**Local Code of Corporate Governance**

1. **Introduction**
   1. The Lake District National Park Authority is responsible for ensuring that its business is conducted according to the law and with proper standards. It is also responsible for ensuring that public money is safeguarded, properly accounted for and that it is used efficiently and effectively. In order to meet these responsibilities the Authority needs to put in place proper arrangements for the governance of its business and for the stewardship of its resources. This Local Code of Corporate Governance sets out how the Authority will address these challenges.
   2. For the purpose of this local code, the Authority has adopted the definition of Corporate Governance as stated in the CIPFA/SOLACE framework document “Delivering Good Governance in Local Government - 2016”:

**“Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.**

**To deliver good Governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity’s objectives while acting in the public interest at all times.**

**Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.”**

* 1. Governance is more than making sure that things do not go wrong or fixing them if they do. Good governance adds value; it ensures effectiveness in ever changing circumstances. The Authority recognises that effective governance is essential if it is to establish and maintain public confidence in the organisation and if the Authority is to provide effective leadership and engage successfully with its partners.
  2. The principal objective of a code is to increase credibility, accountability and public confidence in local authorities and all public bodies are encouraged to adopt a local code. A local code helps us:
* To develop a framework for Corporate Governance for the National Park Authority based on good practice and external guidance
* To demonstrate compliance with the principles of good governance
* To continuously improve our effectiveness through an annual review of performance against the framework with an action plan to address weaknesses
* To feed the results of the above into our annual governance statement
  1. The Lake District National Park Authority is responsible for ensuring that its business is conducted according to the law and with proper standards. It is also responsible for ensuring that public money is safeguarded, properly accounted for and that it is used economically, efficiently and effectively. The Authority also has a duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In order to meet these responsibilities the Authority needs to put in place proper arrangements for the governance of its business and for the stewardship of its resources. This Local Code of Corporate Governance sets out how the Authority will address these challenges.
  2. In preparing this local code the Authority has had regard to the CIPFA/SOLACE framework and guidance note which is intended to be followed as best practice for developing and maintaining a local code of governance.

1. **Core Principles in Summary**

2.1 The main body of this Code is therefore structured around the seven key principles of the revised CIPFA/SOLACE publication Delivering Good Governance in Local Government. It is designed to reflect the assurance gathering process for the Annual Governance Statement. The core principles are…

* Behaving with integrity, demonstrating strong commitment to ethical value, and respecting the law
* Ensuring openness and comprehensive stakeholder engagement
* Defining outcomes in terms of sustainable economic, social and environmental benefits
* Determining the interventions necessary to optimise the achievement of the intended outcomes
* Developing the entity’s capacity including the capability of its leadership and the individuals within it
* Managing risks and performance through robust internal control and strong public financial management
* Implementing good practices in transparency, reporting and audit to deliver effective accountability
  1. Through these principles, the Authority will seek to deliver good corporate governance combining the ‘hard’ factors (robust systems and processes) with the ‘softer’ characteristics of effective leadership and high standards of behaviour. Community leadership will be provided through a Vision for the National Park. Members and officers will also lead by exhibiting high standards of conduct and by displaying behaviours reflective of a shared set of values.

1. **Core Principles Within the Code**

**Core Principles and sub principles of good governance.**

*The actions we will demonstrate to support each sub principle are listed beneath them.*

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| **Core Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.** | **Behaving with Integrity.**  1. Have in place arrangements to ensure that Members and staff are not influenced by prejudice, bias or conflicts of interests in carrying out their roles for the Authority  2. Ensure our committee structure and decision making processes are efficient and effective with the different roles of Members and staff being clear and understood through our Member/Officer protocol and our scheme of delegation  3. Have in place appropriate systems and guidance to support such structures and ensure effective communication between Members and staff in their respective roles  4. Have structures in place, including membership of programme boards,which enable Members to use their skills and experience to help achieve outcomes |
| **Demonstrating strong commitment to ethical values.**  1. Foster a culture that embeds our Values  2. Ensure that standards of conduct and personal behaviour expected of members and staff are defined, communicated and monitored through codes of conduct, protocols and advice  3. Embed our values for the Place, the People and the Way We Work in all that we do and link these with our Performance Appraisals |
| **Respecting the rule of law.**  1. Ensure our confidential reporting policy is clearly accessible to all employees on our intranet and as part of the material given to staff during their induction  2. Achieve our priorities and outcomes in the delivery of the Business Plan and Partnership’s Plan through full use of our powers, identifying any risks of legal challenge as appropriate  3. Ensure operational managers take legal advice on case work and policy/procedure development as appropriate  4. Immediately respond to any external or internal advice or comment received on the legality of our Policies, processes and procedures including from the Chief Finance Officer and Monitoring Officer  5. Implement our Audit processes and monitor their success as an effective fraud detection, challenge and performance improvement tool  6. Ensure legal input feeds in to all corporate decision making via the Executive Board and Committee Structure in line with our Scheme of Delegation |

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| **Core Principle B - Ensuring openness and comprehensive stakeholder management.** | **Openness.**  1. Ensure our committee and decision making processes are open, transparent and free from bias and conflicts of interest and our Scheme of Delegation is regularly reviewed and updated  2. Encourage the establishment of effective staff and union consultation and negotiation structures to facilitate good dialogue and working together through formal structures as well as informal networks |
| **Engaging comprehensively with institutional stakeholders.**  1. Work with partners to deliver outcomes, being clear about what the National Park Authority (NPA) and Lake District National Partnerships Plan (NPP) is delivering and what our partners are contributing  2. Produce an annual monitoring report  3. Continue to work with others on understanding the relationship between what we do and what others do to avoid duplication of effort and to seek opportunities to work more effectively together  4. Continue to have bilateral agreements with constituent authorities as appropriate on how we contribute to their performance targets  5. Contribute to the Local Enterprise Partnership (LEP) and Local Nature Partnership and other formal and informal partnerships important to the delivery of the Vision for the National Park |
| **Engaging with individual citizens and service users effectively.**  1. Develop Distinctive Area Ways of Working to better understand and support the delivery of community needs  2. Ensure our strategies, which support achievement of the Partnership Plan, and feed through to our Business Plan and Service Plans, are based on evidence and feedback from local, regional and national communities and stakeholders |

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| **Core Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits.** | **Defining Outcomes.**  1. Clearly communicate the Vision and outcomes for the National Park through the Lake District National Park Partnership Plan, and National Park strategies and Local Plan  2. Periodically refresh the Vision in collaboration with our partners |
| **Sustainable economic, social and environmental benefits.**  1. Reduce the carbon footprint of our own operations  2. Work with partners to achieve a reduction in carbon footprint across the National Park  3. Implement the Lake District National Park Partnership Plan and action plans and measure success against agreed actions and performance indicators |

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| **Core Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.** | **Determining interventions.**  1. Consult with our partners to regularly refresh the Partnership’s Plan and use this to inform the compilation of our Business Plan for the Authority  2. Implement a Performance Management system with identified measures of success and targets with quarterly monitoring of progress and annual reporting of performance  3. Use the Performance Appraisal Process and Organisational Development programme to maximise the contribution and development of staff |
| **Planning interventions.**  1. Involve staff in our service planning and decision making processes so that ideas on how to work better can be harnessed  2. Work with Volunteers to ensure we provide a seamless service to the public in terms of our values, culture and behaviours  3. Continue to engage with local communities through our distinctive area working teams |
| **Optimising achievement of intended outcomes.**  1. Work with partners in delivering the Lake District National Park Partnership Plan outcomes, monitoring achievements through the Lake District National Park Partnership chaired by an independent external person and reporting quarterly on progress  2. Map and prioritise how we work with constituent authorities, regional and national bodies and encourage staff and Members along with the community to undertake Distinctive Area representation  3. Continue to have agreements with partners particularly the Lake District National Park Partnership as appropriate on how we contribute to their performance targets  4. Continue to consult and involve interested parties in decisions on the direction of the Authority’s services |

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| **Core Principle E - Developing the entity’s capacity, including the capability of its leadership and the individuals within it.** | **Developing the entity’s capacity.**  1. Identify learning and development needs for all members, staff and volunteers at individual, service and corporate levels (as appropriate) providing ways of meeting these through a variety of means including upskilling where appropriate  2. Identify learning and development needs of Members through member personal development plans and meet these needs through an annual programme and through development tailored to the needs of individuals  3. Offer an Induction Programme for both members and officers into the work of the Authority and what is required of them  4.Widely circulate opportunities to join the Authority as a member when a vacancy arises and trying to ensure that a mix of skills is available to the Authority  5. Brief appointing authorities about the role (including time commitment) of the NPA members when appointments are due to be made  6. Use our decision making and governance structures to best use and develop the skills of our Members e.g. through Member representative roles, outside body appointments, chair and vice chair appointments, task teams and scrutiny teams  7. Conduct a staff survey every year and respond to feedback  8. Implement the Organisational Development Strategy to develop Leadership capacity across the organisation |
| **Developing the capability of the entity’s leadership and other individuals.**  1.Use the Member Training and Development Strategy to help Members develop appropriate skills to carry out their work  2. Use our Appraisals process and our Organisational Development programme to appraise and improve the performance of individual staff  3. Implement the Member review process for all Members  4. Strive for continuous improvement, identifying any areas for further improvement  5. Use our skills audit to identify areas for further improvement  6. Complement our core staff with expert advice when needed  7. Develop leadership and management competencies and provide appropriate support to ensure the development and evidence of these in all managers |

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| **Core Principle F - Managing risks and performance through robust internal control and strong public financial management.** | **Managing risk.**  1. Agree the extent of delegation from Members to staff and periodically review the effectiveness of this  2. Appoint to the three statutory roles of:  - Head of Paid Service  - Chief Finance Officer  - Monitoring Officer (supported by Deputy Monitoring Officer role)  and develop appointees to fulfil their roles  3. Put in place appropriate protocols and policies to support these roles including an Executive Performance Committee with responsibility for appraisal of the Chief Executive  4. Operate a robust risk management process with Member oversight |
| **Managing performance.**  1. Be clear about our measures of success and standards of service delivery, both for the National Park and for the Authority  2. Evaluate our performance annually both for the National Park and the Authority and put measures in place to address poor performance within our priorities  3. Seek feedback from service users as part of evaluating performance and obtaining views on improvements to meet needs  4. Ensure that a suitable set of employment policies are in place in order to support staff as our most valued asset. This will in turn help the Authority in achieving its outcomes  5. Set individual performance objectives through the appraisal process |
| **Robust internal control.**  1. Operate our risk management strategy at all levels in the Authority (staff and Members) so that informed decisions can be made on what level of risk to accept and what mitigating action needs to be in place to reduce or remove risk  2. Develop our policy framework pro-actively to anticipate issues and risk and address issues responsively to learn lessons when things go wrong  3. Conduct risk-based programmes of Internal Audit reviews |
| **Managing data.**  1. Gather performance data against a range of indicators  2. Report on national indicators where necessary  3. Our Data Management arrangements are currently adequate, but will need to be strengthened in future in order to fully comply with forthcoming legislation |
| **Strong public financial management.**  1. Produce a rolling three year Business Plan showing our contribution to the Partnership’s Plan; indicating our priorities and ensuring that our resources and those of our partners are used in the most effective and co-ordinated way  2. Reduce reliance on Government grant and develop financial independence through increased commercial income generation  3. Show value for money in achieving our outputs and outcomes following a programme of service/activity reviews  4. Benchmark our services and look for opportunities for business process improvement, smarter procurement, improved asset management, collaborative working and taking an entrepreneurial approach  5. Deliver the Investing for our Future Programme to improve business efficiency and effectiveness  6. Continue to manage a proactive medium term financial strategy to support our medium term financial health |
| **Core Principle G - Implementing good practices in transparency, reporting and audit to deliver effective accountability.** | **Implementing good practice in transparency.**  1. Document evidence for decisions, recording criteria, rationale and data relied upon using processes proportionate to risk, impact and likelihood  2. Ensure our Complaints procedures and reporting arrangements are accessible and transparent and monitor our response to complaints received to ensure the Authority learns from that feedback  3. Hold all meetings in public unless there are good reasons for confidentiality and implement a Public Participation Scheme for all committees   |  | | --- | | 4. Publish an annual business and performance plan giving information on achievements and the satisfaction of service users  5. Increase accessibility to information and to engaging with the Authority through a variety of ways and access channels including through improvements to our website and distinctive area teams  6. Continue with the audio recording of all Committee meetings | |
| **Implementing good practices in reporting.**  1. Present the relevant data/evidence and ensure expert advice is available and given for decision makers to make sound decisions  2. Fulfil our obligations under the Freedom of Information/ Environmental Information legislation in accordance with our commitment to a culture of openness regarding decisions being made  3. Seek feedback from customers on our services by continuing to utilise the ‘contact us’ mechanism which is incorporated on the Authority’s website and take action in response to any queries or feedback raised as appropriate. |
| **Assurance and effective accountability.**  1. Implement our Audit process and monitor its success as an effective challenge and performance improvement tool  2. Be clear about our accountability and role in partnerships through having Partnership Agreements and Service Level Agreements in place where appropriate  3. Along with general Member development, develop and maintain an effective Governance Committee and support its role in handling complaints against Members |

1. **Monitoring and Review**
   1. An annual review will be undertaken to ensure compliance with the code and with its requirements. The outcome of the review will be reflected in the Annual Governance Statement published each year with the Annual Accounts. The Statement is subject to verification and certification by the Audit Commission in its role as external auditor to the Authority.
   2. The Annual Governance Statement will be signed by the Chairman and the Chief Executive on behalf of the Authority. The Director of Communications and Resources has been given responsibility for overseeing the implementation and monitoring of the code and for reporting at least annually on compliance with the code. In fulfilling this responsibility the Director will propose any necessary changes to ensure that the code is up to date and changes in circumstances are accommodated.

**Updated by the Governance Committee 18 April 2018**