

APPENDIX (Minute 3 Refers)

1. Corporate Governance is defined as the leadership, direction and control of the organisation to ensure it achieves its agreed aims and objectives and in so doing serves the public's best interests with integrity. In 2004 the Council adopted a Code of Corporate Governance based on that set out in the CIPFA/SOLACE document "A Keystone for Community Governance".
2. In 2004 the Independent Commission on Good Governance in Public Services was established and supported by the Office for Public Management (OPM), the Chartered Institute of Public Finance and Accountancy (CIPFA), in partnership with the Joseph Rowntree Foundation. The role of the Commission was to develop a common code and set of principles for good governance across public services. This code was published in January 2005 and is incorporated within the Council's Code of Corporate Governance.
3. The Code presents six principles of good governance that are common to all public service organisations and are intended to help all those with an interest in public governance to assess good practice.
4. The following table identifies the key elements of each of these six principles, those that the Council has adopted and, where appropriate, the key documents/processes that ensure the overall arrangements made by the Council for assuring its corporate governance meets current best practice. The main document is the Constitution itself.
5. These arrangements are reviewed annually, the review and any consequent necessary action being reported to and agreed by the Audit Committee. Audit Committee approval to the latest version of the Council's Code of Corporate Governance was given on [insert date].

Code of Corporate Governance THE COUNCIL'S COMMITMENT	DOCUMENTS/PROCESSES IN PLACE TO SUPPORT COMPLIANCE:
<p>1. Good governance means focusing on the organisation's purpose and on outcomes for citizens and service users</p> <p>1.1 Being clear about the organisation's purpose and its intended outcomes for citizens and service users</p> <p>1.2 Making sure that users receive a high quality service</p> <p>1.3 Making sure that taxpayers receive value for money (VFM)</p>	<p>There is a clear statement of the organisation's purpose, which is used as a basis for planning</p> <ul style="list-style-type: none"> • Vision for Kent • The Next Four Years document • Annual Plan • Local Area Agreements • Public Service Agreement 2 • Directorate Business Plans <p>The Council constantly reviews the decisions it takes, making sure that they further the organisations purpose and contribute to the intended outcomes for citizens and service users:</p> <ul style="list-style-type: none"> • Policy Overview Committees • Cabinet Scrutiny <p>The Council measures the quality of service for users and makes sure that it has the information it needs to review service quality effectively and regularly:</p> <ul style="list-style-type: none"> • Best Value Performance Indicators • Next Four Years Targets and Pis <p>Processes are in place to hear the views of users and non-users from all backgrounds and communities about their needs, and the views of service users from all backgrounds about the suitability and quality of services.</p> <p>The information is used when making decisions about service planning and improvement:</p> <ul style="list-style-type: none"> • Kent Resident's Panel • Consultation Strategy and Index • Comments & Complaints Procedure <p>The Council measures VFM and makes sure that the information it needs to review VFM effectively, including information about similar organisations for comparison, is available.</p>

<p>2. Good governance means performing effectively in clearly defined functions and roles</p> <p>2.1 Being clear about the functions of the Council</p> <p>2.2 Being clear about the responsibilities of non-executives and the executive Members, and making sure that those responsibilities are carried out</p> <p>2.3 Being clear about relationships between the Members of the Council and the public</p>	<p>The Council sets out clearly in the Constitution its approach to performing each of the functions of governance and has a process for holding the executive to account</p> <ul style="list-style-type: none"> • Cabinet Scrutiny • Standards Committee <p>The Council is clear on its decision accountability process and sets out a clear statement of the respective roles of its Cabinet Members and members of the Council:</p> <ul style="list-style-type: none"> • Decision Making Process • The Constitution <p>The role of the Leader of the Council and the Chief Executive are separate and laid out within the Constitution:</p> <ul style="list-style-type: none"> • The Constitution <p>The Council engages effectively with the public and service users to understand their views and used this information to inform decision making:</p> <ul style="list-style-type: none"> • Consultation Strategy
<p>3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour</p> <p>3.1 Putting organisational values into practice</p>	<p>The Council takes the lead in establishing and promoting values for the organisation and its staff. These values are over and above legal requirements (for example, anti-discrimination, equal opportunities and freedom of information legislation) and build on the Good Governance principles. They reflect public expectations about the conduct and behaviour of individuals and groups who control public services:</p> <ul style="list-style-type: none"> • Constitution – Members’ Code of Conduct • Equalities Policy – Cabinet endorsed • Freedom of Information – KCC policy to allow information to be accessible • Standards Committee

<p>3.2 Individual Members of the Council behaving in ways that uphold and exemplify effective governance</p>	<p>Members live up to approved guides to ethical conduct and demonstrate through their behaviour that they are focusing on their responsibilities to the organisation and its stakeholders:</p> <ul style="list-style-type: none"> • Constitution – Members’ Code of Conduct • Standards Committee
<p>4. Good governance means taking informed, transparent decisions and managing risk</p> <p>4.1 Being rigorous and transparent about how decisions are taken</p> <p>4.2 Having and using good quality information, advice and support</p> <p>4.3 Making sure that an effective risk management system is in operation</p>	<p>The Council has a formal statement that specifies the types of decisions that are delegated to the executive and those that are reserved for the full Council:</p> <ul style="list-style-type: none"> • Constitution • Decision Making Process <p>The Council states clear objectives for making their decisions. In their public record of decisions and in explaining them to stakeholders, the Council is explicit about the criteria, rationale and considerations on which decisions are based, and, in due course, about the impact and consequences of decisions.</p> <p>Information and professional advice on legal and financial matters is available and used:</p> <ul style="list-style-type: none"> • Decision Making Process • Delegations Procedure • Financial Regulations Procedure <p>The Council operates an effective system of risk management. This includes:</p> <ul style="list-style-type: none"> • Identifying key strategic, operational and financial risks • Assessing the possible effects that the identified risks could have on the organisation • Assessing risks arising from partnership arrangements that could have an impact upon the organisation or its responsibilities to the community • Agreeing on and implementing appropriate responses to the identified risks • Putting in place a framework of assurance from different sources, to show that risk management processes, including responses, are working effectively

	<ul style="list-style-type: none"> • Reporting publicly on the effectiveness of the risk management system including a plan to tackle any significant issues • Making it clear that Cabinet carries ultimate responsibility for the risk management system • Risk Management Strategy • Risk registers • Annual Statement of Internal Control • External and Internal Audit review of Risk Management
<p>5. Good governance means developing the capacity and capability of the governing body to be effective</p> <p>5.1 Making sure that elected Members have the skills, knowledge and experience they need to perform well</p> <p>5.2 Developing the capability of all Members with governance responsibilities and evaluating their performance, as individuals and as a group</p>	<p>The Council is committed to developing the skills that it has decided its Members need, so that they can carry out their roles more effectively:</p> <ul style="list-style-type: none"> • Member Training Plan • Member Induction Programme <p>Individual Members are held to account for their contribution through regular performance reviews:</p> <ul style="list-style-type: none"> • Annual Reports <p>The Council regularly reviews its performance, assesses its ways of working and achievements and agrees an action plan:</p> <ul style="list-style-type: none"> • Next 4 Years • Comprehensive Performance Assessment
<p>6. Good governance means engaging stakeholders and making accountability real</p> <p>6.1 Understanding formal and informal accountability relationships</p> <p>6.2 Taking an active and planned approach to dialogue with and accountability to the public</p>	<p>The Council has made it clear, to itself and to staff, to whom it is accountable and for what. It has assessed the extent to which each relationship serves its purpose, including whether any relationships need to be strengthened and whether any dominate to the detriment of serving the purpose of the organisation and being accountable to other stakeholders.</p> <p>The Council as a whole seeks and welcomes feedback, and ensure that it responds quickly and responsibly to comment.</p>

<p>6.3 Taking an active and planned approach to responsibility to staff</p>	<p>Complaints are a vital and necessary part of feedback, and there is clear leadership on handling and resolving them, and ensuring the lessons learnt are used to improve the service:</p> <ul style="list-style-type: none"> • Consultation Strategy • Complaints Procedure <p>The Council has a clear policy on when and how it consults and involves staff and their representatives in decision making. It has a system in place to protect the rights of staff and has a Whistle Blowing policy.</p> <p>Each year the Council publishes the organisation's purpose, strategy, plans and financial statements, as well as information about the organisation's outcomes, achievements and the satisfaction of service users in the previous period:</p> <ul style="list-style-type: none"> • Annual Plan • Annual accounts
<p>6.4 Engaging effectively with institutional stakeholders</p>	<p>The Council takes the lead in forming and maintaining relationships with the leaders of other organisations as a foundation for effective working relationships at operational levels.</p> <ul style="list-style-type: none"> • Kent Partnership • Public Service Board