the Constitution.
(b) ensure that the relative roles and responsibilities of executive and other members, members generally and senior officers are clearly defined	As above, plus having roles & responsibilities identified in the Constitution.
Roles and Responsibilities - Members	
(c) ensure that members meet on a formal basis regularly to set the strategic direction of the Council and to monitor service delivery	By having a planned and published annual cycle of scrutiny committee and full Council meetings. By having a clear policy planning process set out in the new Constitution.
(d) develop and maintain a scheme of delegated or reserved powers, which should include a formal schedule of those matters specifically reserved for the collective decision of the Council	By including this in the Constitution.
(e) put in place clearly documented and understood management processes for policy development, implementation and review and for decision making, monitoring and control, and reporting; and formal procedural and financial regulations to govern the conduct of the Council's business	By including this in the Constitution.

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DIMENSION 3 - STRUCTURE AND PROCESSES (cont.)

Oxford City Council commits itself to:	How the Council will do this:
(f) put in place arrangements to ensure that members are properly trained for their roles and have access to all relevant information, advice and resource as necessary to enable them to carry out their roles effectively	By running an Induction Programme for new members. By encouraging members to have training before performing certain roles (e.g. dealing with staff recruitment or disciplinary issues, taking on planning matters). By having clear protocols about members' access to information.
(g) ensure that the roles of the executive members are formally defined in writing, to include responsibility for providing effective strategic leadership to the Council and for ensuring that the Council successfully discharges its overall responsibilities for the activities of the organisation as a whole	By including this in the Constitution. By making it clear what members' roles are in partnerships and on outside bodies.
(h) ensure that the roles and responsibilities of all members of the local authority, together with the terms of their remuneration and its review, are defined clearly in writing	By including this in the Constitution. By having a publicised Scheme for Members' Allowances, formed from the recommendations of an independent panel.
Roles and Responsibilities - Officers	
(i) ensure that a chief executive or equivalent is made responsible to the Council for all aspects of operational management	By designating the Chief Executive as the head of paid service and ensuring that their duties, roles and responsibilities are set out in a Job Description.
(j) ensure that a senior officer is made responsible to the Council for ensuring that appropriate advice is given to it on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control	By designating the Director of Finance as the statutory "section 151" officer (chief financial officer) and ensuring that their duties, roles and responsibilities are set out in a Job Description.
(k) ensure that a senior officer is made responsible to the Council for ensuring that agreed procedures are followed and that all applicable statutes, regulations and other relevant statements of good practice are complied with	By designating the Legal Services Business Manager as the statutory monitoring officer and ensuring that their duties, roles and responsibilities are set out in a Job Description.
(l) ensure that the roles and responsibilities of all senior officers, together with the terms of their remuneration and its review, are defined clearly in writing	By having Job Descriptions and Contracts of employment for all officers. By setting and monitoring clear objectives for officers through annual appraisals.
(m) adopt clear protocols and codes of conduct to ensure that the implications of supporting community political leadership for the whole Council are acknowledged and resolved	By producing a Protocol on Member/Officer relations to accompany the Constitution.

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DIMENSION 4 – RISK MANAGEMENT AND INTERNAL CONTROL

What the guidance says on how the principles of corporate governance should be reflected

An authority needs to establish and maintain a systematic strategy, framework and processes for managing risk. Together, these arrangements should:

- include making public statements to stakeholders on the authority’s risk management strategy, framework and processes to demonstrate accountability
- include mechanisms for monitoring and reviewing effectiveness against agreed standards and targets and the operation of controls in practice
- demonstrate integrity by being based on robust systems for identifying, profiling, controlling and monitoring all significant strategic and operational risks
- display openness and inclusivity by involving all those associated with planning and delivering services, including partners
- include mechanisms to ensure that the risk management and control process is monitored for continuing compliance to ensure that changes in circumstances are accommodated and that it remains up-to-date.

Oxford City Council commits itself to:	How the Council will do this:
(a) develop and maintain robust systems for identifying and evaluating all significant risks which involve the proactive participation of all those associated with planning and delivering services	By having a Risk Management Policy, supplemented by procedures and processes, monitored and overseen by the Chief Executive. By assessing the Council’s strategic and operational risks. By Internal audit evaluating risk in compiling the strategic and annual audit plans using a risk scoring model, in consultation with Business Managers.
(b) put in place effective risk management systems, including systems of internal control and an internal audit function. These arrangements should ensure compliance with all applicable statutes, regulations and relevant statements of best practice and should ensure that public funds are properly safeguarded and are used economically, efficiently and effectively, and in accordance with the statutory and other authorities that govern their use	By having appropriate arrangements in place for delivery of an adequate and effective Internal Audit function. By having an up-to-date, risk based Internal Audit Plan. By undertaking systematic risk assessments in all areas of Council activity. By auditing the processes for managing risk and internal control. By having Financial Regulations as part of the Constitution.
(c) ensure that services are delivered by trained and experienced people	By pursuing Investors in People accreditation. By ensuring, through staff appraisals, that all staff have a Training and Development Plan that relates to the business needs and corporate objectives, and that it is implemented. By ensuring that the Council’s risk management objectives are communicated and embraced throughout the organisation.

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DIMENSION 4 – RISK MANAGEMENT AND INTERNAL CONTROL (cont.)

Oxford City Council commits itself to:	How the Council will do this:
(d) put in place effective arrangements for an objective review of risk management and internal control, including internal audit	By an annual assessment from external audit of the adequacy of the Council's control environment (external Audit will also review the adequacy of the internal audit service as part of their annual assessment of the control environment). By having appropriate arrangements in place for delivery of an adequate and effective internal audit function and ensuring adequate reporting arrangements to safeguard its independence.
(e) maintain an objective and professional relationship with its external auditors and statutory inspectors	By the Director of Finance holding regular meetings with the Audit Commission, for audit and inspection planning reporting and ongoing liaison. A formal protocol is agreed between external and internal audit, governing the relationship and expectations on both sides.
(f) publish on a timely basis, within the annual report, an objective, balanced and understandable statement and assessment of the Council's risk management and internal control mechanisms and their effectiveness in practice	By including this within the Council's Annual Report.

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DIMENSION 5 – STANDARDS OF CONDUCT

What the guidance says on how the principles of corporate governance should be reflected

The openness, integrity and accountability of individuals within a local authority form the cornerstone of effective corporate governance. The reputation of the authority depends on the standards of behaviour of everyone in it, whether members, employees or agents contracted to it.

Therefore, members and senior officers of a local authority will need to:

exercise leadership by conducting themselves as role models for others within the authority to follow;

define the standards of personal behaviour that are expected from members and staff and all those involved in service delivery, and;

put in place arrangements to ensure:

- accountability, through establishing systems for investigating breaches and disciplinary problems and taking actions, where appropriate, including arrangements for redress
- effectiveness in practice through monitoring their compliance
- that objectivity and impartiality are maintained in all relationships to demonstrate integrity
- that such standards are documented and clearly understood to display openness and inclusivity and are reviewed on a regular basis to ensure that they are kept up-to-date.

Oxford City Council commits itself to:	How the Council will do this:
(a) develop and adopt formal codes of conduct defining the standards of personal behaviour to which individual members, officers, and agents of the Council are required to subscribe and put in place appropriate systems and processes to ensure that they are complied with	By adopting Codes of Conduct for members and officers and ensuring that their provisions are understood. By setting up a Standards Committee to advise the council and members on ethics and standards issues. By having policies for Anti-Fraud and Corruption, Complaints and Confidential Reporting (“Whistleblowing”). By ensuring that the above topics are covered when inducting new employees.
(b) put in place arrangements to ensure that members and officers of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice	Through Codes of Conduct, the Code on Contracts, the gifts and hospitality policy and Financial Regulations. By ensuring that these topics are covered when inducting new employees.
(c) put in place arrangements to ensure that its procedures and operations are designed in conformity with appropriate ethical standards, and to monitor their continuing compliance in practice	By having Codes of Conduct.
(d) put in place arrangements for whistle blowing to which staff and all those contracting with the Council have access	By having and publicising a Confidential Reporting (“Whistleblowing”) Policy.