

HERTFORDSHIRE COUNTY COUNCIL CODE OF CORPORATE GOVERNANCE

INTRODUCTION

Hertfordshire County Council is committed to demonstrating the highest standards of Corporate Governance. Good governance leads to good management, good performance, effective use of resources, good public involvement and ultimately good outcomes.

The Council's Code of Corporate Governance ("the Code") comprises a range of documents, policies, procedures, cultures and values and is the system through which the business of the Council is directed and controlled. The Code underpins the aim of achieving good governance.

CORPORATE GOVERNANCE FRAMEWORK

The corporate governance framework of Hertfordshire County Council is consistent with the principles of the CIPFA/SOLACE best practice framework *Delivering Good Governance in Local Government 2016 (the most current version)*. The following **seven core governance principles** ensure that we have high standards of good governance.

- 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 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.

This document describes how the Council demonstrates its commitment to these core principles and indicates where more information can be obtained. The Code is reviewed annually to ensure that the Council is complying with the Code and to identify any areas where the governance arrangements can be improved

CODE OF GOVERNANCE PRINCIPLE A

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

This core principle is supported by three supporting principles:

- Behaving with integrity
- Demonstrating strong commitment to ethical values
- Respecting the rule of the law

What The Council Does	How it Demonstrates This
Ensures that the Council's leadership sets and reinforces the tone of the organisation by creating a climate of openness, support and respect.	<ul style="list-style-type: none"> • Protocol for Relationships between Members and Officers – which comprises and Annex to the Constitution • Member Code of Conduct • Code of Conduct for Officers
Defines the personal behaviour expected of elected Members and Officers.	<ul style="list-style-type: none"> • Member Code of Conduct • Code of Conduct for Officers • Anti-fraud and Corruption Strategy • Anti-Bribery Policy • Preventing Tax Evasion Policy • Anti-Money Laundering Policy
Puts in place arrangements to ensure that conflicts of interest are declared and if necessary the Member / Officer does not participate in decision-making.	<ul style="list-style-type: none"> • Member Code of Conduct • Code of Conduct for Officers • Register of Members' Disclosable Pecuniary Interests and personal interests as set out in the Code of Conduct for Members – Available on each Member's contact page. • Register of officer interests in contracts • Guidance to officers and members who are directors of companies in which the Council has an interest
Develops and maintain shared values including values for both the organisation and Officers and communicate these with Members, Officers, the community and partners.	<ul style="list-style-type: none"> • Values and Behaviours • Corporate Plan 2017-2021
Uses the Council's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority.	<ul style="list-style-type: none"> • Values and Behaviours
Maintains an effective Standards Committee.	<ul style="list-style-type: none"> • Standards Committee Terms of Reference – as set out in the Constitution
Has in place effective systems to enable staff and others to identify any potential wrong	<ul style="list-style-type: none"> • Whistleblowing policy • Mechanisms for reporting fraud and

<p>doing and to protect staff should they raise areas of concern.</p>	<p>corruption</p>
<p>Ensures that professional advice on matters that have legal or financial implications is available in advance of decision making.</p>	<ul style="list-style-type: none"> • Senior lawyers and senior finance officers review reports going to member decision making meetings • Lead officers for projects have responsibility to engage with legal services and finance to ensure that legal and finance advice is secured for their projects
<p>Ensures that all officers are appropriately trained on specific legislative and other requirements for their service areas and also on the key principles of administrative law.</p>	<ul style="list-style-type: none"> • Performance Management and Development Scheme and the related training and development programmes

CODE OF GOVERNANCE PRINCIPLE B

Ensuring openness and comprehensive stakeholder engagement

This core principle is supported by three supporting principles:

- Openness
- Engaging comprehensively with institutional stakeholders
- Engaging with individual citizens and service users effectively

What The Council Does	How it Demonstrates This
Encourages all sections of the community and other stakeholders to participate in our work through public consultation.	<ul style="list-style-type: none"> • Constitution • 'Your Hertfordshire' publication • The Council's website • Webcast of Council Meetings • Petitions Scheme • Citizens Panel
Produces an annual report on the activities of scrutiny committees.	<ul style="list-style-type: none"> • Overview and Scrutiny Annual Report
Holds meetings in public unless there is to be discussion of matters of a confidential nature.	<ul style="list-style-type: none"> • Council, Cabinet, Cabinet Panel, Committee and Scrutiny meetings are all held in public unless considering exempt information as certified by the Monitoring Officer. • Webcast of Council Meetings
Makes all information publicly available unless it is exempt by law.	<ul style="list-style-type: none"> • Open Public Data • Constitution • The Council's website • Webcast of Council Meetings • Freedom of Information (FOI) • Environmental Information Regulations (EIR)
Ensures that clear channels of communication are in place with all sections of the community and other stakeholders and put in place monitoring arrangements to ensure these operate effectively.	<ul style="list-style-type: none"> • 'Your Hertfordshire' publication • Forward Plan of Key Decisions • Consultation on major policy developments • Annual Report • Residents' Tracker Survey (Citizens' Panel) • Petitions Scheme • Public questions at Council meetings • Freedom of Information (FOI) • Environmental Information Regulations (EIR) • Whistleblowing policy
Ensures that Officers are regularly consulted and invite comments from Officers on a wide	<ul style="list-style-type: none"> • Biennial Staff Survey • Consultation with Recognised Trade

range of issues.	Unions
------------------	--------

CODE OF GOVERNANCE PRINCIPLE C

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

This core principle is supported by two supporting principles:

- Defining outcomes
- Sustainable economic, social and environmental benefits

What The Council Does	How it Demonstrates This
Defines and promote its purpose and vision.	<ul style="list-style-type: none"> • Hertfordshire Corporate Plan 2017-2021
Reviews annually its purpose and vision to reflect its financial position and other major policy changes.	<ul style="list-style-type: none"> • Integrated Planning Process • Annual review of Corporate Plan
Works with its partners on an agreed common vision for all its partners.	<ul style="list-style-type: none"> • Herts Forward • Local Enterprise Partnership • Health and Well Being Board
Communicates on a regular basis the Council's key performance data, achievements and financial position.	<ul style="list-style-type: none"> • Annual Report • Quarterly Finance and Performance Reports • Resources and Performance Cabinet Panel and Cabinet • Public Health and Prevention Cabinet Panel • Annual Audit Letter • Council Tax Information Sheet and on-line Council Tax Leaflet
Ensures that each service area reviews on a regular basis its objectives and priorities.	<ul style="list-style-type: none"> • Departmental Service Plans – link to objectives in the Corporate Plan • Integrated Planning Process
Puts in place effective arrangements to identify and deal with failure in service delivery.	<ul style="list-style-type: none"> • Complaints procedures • Overview and Scrutiny Committee / Topic Groups • Whistle blowing policy/ Reporting Fraud and Corruption
Uses national benchmarking of value for money and needs based evidence to regularly review and shape corporate priorities and supporting financial plans effectively.	<ul style="list-style-type: none"> • Integrated Planning Process
Addresses the environmental impact of its	<ul style="list-style-type: none"> • Energy reduction targets for the authority

policies, plans and decisions.

CODE OF GOVERNANCE PRINCIPLE D

Determining the interventions necessary to optimise the achievement of the intended outcomes

This core principle is supported by three supporting principles:

- Determining interventions
- Planning interventions
- Optimising achievements of intended outcomes

What The Council Does	How it Demonstrates This
Defines and promote its purpose and vision.	<ul style="list-style-type: none"> • Hertfordshire Corporate Plan 2017-2021
Reviews annually its purpose and vision to reflect its financial position and other major policy changes.	<ul style="list-style-type: none"> • Integrated Planning Process • Annual review of Corporate Plan
Communicates on a regular basis the Council's key performance data, achievements and financial position.	<ul style="list-style-type: none"> • Annual Report • Quarterly Finance and Performance Reports • Resources and Performance Cabinet Panel and Cabinet • Public Health and Prevention Cabinet Panel • Annual Audit Letter • Council Tax Information Sheet and on-line Council Tax Leaflet
Ensures risk management process is applied at all levels of the organisation.	<ul style="list-style-type: none"> • Risk Management Guide • Annual Risk Management report to Audit Committee • Corporate and Departmental risk registers
Ensures that each service area reviews on a regular basis its objectives and priorities.	<ul style="list-style-type: none"> • Departmental Service Plans – link to objectives in the Corporate Plan
Puts in place effective arrangements to identify and deal with failure in service delivery.	<ul style="list-style-type: none"> • Complaints procedures • Overview and Scrutiny Committee / Topic Groups • Whistleblowing Policy • Mechanisms for reporting fraud and corruption
Ensures resilience with regard to continuity of service in the event of unforeseen events.	<ul style="list-style-type: none"> • Corporate and departmental business continuity and disaster recovery plans and arrangements

CODE OF GOVERNANCE PRINCIPLE E

Developing the County Council's capacity, including the capability of its leadership and the individuals within it

This core principle is supported by two supporting principles:

- Developing the County Council's capacity
- Developing the capability of the County Council's leadership and other individuals

What The Council Does	How it Demonstrates This
Sets out in clear terms how the respective roles and responsibilities of the Cabinet and of the Cabinet Members are allocated between the Leader, Cabinet and Council Officers.	<ul style="list-style-type: none"> • The Constitution • Protocol for Relationships between Members and Officers – which is an Annex to the Constitution • Scheme of Delegation to Officers– which comprises an Annex to the Constitution
Sets out in clear terms the general responsibilities of elected Members and senior Officers and how they perform non-executive functions such as development control.	<ul style="list-style-type: none"> • Constitution • Code of Practice for Councillors and Officers Involved in the Planning Process– which comprises an Annex to the Constitution • Forward Plan of Key Decisions
Sets out how decisions are made and which decisions are reserved to the Full Council. Determine a scheme of delegation to Chief Officers, including those decisions which are not included in their delegated powers and are reserved to Council or Cabinet.	<ul style="list-style-type: none"> • Constitution • Scheme of Delegation to Officers – which comprises an Annex to the Constitution
Makes the Chief Executive responsible and accountable for all aspects of operational management.	<ul style="list-style-type: none"> • The Chief Executive is the designated Head of Paid Service for the Authority • Fortnightly meetings of the Chief Executive with the Leader and/or Deputy Leader
Makes the Director of Resources (as section 151 officer) responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.	<ul style="list-style-type: none"> • Section 151 Officer responsibilities – specified in the Constitution
Adopts a protocol for relationships between Members and Officers which ensures proper and effective relationships.	<ul style="list-style-type: none"> • Protocol for Relationships between Members and Officers – which comprises an Annex to the Constitution • Staff induction • Member Code of Conduct • Code of Conduct for Officers • Political awareness training programme

Makes the Chief Legal Officer (as Monitoring Officer) responsible for the Council Constitution and for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.	<ul style="list-style-type: none"> Monitoring Officer responsibilities – specified in the Constitution
Sets out the terms and conditions for the remuneration of Members and Officers.	<ul style="list-style-type: none"> Constitution Members' allowances scheme Pay Policy Statement
Ensures that service delivery is effectively monitored.	<ul style="list-style-type: none"> Regular reports to Resources and Performance Cabinet Panel, Public Health and Prevention Cabinet Panel and Service Cabinet Panels
Consults widely on its vision, strategic plans and priorities and take into account the views of the local community and key stakeholders.	<ul style="list-style-type: none"> Budget consultation Consultation on major policy developments Citizens' Panel ('Hert of the Matter')
Ensures that when working in partnership that elected Members are clear about their legal responsibilities and liabilities.	<ul style="list-style-type: none"> Advice given to Members by Senior Officers
Ensures that where the Council enters into a partnership there is a written agreement between the parties clearly setting out the roles and responsibilities, including responsibilities for staffing and funding.	<ul style="list-style-type: none"> Chief Officer / Chief Legal Officer support to partnership arrangements
Provides induction programmes for Members and Officers.	<ul style="list-style-type: none"> Members' Development Programme Members' Online Learning Staff induction
Ensures statutory officers have the resources and support to effectively perform their roles.	<ul style="list-style-type: none"> Section 151 Officer and the Monitoring Officer have a statutory right to be provided with sufficient support and so are able to raise the issue formally if they consider that they do not have adequate resources to enable them to undertake their roles
Assesses the learning and development needs of Officers and Members and make a commitment to meet those needs and develop required skills.	<ul style="list-style-type: none"> Performance Management and Development Scheme Members' Development Programme Members' Online Learning
Identifies leaders of the future.	<ul style="list-style-type: none"> Leadership and Management Development Deputy Cabinet Members
Provides support for Members and Officers who are Directors of Council companies.	<ul style="list-style-type: none"> Training and advice given as

	required/necessary
--	--------------------

CODE OF GOVERNANCE PRINCIPLE F

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

This core principle is supported by five supporting principles:

- Managing risk
- Managing performance
- Robust internal control
- Managing data
- Strong public financial management

What The Council Does	How it Demonstrates This
Maintains an effective scrutiny function which is aimed at improvement and service delivery.	<ul style="list-style-type: none"> • Constitution • Overview and Scrutiny Committee, Health Scrutiny Committee and Topic Groups
Maintains effective arrangements for recording decisions.	<ul style="list-style-type: none"> • Forward Plan of Key Decisions • Record of Key Decisions • Minutes of Council, Cabinet, Cabinet Panel and Committee meetings • Webcast of Council Meetings • Scheme of Delegation to Officers – comprising an Annex to the Constitution
Puts in place arrangements to ensure that decisions are not affected by conflict of interest.	<ul style="list-style-type: none"> • Member and Officer Codes of Conduct • Guidance to officers and members who are directors of companies
Maintains an effective Audit Committee that is independent of executive and scrutiny functions.	<ul style="list-style-type: none"> • Audit Committee Terms of Reference – as set out in the Constitution
Ensures that an effective and accessible complaints procedure is in place.	<ul style="list-style-type: none"> • Complaints procedures and guidance on website • Management of Unreasonable Complainant Behaviour Policy • Whistleblowing Policy • Mechanism for reporting fraud and corruption
Ensures that those involved in making decisions are provided with all relevant advice and implications.	<ul style="list-style-type: none"> • Section 151 Officer advice Monitoring Officer advice • Senior officers in Legal Services and Finance review all reports going to members for decision
Ensures risk management process is applied	<ul style="list-style-type: none"> • Risk Management Guide • Annual Risk Management report to Audit

<p>at all levels of the organisation.</p>	<p>Committee</p> <ul style="list-style-type: none"> • Corporate and Departmental risk registers
<p>Ensures that whistle blowing arrangements are in place for all employees and those contracting with the authority.</p>	<ul style="list-style-type: none"> • Whistleblowing Policy • Mechanisms for reporting fraud and corruption
<p>Maintains an effective process for reviewing the requirements of the law, the legality of transaction, decisions and the impact of new laws.</p>	<ul style="list-style-type: none"> • Constitution • Monitoring Officer's responsibilities – as set out in the Constitution

CODE OF GOVERNANCE PRINCIPLE G

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

This core principle is supported by three supporting principles:

- Implementing good practice in transparency
- Implementing good practices in reporting
- Assurance and effective accountability

What The Council Does	How it Demonstrates This
Maintains an effective scrutiny function which is aimed at improvement and service delivery.	<ul style="list-style-type: none"> • Constitution • Overview and Scrutiny Committee, Health Scrutiny Committee and Topic Groups
Maintains an effective Audit Committee that is independent of executive and scrutiny functions.	<ul style="list-style-type: none"> • Audit Committee Terms of Reference – as set out in the Constitution
Has a robust approach to the provision of Internal and External Audit.	<ul style="list-style-type: none"> • Has a dedicated Audit Committee that approves the Authority's Internal and External Audit Plans • Progress on Audit Recommendations is presented to the Audit Committee which reserves the right to call officers to the Committee to account for any delays in the implementation of recommendations and delivery of agreed management actions. • The work of the Internal Audit Service is independently assessed as complying with the Public Sector Internal Audit Standards
Makes all information publicly available unless it is exempt by law.	<ul style="list-style-type: none"> • Open Public Data • Constitution • The Council's website • Freedom of Information (FOI) • Environmental Information Regulations (EIR) • Webcast of Council Meetings
Ensures that Officers are regularly consulted and invite comments from Officers on a wide range of issues.	<ul style="list-style-type: none"> • Biennial Staff Survey • Employee Representatives • Consultation with Recognised Trade Unions
Holds meetings in public unless there is to be discussion of matters of a confidential	<ul style="list-style-type: none"> • Council, Cabinet, Cabinet Panel, Committee and Scrutiny meetings are all held in public unless considering exempt

nature.	<p>information as certified by the Monitoring Officer.</p> <ul style="list-style-type: none"> • Webcast of Council Meetings
---------	--

<p>Ensures that clear channels of communication are in place with all sections of the community and other stakeholders and put in place monitoring arrangements to ensure these operate effectively.</p>	<ul style="list-style-type: none"> • 'Your Hertfordshire' publication • Freedom of Information (FOI) • Environmental Information Regulations (EIR) • • Forward Plan of Key Decisions • Consultation on major policy developments • Annual Report • Residents' Tracker Survey (Citizens' Panel) • Petitions Scheme • Public questions at Council and Panel meetings • Whistleblowing policy • Mechanisms for reporting fraud and corruption
<p>Communicates on a regular basis the Council's key performance data, achievements and financial position.</p>	<ul style="list-style-type: none"> • Annual Report • Quarterly Finance and Performance Reports • Resources and Performance Cabinet Panel and Cabinet • Public Health, Prevention and Performance Cabinet Panel • Annual Audit Letter • Council Tax Information Sheet and on-line Council Tax Leaflet
<p>Sets out how decisions are made and which decisions are reserved to the Full Council. Determine a scheme of delegation to Chief Officers, including those decisions which are not included in their delegated powers and are reserved to Council or Cabinet.</p>	<ul style="list-style-type: none"> • Constitution • Scheme of Delegation to Officers set out in an Annex to the Constitution • Forward Plan of Key Decisions
<p>Makes the Director of Resources (as Section 151 officer) responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p>	<ul style="list-style-type: none"> • Section 151 Officer responsibilities – as set out in the Constitution