

**Appendix B –
HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**



INTRODUCTION

- Hertfordshire County Council is committed to high standards of good 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*. The following **six core principles** ensure that we have high standards of good governance.

1. Focusing on the **purpose of the Council**; on **outcomes for the community**; and creating and implementing a **vision for the local area**.
2. Members and Officers **working together** to achieve **common purposes** with clearly **defined functions and roles**.
3. Promoting **values for the Council** and demonstrating the values of good governance through upholding **high standards of conduct and behaviour**.
4. Taking **informed and transparent decisions** which are subject to **effective scrutiny and risk management**.
5. **Developing the capacity and capability** of Members and Officers to be effective.
6. Engaging with local people and other stakeholders to ensure **robust public accountability**.

This document describes how the Council demonstrates its commitment to these six core principles and indicates where more information can be obtained.¹ 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.

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| CODE OF GOVERNANCE PRINCIPLE 1 | |
|--|---|
| Focusing on the purpose of the Council; on outcomes for the community; and creating and implementing a vision for the local area. | |
| <p>This core principle is supported by three supporting principles:</p> <ul style="list-style-type: none"> • Exercising strategic leadership by developing and clearly communicating the Council’s purpose and vision and its intended outcome for citizens. • Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioners. • Ensuring that the Council makes best use of resources and that tax payers and service users receive excellent value for money. | |
| THE COUNCIL’S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
| <i>The Council will:</i> | |
| <ul style="list-style-type: none"> • define and promote its purpose and vision; | Hertfordshire Corporate Plan 2013-17 |
| <ul style="list-style-type: none"> • review annually its purpose and vision to reflect its financial position and other major policy changes; | Integrated Planning Process Review of Corporate Plan |
| <ul style="list-style-type: none"> • work with its partners on an agreed common vision for all its partners; | Local Strategic Partnership Herts Forward Local Enterprise Partnership Health and Well Being Board Sustainable Community Strategy |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| CODE OF GOVERNANCE PRINCIPLE 1 | |
|--|--|
| Focusing on the purpose of the Council; on outcomes for the community; and creating and implementing a vision for the local area. | |
| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
| <ul style="list-style-type: none"> communicate on a regular basis the Council's key performance data, achievements and financial position; | Annual Report Quarterly Finance and Performance Reports Policy and Resources Panel and Cabinet Annual Audit Letter Council Tax Information Sheet and on-line Council Tax Leaflet |
| <ul style="list-style-type: none"> ensure that each service area reviews on a regular basis its objectives and priorities; | Departmental Service Plans – link to objectives in the Corporate Plan |
| <ul style="list-style-type: none"> put in place effective arrangements to identify and deal with failure in service delivery; | Complaints procedures Overview and Scrutiny Committee / Topic Groups Whistle blowing policy/ Reporting fraud and corruption |
| <ul style="list-style-type: none"> use national benchmarking of value for money and needs based evidence to regularly review and shape corporate priorities and supporting financial plans effectively; and | Integrated Planning Process |
| <ul style="list-style-type: none"> address the environmental impact of its policies, plans and decisions. | Energy reduction targets for the authority |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 2

Members and Officers working together to achieve common purposes with clearly defined functions and roles.

This core principle is supported by three supporting principles:

- Ensuring effective leadership throughout the Council and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.
- Ensuring that a constructive working relationship exists between Council Members and Officers and that the responsibilities of Council Members and Officers are carried out to a high standard.
- Ensuring relationships between the Council, its partners and the public are clear so that each knows what to expect of the other.

THE COUNCIL'S COMMITMENT

THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS

The Council will:

- | | |
|--|---|
| <ul style="list-style-type: none"> • set out in clear terms how the respective roles and responsibilities of the Executive and of the Executive Members are allocated between the Leader, Cabinet and Council Officers; | Constitution Protocol for Relationships between Members and Officers – Annex 16 to the Constitution Scheme of Delegation to Officers– Part 3 of Annex 3 to the Constitution |
|--|---|

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 2

Members and Officers working together to achieve common purposes with clearly defined functions and roles.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|---|--|
| <ul style="list-style-type: none"> • set out in clear terms the general responsibilities of elected Members and senior Officers and how they perform non executive functions such as development control; | Constitution Code of Practice for Councillors and Officers Involved in the Planning Process– Annex 21 to the Constitution |
| <ul style="list-style-type: none"> • set 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; | Constitution Scheme of Delegation to Officers – Part 3 of Annex 3 to the Constitution Forward Plan of Key Decisions |
| <ul style="list-style-type: none"> • make the Chief Executive responsible and accountable for all aspects of operational management; | Head of Paid Service – Section 10 of the Constitution Fortnightly meetings with the Leader or Deputy Leader |
| <ul style="list-style-type: none"> • make 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; | Section 151 Officer responsibilities – Section 10 of the Constitution |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 2

Members and Officers working together to achieve common purposes with clearly defined functions and roles.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|--|--|
| <ul style="list-style-type: none"> • make 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; | Monitoring Officer responsibilities – Section 10 of the Constitution |
| <ul style="list-style-type: none"> • adopt a protocol for relationships between Members and Officers which ensures proper and effective relationships; | Protocol for Relationships between Members and Officers – Annex 16 to the Constitution Staff induction Member Code of Conduct Officer Code of Conduct Political awareness training programme |
| <ul style="list-style-type: none"> • set out the terms and conditions for the remuneration of Members and Officers; | Constitution Members' allowances scheme Pay Policy Statement Pay Practice Guide |
| <ul style="list-style-type: none"> • ensure that service delivery is effectively monitored; | Regular reports to Policy and Resources Panel and Service Panels |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 2

Members and Officers working together to achieve common purposes with clearly defined functions and roles.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|--|--|
| <ul style="list-style-type: none"> • consult widely on its vision, strategic plans and priorities and take into account the views of the local community and key stakeholders; | Budget consultation Consultation on major policy developments Citizens' Panel |
| <ul style="list-style-type: none"> • ensure that when working in partnership that elected Members are clear about their legal responsibilities and liabilities; and | Advice given to Members |
| <ul style="list-style-type: none"> • ensure that where it 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. | Chief Officer / Chief Legal Officer support to partnership arrangements |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| CODE OF GOVERNANCE PRINCIPLE 3 | |
|--|---|
| Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour. | |
| This core principle is supported by two supporting principles: | |
| <ul style="list-style-type: none"> • Ensuring the Council’s members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and governance. • Ensuring that organisational values are put into practice and are effective. | |
| THE COUNCIL’S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
| <i>The Council will:</i> | |
| <ul style="list-style-type: none"> • ensure that the Council’s leadership sets and reinforces the tone of the organisation by creating a climate of openness, support and respect; | Protocol for Relationships between Members and Officers – Annex 16 to the Constitution Member Code of Conduct Officer Code of Conduct |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| CODE OF GOVERNANCE PRINCIPLE 3 | |
|--|--|
| Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour. | |
| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
| <ul style="list-style-type: none"> define the personal behaviour expected of elected Members and Officers; | Member Code of Conduct Officer Code of Conduct |
| <ul style="list-style-type: none"> put in place arrangements to ensure that conflicts of interest are declared and if necessary the Member / Officer does not participate in decision-making; | Member Code of Conduct Officer Code of Conduct Register of Members' Disclosable Pecuniary Interests – Available on each Member's contact page. Register of officer interests in contracts |
| <ul style="list-style-type: none"> develop and maintain shared values including values for both the organisation and Officers and communicate these with Members, Officers, the community and partners; | Values and Behaviours |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| CODE OF GOVERNANCE PRINCIPLE 3 | |
|---|--|
| Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour. | |
| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
| <ul style="list-style-type: none"> • use 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; and | Values and Behaviours |
| <ul style="list-style-type: none"> • maintain an effective Standards Committee. | Standards Committee Terms of Reference – Section 9 of the Constitution |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 4

Taking informed and transparent decisions which are subject to effective scrutiny and risk management.

This core principle is supported by four supporting principles:

- Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.
- Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants and needs.
- Ensuring that an effective risk management system is in place.
- Using legal powers to the full benefit of the citizens and communities in the area.

THE COUNCIL'S COMMITMENT

THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS

The Council will:

- | | |
|---|--|
| <ul style="list-style-type: none"> • maintain an effective scrutiny function which is aimed at improvement and service delivery; | Constitution Overview and Scrutiny Committee and Topic Groups |
|---|--|

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

| | |
|--|---|
| <ul style="list-style-type: none">• maintain effective arrangements for recording decisions; | Forward Plan of Key Decisions Record of Key Decisions Minutes of Council, Cabinet, Cabinet Panel and Committee meetings Scheme of Delegation to Officers – Part 3 of Annex 3 to the Constitution |
|--|---|

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 4

Taking informed and transparent decisions which are subject to effective scrutiny and risk management.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|---|---|
| <ul style="list-style-type: none"> • put in place arrangements to ensure that decisions are not affected by conflict of interest; | Member Code of Conduct Officer Code of Conduct |
| <ul style="list-style-type: none"> • maintain an effective Audit Committee that is independent of executive and scrutiny functions; | Audit Committee Terms of Reference – Paragraph 2.5 of Annex 3 to the Constitution |
| <ul style="list-style-type: none"> • ensure that an effective and accessible complaints procedure is in place; | Complaints procedures Management of Unreasonable Complainant Behaviour Policy Whistle blowing policy / Reporting fraud and corruption |
| <ul style="list-style-type: none"> • ensure that those involved in making decisions are provided with all relevant advice and implications; | Section 151 Officer advice – Section 10 of the Constitution Monitoring Officer advice – Section 10 of the Constitution |
| <ul style="list-style-type: none"> • ensure risk management process into all levels of the organisation; | Risk Management Guide Annual Report to Audit Committee Risk Register |
| <ul style="list-style-type: none"> • ensure that whistle blowing arrangements are in place for all employees and those contracting with the authority; and | Whistle blowing policy / Reporting fraud and corruption |
| <ul style="list-style-type: none"> • maintain an effective process for reviewing the requirements of the law, the legality of transaction, decisions and the impact of new laws. | Constitution Monitoring Officer's responsibilities – Section 10 of the Constitution |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 5

Developing the capacity and capability of Members and Officers to be effective.

This core principle is supported by three supporting principles:

- Making sure that Members and Officers have the skills, knowledge, experience and resources they need to perform well in their roles.
- Developing the capability of people with governance responsibilities and evaluating their performance.
- Encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources for balancing continuity and renewal.

THE COUNCIL'S COMMITMENT

THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS

The Council will:

- | | |
|--|---|
| <ul style="list-style-type: none"> • provide induction programmes for Members and Officers; | Members' Development Programme Members' Online Learning Staff induction |
| <ul style="list-style-type: none"> • ensure statutory officers have the resources and support to effectively perform their roles; | Section 151 Officer – Section 10 of the Constitution Monitoring Officer – Section 10 of the Constitution |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 5

Developing the capacity and capability of Members and Officers to be effective.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|--|---|
| <ul style="list-style-type: none"> • assess the learning and development needs of Officers and Members and make a commitment to meet those needs and develop required skills; | Performance Management and Development Scheme Members' Development Programme Members' Online Learning |
| <ul style="list-style-type: none"> • identify leaders of the future; | Leadership and Management Development, Deputy Executive Members |
| <ul style="list-style-type: none"> • provide support for Members and Officers who are Directors of Council companies; | Training and advice given as required/necessary |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 6

Engaging with local people and other stakeholders to ensure robust public accountability.

This core principle is supported by three supporting principles:

- Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.
- Taking an active and planned approach to dialogue, with accountability to the public to ensure effective and appropriate service delivery whether directly by the council, in partnership or by commissioning.
- Making best use of human resources by taking an active and planned approach to meet responsibilities for employees.

THE COUNCIL'S COMMITMENT

THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS

The Council will:

- | | |
|--|--|
| <ul style="list-style-type: none"> • encourage all sections of the community and other stakeholders to participate in our work through public consultation; | <p>Herts Horizons The Council's website (HertsDirect) Constitution Petitions Scheme Citizens Panel</p> |
| <ul style="list-style-type: none"> • produce an annual report on the activities of scrutiny committees; | <p>Overview and Scrutiny Annual Report</p> |

**HERTFORDSHIRE COUNTY COUNCIL
CODE OF CORPORATE GOVERNANCE**

CODE OF GOVERNANCE PRINCIPLE 6

Engaging with local people and other stakeholders to ensure robust public accountability.

| THE COUNCIL'S COMMITMENT | THE KEY DOCUMENTS AND ACTIONS THAT DEFINE AND SPECIFY HOW THE COUNCIL WILL DELIVER THIS |
|--|---|
| <ul style="list-style-type: none"> hold meetings in public unless there is to be discussion of matters of a confidential nature; | <p>Council, Cabinet, Cabinet Panel, Committee and Scrutiny meetings are all held in public unless considering exempt information as certified by the Monitoring Officer.</p> |
| <ul style="list-style-type: none"> make all information publicly available unless it is exempt by law; | <p>Open Public Data Constitution</p> |
| <ul style="list-style-type: none"> ensure 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; and | <p>Herts Horizons 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 Annual Report</p> |
| <ul style="list-style-type: none"> ensure that Officers are regularly consulted and invite comments from Officers on a wide range of issues. | <p>Bright Ideas Annual Staff Survey Employee Representatives Consultation with Recognised Trade Unions</p> |