

# **Local Code of Corporate Governance**

**West London Waste Authority**

**July 2016**

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## 1.0 INTRODUCTION

- 1.1 Corporate governance is the system by which the West London Waste Authority (the Authority) directs and controls its functions and relates to the community it serves.
- 1.2 It is a framework of arrangements i.e. policies, management systems, procedures, structures, culture and values that together, direct and control the way in which the Authority manages its business, determines its strategies and objectives, and sets about delivering its services to meet those objectives for the greater good of its community. This extends to how the organisation accounts to, engages with and, where appropriate, leads its community.
- 1.3 The Authority is committed to demonstrating good corporate governance. To this end the Authority applies the principles identified by CIPFA and SOLACE in their April 2016 publication/guidance “Delivering Good Governance”.
- 1.5 The Authority will report periodically on its intentions, performance and financial position as well as on the arrangements in place to ensure good governance is always exercised and maintained.

## 2.0 THE PRINCIPLES OF CORPORATE GOVERNANCE

- 2.1 CIPFA and SOLACE identify 7 core principles:
- 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 practice in transparency, reporting, and audit to deliver effective accountability

Appendix 1 lists the key arrangements in place to ensure the application of these principles of good governance.

## 3.0 MONITORING, REPORTING AND REVIEW

- 3.1 Ensuring good corporate governance is the responsibility of the whole

Authority. However to formalise the process, the Authority has an Audit Committee that is primarily responsible for monitoring and reviewing the corporate governance arrangements.

- 3.2 The Audit Committee supports the Authority in its responsibilities for issues of risk control and governance. This Committee is tasked with ensuring that an effective system of internal control operates throughout the organisation. The Committee recommends to the Authority a suitable Annual Governance Statement.
- 3.3 Annually it will review the effectiveness of its system of internal control. This review seeks to -
- identify principal risks to the achievement of Authority objectives
  - identify and evaluate key controls to manage principal risks
  - obtain assurances of the effectiveness of key controls
  - evaluate assurances and identify gaps in control/assurances

This review is part of the preparatory process for the Annual Governance Statement which the Committee will recommend to the Authority. The Audit Committee receives assurance on the effectiveness of controls from the Head of Internal Audit (Hillingdon).

- 3.4 Following the annual review of effectiveness of the system of internal control an Annual Governance Statement (AGS) will be published as part of the Annual Financial Statements (Final Accounts) for the Authority. The AGS will provide an overall assessment of the corporate governance arrangements in the Authority.
- 3.5 To reflect the Authority's commitment to the continuous improvement of its system of internal control an Action Plan will be drawn up in response to any significant control weakness identified in the AGS. The Audit Committee will monitor progress on this Action Plan.
- 3.6 The governance arrangements will be reviewed regularly to ensure they are relevant and up to date

Appendix 1

<b>Local Code of Corporate Governance</b>							
<b>Examples of systems, processes, documentation and other arrangements demonstrating compliance with the CIPFA principles. The Authority:</b>	<b>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>	<b>B. Ensuring openness and comprehensive stakeholder engagement</b>	<b>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>	<b>D. Determining the interventions necessary to optimise the achievement of the intended outcomes</b>	<b>E. Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>	<b>F. Managing risks and performance through robust internal control and strong public financial management</b>	<b>G. Implementing good practice in transparency, reporting, and audit to deliver effective accountability</b>
Approves an Annual Governance Statement affirming the effectiveness of governance arrangements and compliance with the code	✓					✓	✓
Operates in accordance with Standing Orders, a constitution which defines the manner of conducting business including standards, meetings, declarations, scrutiny and decision making	✓	✓	✓	✓	✓	✓	✓
Applies a Member Code of Conduct which identifies the values and behaviours and provides the rules in relation to standards and complaints	✓						
Follows a Protocol on Relationships between Councillors and Officers providing clarity about the relevant roles and responsibilities together with communication processes	✓		✓	✓	✓		

Works to the Officer / Staff Code of Conduct which sets the expected standards and behaviours	✓						
Requires Member and employee declaration of any interests or gifts in the Staff and Member Registers of Interest and Register of Gifts & Hospitality	✓						
Requires annual Member and Officer declarations in relation to related party transactions	✓						
Provides protection to employees and a process for raising concerns through a Whistleblowing policy	✓						
Sets the role, responsibilities and scope of audit Committee activities and membership	✓					✓	
Sets the rules and regulations for undertaking financial activities within the Authority	✓					✓	
Gives clarity to employees around lawful activity through an Anti-Bribery and Counter Fraud policy	✓				✓		
Applies HR Policies and Procedures covering recruitment, job descriptions, training , induction of new employees and members, appraisal and discipline	✓				✓		
Ensures fair treatment and equal opportunity through an Equalities and Diversity Policy	✓						
Shares values with Members, employees and the community through a Communication Strategy	✓	✓					
Provides a channel for complaints and feedback to improve what we do	✓	✓					
Publishes agenda and minutes from Authority meetings including decision making		✓	✓			✓	✓
Publishes key governance documents showing how the Authority operates and is governed		✓					✓
Reviews, prepares and publishes a business plan detailing		✓	✓	✓	✓		✓

the visions and setting out the objectives for the medium term							
Sets and publishes the financial strategy through the long and medium term financial plans which reflect the application and deliverability of the business plan		✓	✓	✓			✓
Prepares and publishes annual Budget setting out the plans for the year and budget monitoring information showing performance		✓	✓	✓	✓		✓
Consider and evaluate options and opportunities to ensure achievement of goals				✓			
Publishes annual Accounts detailing the annual performance and financial position and benchmarking results, with particular emphasis on costs		✓			✓	✓	✓
Publishes information providing transparency in accordance with the local government transparency code		✓					✓
Holds public meetings and require good reason for agenda items to be treated confidentially		✓	✓				
Works with unions to agreed wide ranging employment policies including how staff and their representatives are consulted and involved in decision-making		✓	✓				
Identifies key stakeholders and holds regular Borough Partnership meetings which include monitoring, scrutiny and engagement opportunities		✓	✓				
Invites Borough Partners to participate in in procurement activities		✓	✓				
Maintains the Authority website providing access to information and services		✓					✓
Operates and develops a Joint Waste Management Strategy in partnership with constituent Boroughs		✓	✓				

Scrutinises regular reports monitoring the progress towards its goals			✓				
Undertakes procurement and capital investment in accordance with Tenders and Contracts Regulations requiring analysis and full specification of long terms considerations			✓	✓			
Manages its risks through the operation of a Risk Management Policy and regular consideration and review of risks at meetings of Chief Officers and Audit Committee meetings			✓		✓	✓	
Operate a Scheme of Delegation to Officers to ensure the proper running of the business				✓			✓
Uses the Access to Information Policy and Procedure Rules to set out the requirements for information including timescales				✓		✓	
Sets targets and monitors key performance indicators to ensure operations are undertaken effectively to deliver annual targets, taking corrective action where necessary				✓	✓	✓	
Engages and shares knowledge with comparable organisations and groups (National Association of Waste Disposal Officers)					✓		
Sets an IT Strategy to ensure the business has the technology and tools for the effective delivery of operations and services					✓		
Uses the six constituent boroughs' member development and training plans build capacity within the Authority					✓		
Undertakes formal risk assessments at each of the locations of employment and for a range of activities and where appropriate utilising health and safety and other						✓	



advisors							
Produces a forward plan of all the information to be considered at Authority meetings and requirements for Officer reports to support decision making						✓	
Sets an annual internal audit plan and revolving medium term plan to ensure assurance is obtained and reported to Audit Committee regarding all areas of the Authority's activities						✓	✓
Employs a Manager to act as the designated person responsible for data protection, data management, policies and procedures						✓	