



Code of Corporate Governance

1 Introduction

- 1.1 Farnham Town Council is committed to the principles of good corporate governance and wishes to confirm its ongoing commitment and intentions through the development, adoption and continued maintenance of a Code of Corporate Governance.
- 1.2 Farnham Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards; ensuring that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.
- 1.3 This document therefore sets out and describes the Council's commitment to corporate governance. It identifies the arrangements that have been made, and will continue to be made, to ensure its effective implementation and application in all aspects of the Council's work.

2 What is Corporate Governance?

- 2.1 For the purpose of this Code, Farnham Town Council has accepted the definition of Corporate Governance as follows:- "Corporate governance is the system by which local authorities direct and control their functions and relate to their communities".
- 2.2 In so far as it is appropriate for the Town and Parish tier of local government, Farnham Town Council follows the CIPFA/SOLACE Governance Framework Core Principles. The six core principles referred to in the Framework are:
 - Focussing on the purpose of the Authority and on outcomes for the Community and creating and implementing a vision for the local area – the Council's Vision and Key Objectives were agreed at Council on 1st December 2011 and can be found at www.farnham.gov.uk;
 - Members and Officers working together to achieve a common purpose with clearly defined functions and roles;
 - Promoting values for the Council and demonstrating the values of good governance through upholding high standard of conduct and behaviour;
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
 - Developing the capacity and capability of Members and Officers to be effective – the Council has a proactive attitude to training, promoting training for Councillor and Officers to ensure that its business is conducted in the most efficient and effective manner; and

- Engaging with local people and other stakeholders and professionals where appropriate, to ensure robust accountability.

2.3 Farnham Town Council recognises that effective local government relies upon establishing and maintaining the confidence of the public in both the elected Members and Officers of the Council. It further recognises that the setting of high standards of self-governance provides a clear and demonstrable lead to both our existing and potential partners and therefore provides the basis of effective community governance.

3 The Principles

3.1 Farnham Town Council positively recognises and accepts the following underlying principles of good governance:

- Transparency, openness and inclusivity
- Integrity
- Accountability
- Risk management
- Continuous improvement by developing the capacity of officers and members

3.2 In order to comply with these principles, the Council undertakes to ensure that systems and processes are continually monitored and reviewed.

3.3 The need for effective leadership is acknowledged as providing the keystone to corporate governance and as such, the principles can only be achieved if effective leadership is demonstrated through:

- Providing a vision for the community and leading by example in decision making and other processes and actions; and
- Members and Officers conducting themselves in accordance with high standards of conduct.

4 The Vision of the Council

4.1 Farnham Town Council is determined to continuously improve the services it delivers and to meet the wider needs and aspirations of the community.

4.2 Farnham Town Council's vision for 2011-15, agreed in December 2011, is that "The Council should be seen as being the influential and effective voice for Farnham, bringing together the views of all organisations working for the good of the Town". The Council aims to be an effective organisation providing high quality, sustainable services and facilities for the residents and businesses of Farnham, with a strong and respected voice representing Farnham's best interests.

4.3 Key objectives agreed for the Council term 2011-15 were to:

- Fight for better infrastructure for the town including roads, transport, education, improved air quality and better access for pedestrians;
- Deliver improvements which make visible difference in the town, including a greener environment with more trees in the town centre and at other key locations;
- Progress the production of a Neighbourhood Plan which will meet the needs of Farnham residents now and in the future;
- Bring the Cemetery Chapels back into use, explore terms for bringing back assets bought by the people of Farnham into local management and ownership (eg Gostrey Meadow);

- Strive to seek out funding from other sources, particularly by increasing fees and charges and through securing funds from other bodies such as Surrey CC eg by acting as an agent for local service delivery; and
- Ensure the Town Council continues to achieve value for money in all services being provided locally, spending every pound as if it were our own.

4.4 In delivering the vision and objectives, Farnham Town Council will:

- Provide services and events which local people need and support;
- Promote the interests of all the members of our local community and ensure that the community in Farnham is better prepared to face the future;
- Ensure that the qualities that make Farnham a special place are protected and enhanced
- Aim for excellence and seek to provide the highest quality of service; and
- Work towards being an efficient and well managed organisation that continuously improves.

5 Farnham Town Council's Values

Farnham Town Council will seek to work in the following ways:

- Be open, honest and transparent;
- Improve efficiency by valuing the contributions of all staff and councillors and volunteers;
- Work with partners and other local organisations to create added value and synergy; and
- Promote effective communication both internally and externally

6 Engaging with the Community

Farnham Town Council will measure its effectiveness by:

- Reviewing services, contracts and risk on a regular basis;
- Undertaking regular resident and customer consultation through coffee mornings, the Annual Town Meeting, information stalls at events and through satisfaction surveys;
- Members of the public are encouraged to attend Full Council and to ask questions or make statements about services provided by the Council;
- Reviewing performance and management of progress against targets and achievements; and
- Monitoring compliments and complaints as a measure of user satisfaction.

7 Functions and Activities:

Farnham Town Council recognises that:

- The success and integrity of the Council's activities is derived from understanding the needs of the Farnham, including social, economic and environmental considerations, as well as the needs, requirements and aspirations of its citizens, customers and service users;
- The importance of having defined roles and responsibilities of Members and Officers and appropriate structures which make effective use of scarce resources, allows challenge and change, including organisational and political collaboration, and promotes a strong and sustainable partnership between Members and Officers; and
- The principles of strong and effective governance and community leadership will deliver the measurable benefits for Farnham and its citizens.

8 Corporate Governance at Farnham:

8.1 In order to comply with the principles of governance set out above, it is vital that these are reflected in each aspect of the Council's undertakings. For the purposes of corporate governance the following areas of focus will be pursued;

- Community Focus;
- Service delivery arrangements focussed on value for money and effectiveness;
- Structures and Processes;
- Risk Management and Internal Control; and
- Standards of Conduct.

8.2 This Code of Corporate Governance specifically seeks to identify the action to be taken for each of these areas

8.2.1 **Community Focus** – Farnham Town Council will:

- Work for and with the community of Farnham;
- Exercise leadership in the community, where appropriate;
- Undertake an ambassadorial role to promote the well-being of Farnham where appropriate;
- Communicate with all sections of the community;
- Publish an Annual Report on activities and performance; and
- Publish an Annual Statement of Accounts.

8.2.2 **Service Delivery Arrangements** - Farnham Town Council will:

- Ensure that continuous improvement is sought;
- Ensure that agreed policies are implemented; and
- Foster effective relationships and partnerships with the public and private sectors.

8.2.3 **Structures and Processes** Farnham Town Council will:

- Maintain effective political and managerial structures and processes to govern decision making; and
- Maintain clearly documented protocols governing relationships between Members and Officers.

8.2.4 **Risk Management and Internal Control** – Farnham Town Council will:

- Establish and maintain a systematic approach and process for managing risk. The Council is committed to ensure that effective risk management is an integral part of all of the Council's activities. This contributes to the successful management and delivery of the Council's corporate objectives and supports its strategic direction through informed decision-making. The Council reviews risks annually at officer, working group and Council levels to ensure risk is effectively managed. The Council has sought to embed effective risk management into its culture, processes and structure to ensure that opportunities are maximised. The Council encourages managers to identify, assess and manage risks, and learn to accept the right risks;
- Appoint independent Internal Auditors to ensure the internal control processes operating throughout the authority are effectively reviewed and tested on a systematic basis;
- Work with BDO, the appointed External Auditors, who will provide the authority and the public with an independent external opinion annually as to the accuracy and integrity of the financial statements and the effectiveness of Farnham Town Council's internal control systems;
- As part of its ongoing commitment to ensure it mitigates risk and has effective and up to date risk management in place, Farnham Town Council has engaged Ellis

Whittam to provide Health & Safety Risk Management and advice. As part of this contract a new Health and Safety Policy has been developed and implemented. Ellis Whittam also advises on any areas of best practice and changes that may be necessary; and

- The Council will carry insurance in such amounts and in respect of such perils as will provide protection against significant losses, where insurance is required by law or contract and in other circumstances where risks are insurable and premiums cost-effective.

8.2.5 **Standards of Conduct** – Farnham Town Council’s Members and Management Team will:

- Exercise leadership by conducting themselves as role models for others within the authority to follow;
- Define the standards of personal behaviour that are expected from Members and staff and all those involved in service delivery;
- Maintain a Member Officer protocol for effective working arrangements; and
- Put in place and maintain arrangements to deal with conduct which falls below expected standards.

8.2.6 **Code of Conduct for Councillors**

Farnham Town Council has adopted a new Model Code of Conduct following the implementation of the Localism Act 2011. Members of Council have made declarations in accordance with Code or the previous code and completed Notifications of Disclosable Pecuniary Interests. Copies of Members’ declarations are available on the Farnham website. The Farnham Code is in line with the Waverley Borough Council Code, and any breaches of the Code would be investigated by the Waverley Standards Committee.

8.2.7 **Openness and Reporting on Corporate Governance at Farnham**

Farnham Town Council will:

- Ensure that the Code of Corporate Governance is made available to all Members and Officers, and is made publicly available through the use of the Council’s website, local Council information points etc.;
- Review the Code of Corporate Governance annually;
- Carry out budget monitoring on a regular basis, with reports being submitted to the Strategy and Finance Working Group by the Responsible Financial Officer and Clerk to the Council; and
- Consider and review internal and external audit reports at least annually.

9 The facilitation of policy and decision-making.

9.1 The Council meets nine times a year, defining corporate policy and making decisions in relation to all recommendations from the Working Groups. The Council has five Working Groups to ensure the effective management of its business which are:

- Strategy and Finance
 - Infrastructure Planning Task Group
 - Offices Task Group
 - HR Panel
- Cemeteries and Appeals
- Community Enhancement
- Tourism and Events
- Planning and Licensing Consultative Group

- 9.2 The Working Groups manage agreed areas of responsibility and each has its own Terms of Reference which are reviewed regularly. All Working Group decisions are reported as recommendations to Full Council for adoption. The Planning and Licensing Consultative Group is delegated, in tandem with the Town Clerk, to pass comments to the Planning and Licensing authority, on behalf of the Council.
- 9.3 The Council operates within a framework of Standing Orders and Financial Regulations to ensure that decision making is efficient, transparent and accountable. The Council adopted new Standing Orders in March 2012 and reviewed its Financial Regulations in March 2013 to ensure that they meet the requirements of new legislation and current best practice. Copies of these documents can be viewed on the Council's website.
- 9.4 In order to ensure compliance with established policies, procedures, laws and regulations, Councillor training is undertaken as appropriate to ensure that Members are informed on matters relating to the sector. Qualified officers including the Clerk to the Council, who is also the Responsible Finance Officer (and acts as the Council's Section 151 Officer), ensure that proper arrangements are in place to make certain that the Council complies with relevant procedures, laws and regulations. The Clerk to the Council, Team Leaders and other staff actively participate in programmes of continuing professional development.

Date of Code

This Code of Governance was reviewed and approved by the Full Council on Thursday 17 April 2014.

Signed:

Councillor Patrick Blagden CBE
Mayor

Iain Lynch
Clerk to the Council