West Wiltshire District Council

Local Code of Corporate Governance

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Introduction

Corporate Governance is defined as "the system by which local authorities direct and control their functions and relate to their communities".

West Wiltshire District Council has a key role in leading and governing its local communities, and as such is committed to the highest standards of corporate governance in all its practices and processes. High standards of governance underpin credibility and confidence in elected members and officers. The intention of this Code is to make transparent to its stakeholders the Council's commitment to the principles of good corporate governance by providing open and explicit evidence of how these principles are applied within the Council's processes.

The Council is committed to engaging the community in the decisions it takes, upholding the highest standards of probity and accounting openly to its stakeholders for its actions, performance and outcomes.

This Local Code of Corporate Governance is based on the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) Framework *Corporate Governance in Local Government: A Keystone for Community Governance.* The Code is supported by the Local Government Association and the Audit Commission. The Council has reviewed its existing corporate governance arrangements against this Framework, has prepared and adopted this Local Code and will ensure its practical application through regular assessment.

The Council will publish an annual Statement of Internal Control in its Statement of Accounts and refer to it in its Performance Plan. This will cover compliance with our Local Code, monitoring effectiveness during the year and any changes planned in future years.

Basic Principles of Good Governance

The three fundamental principles of corporate governance (as defined by the Cadbury Committee) are:

- **Openness and inclusivity**
  All stakeholders have the opportunity to engage effectively in the decision-making processes and actions of the Council. Transparency and openness are achieved through consultation and providing access to full, accurate and clear information.

- **Integrity**
  Based on honesty, selflessness and objectivity, integrity requires the highest standards of probity and propriety in the stewardship of the Council's funds and all aspects of its performance. West Wiltshire District Council has an effective control framework and expects its officers and members to comply with professional and local codes of conduct.

- **Accountability**
  West Wiltshire District Council, its officers and members, is responsible for all decisions and actions taken on its behalf, including its stewardship of public funds and all aspects of its performance. The Council has clearly defined all roles and responsibilities through its structure and constitution.

The three principles are delivered through leadership. West Wiltshire District Council is committed to providing a vision for its community, and ensuring that its members and managers conduct themselves in accordance with the highest standards.

Risk Management Policy

West Wiltshire District Council recognises the need to take all reasonable measures to safeguard its resources and protect service delivery.

The Council will identify, evaluate and control risks to ensure that they are eliminated, transferred or reduced to an acceptable level.

It is acknowledged that all risk can not be totally eliminated but action can be taken to reduce both insured and uninsured losses suffered by the Council.

A balance has to be struck between risks that can be tolerated, those managed internally and those covered by Insurance.

The Council will identify all strategic and operational business risk through a comprehensive internal risk review process involving service managers and members. This information will be used to formulate a matrix of potential risks, taking into account likelihood, severity and control.

The matrix will be prioritised and used to determine a programme of risk management activity for the year, which will be co-ordinated and supervised by the Risk Management Group. The matrix and overall process will be subject to regular monitoring throughout the year by the Corporate Management Team.

The identification and evaluation of risks is an ongoing process within the Council and all staff are responsible for identifying the risks arising from the activities they perform and the responsibilities they hold. The Council will ensure that all staff are aware of risk and risk management and that specific training is supplied to those staff who manage particular risks as an element of their responsibilities. Reporting and communication of risks and their management will form a standard component of the Council's organisational management framework.

The Council will perform an annual review of risk management effectiveness and an annual Risk Management report will be presented to Corporate Management Team and Audit Committee.

Reporting arrangements:

Policy set by Council
Policy recommended by Cabinet
Policy developed by Risk Management Group
Monitoring and review by Corporate Management Team, Internal Audit and Audit Committee
Identification and operational management of risk by Risk Management Group, service managers and members.