**Corporate code of governance**

**Introduction**

*"Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people in a timely inclusive, open, honest and accountable manner. In the case of local authorities, it comprises of the systems and processes for the direction and control through which they account to, encourage with and lead their communities."*
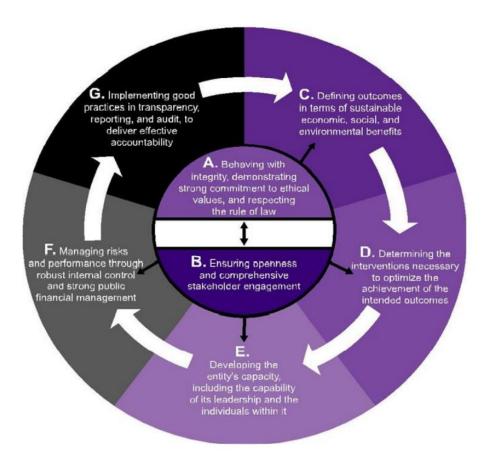 'CIPFA/SOLACE, Delivering Good Governance in Local Government – 2007'

Croydon Council has chosen to define Governance as "Doing the Right Thing".

This Code of Governance sets out the Council's commitment to work to uphold the highest possible standards of good governance.  These standards are designed to ensure that we conduct our business in accordance with the law and that public money is properly accounted for, as we work to achieve the best outcomes for our residents.

Croydon Council will annually review its Code of Corporate Governance to help ensure that it matches our evolving corporate strategies, policies and procedures.  Where practice is found to have fallen short, our Annual Governance Statement will identify this and the action being taken to put it right.  The General Purposes and Audit Committee is responsible for overseeing compliance with the standards and policies set out in this code and the implementation of improvement plans related to good governance.

**Achieving the Intended Outcomes While Acting in the Public Interest at all Times.**



The diagram above, taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the 'International Framework'), illustrates the various principles of good governance in the public sector and how these relate to each other.

The International Framework notes that:

> *Principles A and B permeate implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.*

The Council's Governance Framework is the set of systems, rules, processes, procedures and values by which the Council is directed and controlled and through which it is accountable to, engages with and, where appropriate, leads the community. The Framework enables the Council to monitor the achievement of its strategic objectives and consider whether those objectives have led to the delivery of appropriate and cost-effective services.

This Code identifies the component parts of Croydon's Governance Framework, as set against the principles of good governance in the International Framework.

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

The Council supports Principle A in the following ways:

**Behaving with integrity.**
- The **Constitution** sets out a clear statement of the respective roles and responsibilities of members and key officers individually and collectively whilst defining the organisation's approach putting this into practice. This includes the role of **Monitoring Officer**, who is responsible for promoting and developing high standards of conduct Council wide.
- The **Whistle-blowing Policy** and associated training supports all members and officers (including temporary staff and contractors) to report concerns about malpractice on a confidential basis to the Council.
- Members are required to register interests and gifts/ hospitality: the **register of members' interests and gifts/ hospitality** is published on the council's website and members are required to declare their interests at meetings. Officers are required to submit declarations of interests and a register is published on the council's website on a quarterly basis of gifts and hospitality offered to officers.
- The **Members Code of Conduct** and **Officer Code of Conduct** detail required standards of behaviour that all members and officers are required to comply with.
- The Council has a zero tolerance policy towards bribery and has introduced an **Anti-Bribery Policy** to ensure compliance with the Bribery Act.
- The Council has adopted an **Anti-Fraud and Corruption Policy** to help ensure a robust approach to investigating and combating fraud and corruption.
- The **Member Development Programme** includes training for Members on their roles and responsibilities in relation to integrity and conduct.

**Demonstrating strong commitment to ethical values.**
- Croydon Council has an agreed set of **5 Corporate Values** which all officers and members are expected to adhere to. Croydon has also adopted the Seven Principles of Public Life (**the Nolan Principles**).
- Croydon Council has an **Equality Policy Statement** detailing our commitment to equality and our expectations of all colleagues, members and relevant 3rd parties. The **Equality Strategy 2020 to 2024** sets out the actions the Council will take to tackle and address inequality. The **Equality and Inclusion Programme Manager** provides expert advice and guidance in relation to the Council's Public Sector Equality Duty and other requirements of equalities legislation.

**Respecting the rule of law.**
- The Council's **Monitoring Officer** is responsible for advising on the correctness and propriety of the Council's decisions and the Director of Legal Services provides advice to ensure that council decision-making follows relevant regulations and legal processes.
- Croydon Council's **Scheme of Financial Delegation** lays out the responsibility and accountability of officers for financial matters. The Council also delegates non-financial decisions through a series of schemes of delegation and management.

- The Council's Constitution includes a set of **Financial Regulations** and **Tenders and Contracts Regulations** to help ensure that the authority operates within a prudential financial framework. Underlying financial procedures are set out in the **Financial Procedures**.
- The statutory roles of the Head of Paid Services, Section 151 Officer and Monitoring Officer are clearly defined within the Constitution.
- Croydon has a professionally qualified **Chief Financial and Section 151 Officer (CFO),** whose core responsibilities include those set out in the CIPFA's Statement on the Role of the CFO in Local Government. The CFO reports directly to the Chief Executive and is a member of the Corporate Management Team (CMT).
- The CFO is responsible for ensuring that budget calculations are robust, reserves adequate and in accordance with CIPFA guidance. The CFO also has a line of professional accountability for finance officers within the Council and is responsible for ensuring that appropriate management accounting systems, functions and controls are in place and kept under regular review.
- The **Council's Health and Safety Policy** sets out aims, roles and responsibilities and performance standards. Each department details individual responsibilities and arrangements for implementing the policy.


**Principle B**
**Ensuring openness and comprehensive stakeholder engagement.**

The Council supports Principle B in the following ways:

**Openness.**
- Reports and decisions of the Cabinet, Council and its committees are **published online**. Executive decisions are subject to the call-in process by backbench councillors to enable them to raise any concerns they may have. Council, Cabinet and Committee meetings are webcast and an archive of meetings is available for reference.
- **Freedom of Information and Environmental Information Regulations** processes allow the submission of Freedom of Information requests.
- The Council publishes a **Forward Plan** of key decisions which are due to be made in the month ahead.
- The **Constitution** sets out the Council's governance and decision-making arrangements and is published online.
- Croydon Council actively publicises its purpose, vision, objectives and intended outcomes in the **Croydon Renewal Plan**.
- The **Annual Accounts Report** provides the financial backdrop to the past achievements of the Council, future plans and forward strategy. As part of this document, the Council publishes its accounts to communicate the authority's activities, achievements, its financial position and performance.
- The **Medium Term Financial Strategy (MTFS)** sets out the Council's financial objectives, assumptions and plans over the medium term.
- The Council's **Scrutiny and Overview Committee** produces an annual report on its work.

- The Scrutiny and Overview Committee and its sub-committees and the General Purposes and Audit Committee (GPAC) **co-opt independent members** who are residents with relevant knowledge onto their committees: GPAC additionally appoints an independent Chair for its audit functions.
- The **Croydon Observatory** provides data and information about Croydon: it is an information sharing, mapping and reporting website that can be used by anyone.
- Croydon Council's **Equalities Strategy 2020 – 2024** and **Equalities Policy Statement** sets out the Council's commitment to equality and its aims and objectives. An **Equalities Impact Analysis** is also completed to inform service design and decision-making whenever a new policy, procedure, project, strategy, function or savings proposal is considered or a change is proposed, which will impact on people with one or more characteristics as defined by the Equality Act 2010.

**Engaging comprehensively with institutional stakeholders.**
- Croydon's **Local Strategic Partnership** supports partners to coordinate priorities and actions across the borough.
- The **Health and Wellbeing Board**, **One Croydon Partnership** and **Safer Croydon Partnership** support strategic partnership working in health/ wellbeing and community safety services.

**Engaging with individual citizens and service users effectively.**
- Croydon Council undertakes a **Budget Consultation** exercise each year which gives residents and businesses the opportunity to shape the annual budget.
- The Council works to ensure all corporate communications are readily available to those that require them.  The Council's website is designed and written to exceed legal accessibility standards and to facilitate assistive technologies and tools in order to provide information in ways to suit our diverse customer base.
- The Council's '**Get involved'** platform hosts all of the Council's consultation and engagement activities and prompts services to ensure that consultees are informed about the outcomes of consultation exercises.  The Communications and Engagement team ensure that consultations posted on the platform are appropriately designed and publicised.
- Croydon provides an interpreting and translation service when required.
- The Council has a **Corporate Complaints Procedure** and annual reports to Scrutiny demonstrate improvements made in response to complaints received.  The Council also learns from feedback from the Local Government Ombudsman.

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

The Council supports Principle C in the following ways:

**Defining Outcomes.**
- The Council undertakes annual budget challenge sessions as part of the budget setting process. This is linked to departmental objectives and service planning.

- The Council has an **Equalities Strategy** and Equality Policy Statement which sets out the Council's commitment to equality, its aims and objectives. An **Equalities Impact Analysis** is also completed to inform service design and decision-making whenever a new policy, procedure, project, strategy, function or savings proposal is considered or a change is proposed, which will impact on people with one or more characteristics as defined by the Equality Act 2010.

**Sustainable economic, social and environmental benefit.**
- Reports brought to Cabinet, Council and its committees for decision are required to identify any **environmental implications** arising from the proposal.
- The **Social Value Policy 2019-23** sets out how social value is embedded in the commissioning process and includes measures to be used in contract specifications. The **Contract and Tender Regulations** include a requirement that a minimum of 10% of quality evaluation criteria assessments must be allocated for social value.
- The Council's **Local Plan** sets out the spatial vision for the borough and, supplemented by planning policies, gives the framework for the Council's work with stakeholders to shape the built environment to deliver economic, social and environmental outcomes identified within the Council's plans
- The Council has a **Performance Management System** which sets key targets and produces performance monitoring reports for Cabinet and Scrutiny. This is published online and includes performance quality measures, use of resources and value for money.

**Principle D**
**Determining the interventions necessary to optimise the achievements of the intended outcomes.**

The Council supports Principle D in the following ways:

**Determining interventions.**
- All reports brought to Cabinet, Council and its committees include consideration of legal and finance comments, and all require legal and finance clearance before publication.
- The **Croydon Renewal Plan** outlines our priorities and high level objectives over a five year period.
- Through the **Council's Constitution** we have set out a clear statement of the respective roles and responsibilities of the Council's Cabinet, the members individually and of the other committees of the Council.
- The Council recognises Unison, GMB and Unite for the purposes of representing the workforce. The Council's formal consultation arrangements are set out in the **Staff Consultation and Trade Union facility arrangements**.

**Planning interventions.**
- The Council's **performance management system** sets key targets and reports on performance monitoring to Cabinet. It sets standards for performance management within directorates and teams.
- The **Programme Management Office** monitors delivery of key transformation programmes and projects, including savings targets within the approved budget and MTFS to enable action to be taken against non-delivery where required.

- Croydon has prepared contingency arrangements including a disaster recovery plan, business continuity plan and arrangements for delivering services during emergency situations such as adverse weather conditions.

**Optimising achievement of intended outcomes.**
- Council, Cabinet and committees receive regular reports on **performance monitoring** to demonstrate the level to which intended outcomes are being achieved and any interventions planned to address non-performance
- The Council's **risk management processes and procedures** are designed to help ensure that risks to delivery of intended outcomes are appropriately mitigated.
- **Internal audit** monitors and reports on the quality and effectiveness of the Council's governance, risk management and controls and General Purposes and Audit Committee provides independent assurance of the risk management framework and associated controls, informed by the reports of external audit.

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

The Council supports Principle E in the following ways:

**Developing the entity's capacity.**
- The **Workforce Strategy** sets out the Council's actions to attract, recruit and retain talent, improving equality, diversity and inclusion and developing leaders and managers.
- The Workforce Strategy also includes arrangements to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Council.  Approximately 45% of full-time members of the workforce are from the local community.
- The Council's **Appraisal scheme** is used to set stretching objectives for officers that are linked to team, departmental and Corporate objectives. The Appraisal process is also used to assess the skills and competencies needed by officers to enable them to fulfil their roles fully.
- It is mandatory for all new starters to complete the **Council Induction Programme** (Inspire) which has been tailored to meet individual needs: this is supported by a manager's dashboard and checklist to ensure all required induction elements are addressed.
- Croydon Council has a **Member Development Programme** which includes arrangements for member induction and supports members to take control of their own learning and development.  Mandatory training is provided for members of regulatory committees.
- Both Members and officers can access the **Croydon Learning Pool** which provides access to e-learning and other development resources.

**Developing the capability of the Council's leadership and other individuals.**
- Croydon Council has a **Member Development Programme** which includes arrangements for Member induction and supports Members to take control of their own learning and development.

- A Learning and Development Board supervises the expenditure of centralised training budgets to ensure that resources are targeted towards statutory responsibilities and delivery of the Croydon Renewal Plan.
- Staff networks for Racial Equality, Disability, LGBT+ allies, Mental health and wellbeing, Women and Working carers are sponsored by members of the leadership team and others, providing network members with personal and career support.

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

The Council supports Principle F in the following ways:

**Managing risk.**
- The **General Purposes & Audit Committee** scrutinises arrangements for the internal control and risk management environment within the organisation.  It receives reports relating to whistleblowing, anti-fraud and corruption and oversees the work of internal and external audit.
- The Council's **Risk Management process** is designed to identify, assess and manage significant risks to the Council's objectives.  The process includes corporate, departmental and project risk registers and appropriate training delivered to risk owners.
- The Corporate Management Team reviews the corporate risk register on a monthly basis and GPAC reviews the 'red' risks on the corporate register every second meeting.
- The Council's **Resilience Team** and **Corporate Resilience Board** are focused on emergency planning, business continuity preparedness and response capability in line with the Civil Contingencies Act and associated guidance.  The Council also chairs the statutory multi-agency **Borough Resilience Forum**.

**Managing performance.**
- The Council's **performance management system** sets key targets and reports on performance monitoring to Cabinet.  It sets standards for performance management within directorates and teams.
- Compliance with the **Members Code of Conduct** is monitored under the direction of the Council's Ethics Committee.
- The Council's **Appraisal** system enables the consistent setting and monitoring of performance against individual targets.

**Robust internal control.**
- The Statutory Officer Board provides a forum for the Council's statutory officers to share concerns and risks related to potential serious issues affecting the Council's governance or financial performance and their statutory roles.
- General Purposes and Audit Committee is responsible for providing independent assurance of the Council's control environment.
- The Scrutiny and Overview Committee is responsible for holding the Executive to account.

- **Internal Audit** routinely assesses the adequacy of the Council's governance, risk management and controls. This assessment is fed back to Services and Divisions and responded to as required.
- The Council's **Whistle-blowing Procedure** allows officers to anonymously raise concerns about malpractice.
- The Council's Governance arrangements give the Chief Financial Officer and the Head of Internal Audit direct access to the General Purposes and Audit Committee and External Audit.

**Managing data.**
- Croydon's Council has an internal **Information Management Team** (IMT) whose practices are overseen by Croydon's Chief Information Officer and Senior Information Risk Owner (SIRO). This team manages and maintains appropriate Policies, Guidance, security measures etc.
- An **Information Management Steering Group (IMSG)**, chaired by the Chief Information Officer and SIRO, oversees the management of risks associated with information and data management and delivery of plans for training and improvement. The Group also oversees the development of information security and information management policies, reporting to the Corporate Management Team.
- As part of Croydon's new starter induction there is a mandatory Information Management training course and officers are required to complete a refresher on an annual basis.
- When introducing new processes or amending a current procedure a **Privacy Impact Assessment** must be completed, which has IMT's oversight.   Reports to Cabinet, Council and its committees are required to identify whether the proposal has any implications for processing personal data and/or any data protection implications.
- Croydon's Information Management Steering Group meets Bi-Monthly to review and discuss any appropriate concerns.
- The Council uses industry leading technologies to protect its data, with security solutions modelled on ISO/IEC27001, the international standard for information security management.
- The Officer Code of Conduct states that failing to observe data protection requirements may amount to a disciplinary offence, which will be dealt with under the Council's disciplinary procedure.

**Strong public financial management.**
- Croydon has a professionally qualified **Chief Financial and Section 151 Officer (CFO),** whose core responsibilities include those set out in the CIPFA's Statement on the Role of the CFO in Local Government.
- The **Finance Review Board** oversees all expenditure decisions.
- The **Strategic Contracts and Commissioning Board** provides strategic direction for all procurement and commissioning activities across the Council and the **Procurement Board** oversees daily activity.
- The **Financial Regulations and Financial Procedures** give a clear transparent framework for managing the Council's financial affairs, and **Contract and Tender Rules** ensure compliance with procurement legislation.
- The Cabinet receives monthly **budget monitoring reports**.

- **Scrutiny and Overview Committee** scrutinises budget proposals in terms of their deliverability and impact on the Council's objectives.  The Committee also routinely receives budget monitoring reports.
- All proposals considered by Cabinet, the Council and its committees include a statement of financial implications, cleared by the Chief Finance Officer.
- **General Purposes and Audit Committee** is responsible for considering the Council's arrangements for financial management and to recommend any actions accordingly.  It receives regular reports such as internal audit plans and risk management arrangements and it approves the Council's Statement of Accounts and Treasury Policy.

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

The Council supports Principle G in the following ways:

**Implementing good practice in transparency.**
- The Council's **Constitution** publishes how its affairs will be conducted and how residents can get involved.  It includes rules on access to information.
- The Council webcasts its public meetings.
- The Members' and Officers' **Codes of Conduct**, supported by **Declaration of Interest Guidance** provide arrangements for members and officers to declare any potential or actual conflicts of interests.
- The **Annual Governance Statement** provides an annual report on the Council's arrangements for financial and internal control as well as managing risk and identifies areas for improvement and associated actions. This is published on the Council's website.
- The Council publishes **all payments over £500 and procurement card transactions monthly**, and the remuneration details of the Corporate Management Team and directors in the annual Statement of Accounts and on its website.
- The Council publishes a **Forward Plan** of key decisions which are due to be made in the month ahead and its scrutiny workplan.
- The Council's **Pay Policy** and **gender pay gap** are published on its website.

**Implement good practices in reporting.**
- Cabinet and Scrutiny and Overview Committee receive regular reports on budget, performance and risk.
- Annual reports from the independent chairs of adults and children's safeguarding boards are considered by Cabinet.

**Assurances and effective accountability.**
- The **Officer Code of Conduct** and the **Members Code of Conduct** define the standards of conduct and personal behaviour expected of members and officers.
- The **HR Handbook** includes all HR-related policies and procedures, including appraisal, probation, discipline, capability and absence management.
- The organisation can be seen to be encouraging openness and honesty within the **Whistle-blowing Procedure,** this allows officers to anonymously raise concerns about

malpractice.  This is supported by a programme of **Guardians** who provide staff with a safe space to share concerns about behaviour or culture at the Council.

- **Internal Audit** provides independent assurances to management on the effectiveness of the Council's internal control, governance and risk arrangements.  The Head of Internal Audit attends departmental leadership team meetings regularly to report on the latest internal audit reports and any outstanding actions from previous audits.