

Committee	STANDARDS COMMITTEE	Item	4
Title	REVIEW OF LOCAL CODE OF CORPORATE GOVERNANCE 2011/12		
Wards	All		
Contributors	Head of Law/Head of Corporate Policy and Governance		
Class	Part 1	Date	6 June 2011

1. Summary

- 1.1 In December 2002, the Standards Committee considered and endorsed a Local Code of Corporate Governance for the London Borough of Lewisham. The Local Code is detailed at Appendix 1. Compliance with this code is subject to regular review, the last of which was reported in June 2011. Compliance with the Local Code has again been reviewed at Appendix 2, the review has found that the Council is compliant with the Local Code.

2. Purpose

- 2.1 To report the results of the annual review of compliance with the Local Code of Corporate Governance. The results of the review appear at Appendix 2.

3. Recommendations

It is recommended that the Standards Committee consider and endorse the outcomes of the review.

4. Background

- 4.1 In 2002 CIPFA/SOLACE promoted a Code of Corporate Governance to local authorities. This Code included five dimensions:
- Community Focus
 - Service Delivery Arrangements
 - Structures and Processes
 - Risk Management and Internal Control
 - Standards of Conduct
- 4.2 Councils were advised to include particular features under each of the

above dimensions in their Local Codes. A detailed review of Lewisham's compliance against the Local Code appears in Appendix 2.

5. Review of Compliance with the Local Code of Corporate Governance

- 5.1 In 2007, CIPFA / SOLACE revised their original national Code of Corporate Governance to build on recent governance work in both the public and private sector. The new framework consists of six key principles.
- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 - Members and officers working together to achieve a common purpose with clearly defined functions and roles
 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards 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
 - Engaging with local people and other stakeholders to ensure robust public accountability
- 5.2 In June 2011 the Standards Committee received a review of compliance with the Local Code of Corporate Governance. This year compliance has been reviewed again. The process for doing so has been to revisit the findings of last year and to test those with relevant officers across the Council. External evidence of compliance, particularly that obtained from the Audit Commission and Ofsted, is referenced where applicable.
- 5.3 The review has found that, as last year, the Council is compliant with the Local Code of Corporate Governance.

6 Training

- 6.1 The Local Code of Corporate Governance states that 'training will be provided for both officers and members in order to assist them to develop the skills and knowledge necessary to fulfil their roles and responsibilities.'
- 6.2 The Head of Law has provided training to members and officers on Decision Making and also provided training to members entitled "Members on Outside Bodies". Training and a briefing was also provided by the Head of Law on the implications of the Bribery Act 2010. Following the briefing it was agreed that the Bribery Policy be reviewed as part of the annual review of the Local Code of Corporate Governance.

7 Review

- 7.1 The Local Code of Corporate Governance requires that compliance with the code be monitored annually.

8 Legal Implications

- 8.1 There are no specific legal or financial implications

9 Equalities Implications

- 9.1 Equalities issues are key to the Local Code of Corporate Governance. The council and its partners strive to promote equality of opportunity for all and eliminate discrimination. Good governance arrangements will help to ensure that the practices of the Council are open and accessible for all. These values are at the heart of Lewisham's Local Code of Corporate Governance and are specifically detailed in Section H: Accountability and Community Focus.

10 Environmental

- 10.1 The revised national CIPFA/SOLACE governance frameworks suggests that council's measure the environmental impact of policies, plans and decisions. It is best practice that all committee reports include an environmental implications section.

11 Community Safety

- 11.1 There are no specific Community Safety Implications.

Background Papers

None reported

If there are any queries on this report please contact Troy Robinson 0208 314 9365

Code of Corporate Governance

A What is a Code of Corporate Governance?

A Code of Corporate Governance might be defined as a statement of the system by which a local authority directs and controls the exercise of its functions and relates to the local community. This definition is founded on that used in the Cadbury Report on the Financial Aspects of Corporate Governance which related to the governance of private companies. However it also recognises the key role of local government in community leadership, by placing emphasis on relationships with local people.

B The Purpose of a Code of Corporate Governance

Aspects of corporate governance find expression in the everyday practices and procedures of a local authority. However an overarching Code of Corporate Governance fulfils the following purposes:-

- It stimulates confidence in the activities of local government, its politicians and employees, and the way it goes about business
- It focuses the minds of those involved in local government on making decisions in a proper way and engaging local stakeholders
- It assists with continuous improvement in the delivery of services, and serves to minimise the authority's exposure to risk.

C Fundamental principles

Cadbury identified three fundamental principles for corporate governance. They are:-

- Openness
- Integrity
- Accountability

These are as relevant in the public sector as the private – possibly more so. These fundamental principles were expanded by the Nolan Committee on Standards in Public Life, and further strengthened as the guiding principles underpinning the statutory model code of conduct for members. These principles are readily accepted by the Council as underpinning all local government activity. They appear as an Appendix to the Council's Member Code of Conduct but are endorsed as applicable to all Council activity.

They are:-

- Selflessness - members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person
- Honest and integrity - members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.
- Objectivity - members should make decisions on merit, including when making appointments, awarding contract, or recommending individuals for rewards or benefits
- Accountability - members should be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their particular office
- Openness - member should be as open as possible about their actions and should be prepared to give reasons for them
- Personal Judgement - members must take account of the views of others (and this may include their political groups) but should reach their own conclusions on the issues before them and act in accordance with those conclusions
- Respect for Others - members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, gender, sexual orientation or disability. They should respect the integrity and impartiality of the authority's statutory officers, and its other employees and not do anything to compromise that impartiality
- Duty to uphold the law - members should uphold the law and on all occasions act in accordance with the trust that the public is entitled to place in them
- Stewardship - members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law
- Leadership - members should promote and support these principles by leadership, and by example, and should always act in a way that secures or preserves public confidence.

D The decision making process

Decisions will be taken in accordance with the following:-

- a) the decision will be made following an evaluation of options
- b) the decision maker will take professional advice (including financial and legal advice where the decision may have legal and/or financial consequences)
- c) the decision will be taken following a consideration of all relevant matters and disregarding irrelevancies
- d) reasons for the decision will be recorded as will details of options considered with reasons for their rejection
- e) action taken will be proportionate to the result to be achieved
- f) respect for human rights will be balanced with the Council's duty to the wider community
- g) a presumption in favour of openness, unless there are compelling lawful reasons preventing the consideration of matters in public
- h) consultation appropriate to the matter under consideration
- i) clarity of aims and desired outcomes
- j) the highest standards of ethical conduct, avoiding actual, potential and perceived conflicts of interest
- k) consideration of business by Council members will be on the basis of written reports containing all relevant service, corporate, legal and financial considerations
- l) all executive decisions may be subject to scrutiny by the Overview and Scrutiny Committee in accordance with the Council's constitution
- m) decisions will be taken in accordance with the Council or Mayoral Scheme of Delegation as appropriate, and these schemes will be maintained, kept up to date and made available to the public

E Ethics

1. The Council will maintain and promote a Member Code of Conduct, which complies in all respects with all legal requirements.
2. The Council will maintain an Employee Code of Conduct, which complies with all legal requirements and promotes the highest standards of behaviour among employees.
3. Training will be provided for members and staff on the operation of the Codes of Conduct.
4. The Council will maintain a Members' Register of Interests in accordance with the law, and inform members of their duty to keep it up to date.
5. Key senior staff will be requested to disclose any interests which they have, which if they were a member they would be required to disclose, and a register kept of those interests declared.

6. The Council will maintain a protocol relating to the relationship between members and staff, promoting professional and effective relations between staff and all members, whether members of the Cabinet or overview and scrutiny.
7. The Council will adopt and maintain a whistleblowing policy, which is made widely available, and will report on referrals under it each year.

F Members' roles

1. The Council will document the roles of all members of the authority including the relative roles of the Mayor and Cabinet and non-executive members of the authority. Officers will support all members in the performance of these roles.
2. Members will maintain appropriate schemes of delegation and in particular define those matters reserved for collective decision by the full Council.
3. Members will put in place clearly documented processes for policy development, implementation and review and for decision making, monitoring and control, as well as procedural and financial regulations relating to the conduct of Council business.
4. Members will recognise that although within the Council they may fulfill different roles (for example as scrutineer or member of the political Executive) the Council remains a single corporate entity and can only function effectively if there is an appropriate balance between this corporate approach and the need to ensure that executive decisions are made appropriately and scrutinised constructively.
5. As required by law, members will put in place the terms of their remuneration and arrangements for review by an Independent Remuneration Panel.
6. Each year the Council will publish details of remuneration paid to each member of the Council.

G Officers' roles

1. The Council will maintain the post of Head of Paid Service (Chief Executive - responsible for the management of the Council's workforce and overall corporate management of the authority) separate from the political executive of the authority.
2. The Council will maintain the post of Chief Finance Officer to advise on the proper administration of the Council's financial affairs, keeping proper financial records and maintaining effective systems of financial control.
3. The Council will maintain the post of Monitoring Officer who will be the person responsible to the authority for ensuring that procedure, legislation and good practice are complied with.

4. The Head of Paid Service, the Monitoring Officer and the Chief Finance Officer shall be entitled to attend any meeting of the Council, the Mayor and Cabinet or any committee.
5. When considering any matter members must have regard to the advice of the Council's statutory officers.
6. All staff will have job descriptions which clearly define their roles, responsibilities and remuneration.
7. Council employees will support and advise all members of the Authority irrespective of whether they are executive or nonexecutive members.

H Accountability and Community Focus

1. The Council will record its decisions in writing and make those written records and the reasons for a decision available to the public.
2. All decisions made by the Mayor or delegated by him will be available for scrutiny by the overview and scrutiny committee in accordance with the Council's constitution.
3. The Mayor, members of the Cabinet and Executive Directors may be required to give account for their performance to the relevant overview and scrutiny committee.
4. The Council will publish annual performance targets and report on performance against those targets annually.
5. The Council will adopt a performance management framework to analyse key performance indicators and make information about performance against those indicators publicly available periodically.
6. The Council will put in place mechanisms to encourage participation in the affairs of the Council by individuals and groups from a broad cross section of the community, and will monitor their effectiveness.
7. In consultation with the local community will develop a vision for the local community and other stakeholders and will ensure that that vision is expressed clearly and publicised.
8. The Council will co-operate fully with external inspectors and respond positively to their findings, making arrangements to implement agreed actions effectively.

I Financial matters

In addition to those financial matters raised elsewhere in this [draft] code, the Council will:-

1. Put in place a process by which resources are allocated to priorities

2. Adopt a financial reporting process to ensure that members receive financial monitoring reports at appropriate intervals
3. Maintain an objective and professional relationship with external auditors
4. Publish an annual statement of accounts in a timely manner

J Risk Management

1. The Council will put in place a robust system for identifying and evaluating significant risks to the authority
2. The Council will put in place effective risk management systems, including systems of internal control as well as effective arrangements for an objective review of risk management and internal control
3. Annually the Council will publish an objective balanced and understandable statement and assessment of the authority's risk management mechanisms and their effectiveness.

K Partnership Governance

1. The Council will ensure that it has robust and effective mechanisms to ensure that its partnerships are effectively grounded, and that the risks involved in partnership working are accurately identified and appropriately managed.

L Review

The Council will monitor compliance with this Code annually. The Head of Paid Service, Chief Finance Officer and the Monitoring Officer will present a joint report to the Standards Committee on the extent of compliance, and the Council's annual statement of accounts will contain a statement explaining the extent of compliance. The officers will also present any proposals for amendment to the Code for consideration.

Appendix 2

Review of the Local Code of Corporate Governance 2010/11

Sections (a) and (b) relate to the definition and purpose of the local code.

SECTION C: Fundamental principles

Cadbury identified three fundamental principles for corporate governance. They are:

- Openness
- Integrity
- Accountability

The Nolan principles are readily accepted by the Council as underpinning all local government activity. They are a key part of the new Code of Conduct for Members which is detailed at Part V of [the Constitution](#). The Council introduced this Code under Section 51 Local Government Act 2000 and the Local Authorities (Model Code of Conduct) Order 2007. Its purpose is to promote the highest [ethical standards](#) of conduct from all Members of the Council.

Our long-standing and continued organisational commitment to embedding these principles is demonstrated by the findings of external assessors over a number of years.

In the 2009/10 [Annual Audit Letter](#), the Audit Commission concluded that the Council has *'strong governance arrangements in place, such as a development and training programme for members, and is able to demonstrate that these have led to a wide range of positive outcomes'*

Section D
Decision making

SECTION D. Decision making

National Code Dimension: 1.7, 2.3, 3.6, 3.7, 4.2, 4.6, 4.7, 4.12

Members follow the required formal procedures when making Council decisions, which ensure that such decisions are made transparently and openly. There is an annual programme of regular meetings whereby formal decisions are taken. Committee reports are produced by Officers in a standard format to ensure that authors address all significant considerations such as the service, corporate, legal and financial implications of decisions, equalities issues, environmental issues and risk assessment. Every committee agenda includes as a standard item a section on declarations of interest by committee members which sets out the legal position in relation to the need to declare, and on occasion, withdraw from discussion of matters where the member has a personal or prejudicial interest.

The highest standards of ethical conduct are adhered to in order to avoid actual, potential and perceived conflicts of interest Members and Officers Code of Conduct. The principles of decision making appear as Article 16 within the [Constitution](#). Standards Committee receives a report on Member compliance with the Code of Conduct. In December 2011 the Standards Committee reported that there has been good compliance with the Member Code of Conduct.

Decisions are taken in accordance with the Council and Mayoral scheme of delegation as appropriate and these schemes are maintained, kept up to date and made available to the public as detailed within the Constitution (Rule D17). The Constitution states, *“within 2 working days of an Executive decision being taken it shall be published by the proper Officer at the Town Hall and sent to all Members of the Council where possible by electronic means. Decisions will also be recorded in a central register kept by the proper Officer which will be available to all Members of the Council and the public”*.

Decisions are taken in accordance with the general principles of administrative law and on the basis of professional advice at all times. Minutes are published and made widely available through the Lewisham website. All executive decisions are subject to review by Overview and Scrutiny business panel and may be called-in in accordance with the Council’s Constitution. The most recent

example of a matter referred to the Mayor for reconsideration in accordance with the call-in was the prioritisation of transport schemes on June 1st 2011.

In addition to the procedural requirements stated above, three examples of the decision making process have been examined against the key principles of this dimension of the local code. The evidence indicates that the decision making process is sound, transparent and consistent with the requirements of the code.

The reports considered by Mayor and Cabinet were:

- **Baring Hall Hotel** [September 14 2011](#)
- **Asset Rationalisation** [November 16 2011](#)
- **Housings Challenges and Opportunities** [January 18 2012](#)

Finally, in the feedback from the [2009 Organisational Assessment](#), received in December 2009, the Audit Commission found that '*Lewisham has influential and well-informed Councillors. Councillors are effective in influencing decisions based on sound knowledge of their local communities. The high quality of community leadership by the Mayor and Councillors in Lewisham has been recognised by an external award.*'

Section E
Ethics

SECTION E: ETHICS

1. The Council will maintain and promote a Member Code of Conduct, which complies in all respects with all legal requirements.

National code dimension: 3.2, 3.4, 3.6, 5.1

A Code of Conduct for Members was formally adopted in July 2007, this is detailed at Part V of the Constitution. The Council introduced this Code under Section 51 Local Government Act 2000 and the Local Authorities (Model Code of Conduct) Order 2007 – the guidance for which are included verbatim in the Lewisham Code. It sets out the standards of conduct expected of all Members of the Council. It is written to support the Council's commitment to organisational integrity and not simply to ensure compliance with the law.

This Code and its protocols are designed to promote public confidence in the actions of Members and employees. These documents encourage Members and Officers not only to avoid actual impropriety but at all times to avoid the suspicion or appearance of improper conduct. Members are required not to do anything that they could not justify to the public and to bear in mind that they serve the whole community. The Code represents the standard against which the conduct of Members will be judged by the public, other Members, partners, Standards for England and the Council's own Standards Committee.

It is the statutory responsibility of every Member to comply with this Code. Every Member should make sure that they are familiar with the requirements of the law, the Council's Constitution, as well as the requirements of this Code and its guidance and protocols. All Members by law are required to sign a declaration that they will comply with the Code. Members should review their personal circumstances with this in mind, particularly as they change, to ensure compliance.

The Members' Code of Conduct is accessible to the public as part of the [Council's Constitution](#), and as a printed document available in public libraries.

Following the recommendations of the Audit Commission review of ethical governance (September 2005) with regards to publicising and promoting the existence of the code within the Council and the community, the following actions have been taken:

The [Code of Corporate Governance](#) and the Council's [ethical standards](#)

are available on the Lewisham website. Internally, the Code of Conduct is available on the intranet. Related information is also publicly available on the website. For example, sites include information on [how the Council is governed](#) and the [comments, complaints and compliments](#) process.

Lewisham Life delivered to all households in the borough, includes Member contact details and a standing item on the Code of Conduct in the 'What's On' section of each edition of the magazine.

The Council is scheduled to consider a new ethical framework in June 2012 which will be in accordance with changes in statutory legislation. From the 1st July 2012 there will be a requirement for a new Code of Conduct, preparations have been made during 2011 and 2012 to brief members of the Standards Committee ahead of this.

With reference to contracts, the Council has amended its [Code of Practice for Suppliers and Service Providers](#) to refer specifically to the Member Code of Conduct.

A new regime for the investigation of complaints came into place on the 8th May 2008. Allegations of breach of the Member Code of Conduct are now referred initially to the Standards Committee instead of the Standards for England. To facilitate this the Standards Committee has been re-organised into three sub-committees – one to assess if a complaint is worthy of investigation, a second to review if the complaint is thrown out and a complainant appeals, and a third to hear the case – and the constitution was updated to reflect this change. The Committee is independently chaired and outward facing - with its role included in the constitution on the Lewisham website. The Annual Complaints Report went to the Standards Committee on the [7th December 2011](#).

The Chair of the Standards Committee also reported to the Full Council at the AGM on [28th March 2012](#).

The Council supported the Lewisham Strategic Partnership in the development of its Code of Conduct so that this reflected joint values and the principles of governance.

SECTION E: ETHICS

2. The Council will maintain an Employee Code of Conduct, which complies with all legal requirements and promotes the highest standards of behaviour among employees.

National code dimension: 3.1, 3.2, 3.4

The Employee Code of Conduct was revised in advance of the publication of new mandatory requirements and was endorsed by the Standards Committee on the 1st December 2005 . All employees are required to comply with the Code and the two protocols which accompany it. Breaches of the protocols are deemed to be breaches of the Code. Any breaches are treated seriously and are dealt with under the Council's Disciplinary procedure. This could result in dismissal from the Council's service with or without notice.

The Employee Code of Conduct is appended to the [Constitution](#) with the Member Code of Conduct.

SECTION E: ETHICS

3. Training will be provided for Members and staff on the operation of the Codes of Conduct.

National code dimension: 3.2, 5.1, 5.4

Training on the Codes of Conduct for both members and officers has been delivered by the Head of Law. A programme of further training is currently being developed in the light of changes to the Member Code of Conduct brought about by the Localism Act 2011. The Head of Law has provided an all party briefing to all members on the provisions the Localism Act 2011.

The 2009/10 [Annual Audit Letter](#) recognised the training Members were receiving, stating that the Council *'has strong governance arrangements in place, such as a development and training programme for members, and is able to demonstrate that these have led to a wide range of positive outcomes'*.

In response to the introduction of the Bribery Act 2010 the Council has reviewed its existing policies and procedures to reflect the requirements of the new

legislation. A briefing has been sent to all councillors and training has been provided to all relevant officers. This training took place during August 2011.

SECTION E: ETHICS

4. The Council will maintain a Members' Register of Interests in accordance with the law, and inform Members of their duty to keep it up to date.

National code dimension: 3.3, 3.6, 4.3

The [Member's Register of Interests](#) is updated annually and is then reviewed by the Standards Committee. Since 17th August 2011 individual entries for each Councillor have been displayed on the website.

The manual register is held and managed by the Head of Committee Services on behalf of the Monitoring Officer and is made available for public scrutiny upon request, at the Town Hall.

SECTION E: ETHICS

5. Key senior staff will be requested to disclose any interests which they have, which if they were a Member they would be required to disclose, and a register kept of those interests declared.

National code dimension: 3.3, 4.3

All officers at SMG1 salary scale and above, and all officers in the central Procurement team irrespective of grade, are required to update the register of interests annually, and these are audited as part of the Statement of Accounts process. The declarations were last updated in July 2011.

SECTION E: ETHICS

6. The Council will maintain a protocol relating to the relationship between Members and staff, promoting professional and effective relations between staff and all Members, whether Members of the Cabinet or overview and scrutiny.

National code dimension: 2.5, 2.8, 3.1, 3.2

As stated above, the Council has agreed both Member and Officer Codes of Conduct and the Member code includes a protocol for Member / Officer relations as an appendix of the Constitution.

An academic study into ethics in the Council, conducted by researchers from Cardiff University on behalf of the Department for Communities and Local Government, has found that ethical standards are, and have long been, high.

Writing in support of an application to the LGC Corporate Governance awards, researchers from Cardiff University (September 2011) have underlined the standing of Lewisham's approach to the management of ethical standards. In their submission researchers identified that Lewisham "has achieved the goal of creating and maintaining an ethical culture – a way of operating, shared by officers and members, which appreciates and reinforces good governance as a core principle".

SECTION E: ETHICS

7. The Council will adopt and maintain a whistle blowing policy, which is made widely available, and will report on referrals under it each year.

National code dimension: 3.2, 4.9

A whistle blowing policy has been agreed, reviewed and is widely publicised on the intranet, and in publications such as *The Works* (staff e-bulletin) and Managers Update (a weekly information bulletin). Complaints made under the whistle blowing policy are investigated and reported by the Head of Law. On 1st March 2012 the Standards Committee received a review of complaints made under the whistle blowing policy. They will receive a further update during the coming year.

Section F
Members Roles

1. The Council will document the roles of all Members of the authority including the relative roles of the Mayor and Cabinet and non - executive Members of the authority. Officers will support all Members in the performance of these roles.

National code dimension: 2.1, 2.2, 2.8, 5.5, 5.6, 5.9

The Council's Constitution sets out the roles and responsibilities of Members, both generally and particularly (i.e. the Mayor, Chair of Council, the Council as a whole, the Executive, Overview and Scrutiny committees, Standards Committees etc.) This appears at Article 1 and in more detail throughout the Constitution.

For example, the Constitution specifies that the Mayor will carry out the following roles:

- a) to be the Council's principal spokesperson
- b) to give overall political direction to the Council
- c) to appoint (and dismiss) the Executive
- d) to decide on a schedule of delegation of executive functions
- e) to chair meetings of the Executive
- f) to represent the Council on external bodies that deal with Executive functions.

Officers support all Members in the performance of their roles. This includes, provision for attendance, of lawyers and financial officers at every meeting of Mayor and Cabinet to provide professional expertise, and at Overview and Scrutiny Committee as appropriate.

Member development charter

In January 2000, Lewisham signed the Improvement and Development Agency (IDeA) now Local Government Improvement and Development (LGID) Charter on Member Development which gave a commitment to ensuring action was taken to develop and support Members. In 2008, Lewisham achieved accreditation on the London Member Development Charter. The charter signifies the Council's commitment to developing and supporting its elected Members. Its objective is to ensure Councils have a structured approach to Councillor development and facilities to build elected Member capacity. It has provided Lewisham with a structure and impetus for sustaining a commitment to both organisational learning and constant improvement of the Member development programme. The

Member Development Charter comprises of five key principles. These principles have been adopted to form the bedrock of the Member Development Strategy. They are:

- Commitment to Member development
- Strategic approach to Member development
- Member learning and development plan in place
- Learning and development is effective in building capacity
- Elected Member Development promotes work life balance and citizenship

The overall aim of the Members' Development Programme is to ensure that all Members have access to the training and development opportunities they need to fulfil their responsibilities to the local community and provide clear leadership and effective scrutiny of local Council functions. Lewisham's approach to Member development will continue to evolve and be informed by Member input, evaluation of best practice and an increasingly personalised approach to Member development and support to both the Mayor and elected Councillors. In preparation for the 2012/13 Member needs development programme, a training needs assessment was carried out.

The 2009/2010 [Annual Audit Letter](#) states that the Council '*has strong governance arrangements in place, such as a development and training programme for members, and is able to demonstrate that these have led to a wide range of positive outcomes*'

SECTION F: MEMBERS ROLES

2. Members will maintain appropriate schemes of delegation and in particular define those matters reserved for collective decision by the full Council.

National code dimension: 2.3

The Council Scheme of Delegation and the Mayoral Scheme of Delegation are appended to the Constitution at Part VIII. They delegate all functions except those specifically reserved for Members. Those exclusions are explicit and as a result the schemes of delegation are particularly clear.

The Council has a Constitution Working Party which keeps the Constitutional arrangements of the authority under review and makes proposals to full Council for any amendment to the Council's scheme of delegation.

The Constitution sets out what decisions are referred to Full Council. In 2011/12 reports to Council have included a Parliamentary Boundary Review, a Polling District review, the creation of a Positive Ageing Council, and the confirmation of a statutory Scrutiny Officer. The Constitution has been updated to reflect these new responsibilities.

SECTION F: MEMBERS ROLES

3. Members will put in place clearly documented processes for policy development, implementation and review and for decision making, monitoring and control, as well as procedural and financial regulations relating to the conduct of Council business.

National code dimension: 2.12, 4.1, 4.2, 4,7

The processes for policy development, implementation and review are specifically dealt with in the Constitution, at Part IV, section F et seq. Overview and Scrutiny Select Committees have early consideration of developing statutory policy options. For instance the Public Accounts Select Committee received and reviewed the savings proposals that would underpin the 2011/12 budget in advance of final proposals being presented by the Mayor.

Overview and Scrutiny Select Committees may scrutinise any matter within their remit and ask Members of the Mayor and Cabinet and Senior Officers to give account for their actions. Any Member of an Overview and Scrutiny Committee may place an item on its agenda. This is codified in the Constitution, in Article 6.

Part IV of the constitution sets out the procedures and rules for decision making, monitoring and control. Decisions are publicised within two days of being made. All Executive decisions may be considered by the Council's Overview and Scrutiny Business Panel at a meeting which may exercise the right of call-in and ask the decision maker to reconsider.

The Council's Constitution includes Financial Procedure Rules. These were reviewed at Full Council in May 2009. The entirety of Part IV of the Constitution is

concerned with the procedural regulations applying to the conduct of Council business.

SECTION F: MEMBERS ROLES

4. Members will recognise that although within the Council they may fulfil different roles (for example as scrutineer or Member of the political Executive) the Council remains a single corporate entity and can only function effectively if there is an appropriate balance between this corporate approach and the need to ensure that executive decisions are made appropriately and scrutinised constructively.

National code dimension: 4.1, 4.2

The constitution states that *“There are 54 Councillors who are elected to represent areas of the London Borough of Lewisham called wards. The Council also has a Mayor, who is elected by voters across the whole of the borough. Together they act as one body, the Council of the London Borough of Lewisham”* and continues to state that *“The Council acts as one corporate body”*.

The Lewisham Councillors’ “role map/skills framework and role descriptors” states that all Councillors should:

- represent the interests of local people in the area they were elected to serve;
- contribute to the good governance of the authority; and
- participate effectively as a member of the full Council, any committee, panel or member body to which the councillor is appointed

All key decisions made by the Mayor are subject to scrutiny by the Overview & Scrutiny Business Panel. This body has the power to exercise call-in, which has been used five times since the 2006 election. A sixth call-in on the prioritisation of transport schemes went to Mayor & Cabinet on 1st June 2011.

The Overview and Scrutiny Business Panel also refer items for discussion to the appropriate Select Committee. There are six Select Committees, each with specific terms of reference and responsibilities in terms of scrutiny. Each Select Committee also has the role of developing work programmes for each year to effectively and constructively feed the decision making process with the expertise and breadth of knowledge built up by each Committee. Support for Mayor &

Cabinet and Overview & Scrutiny is provided by both Executive Directors and Heads of Service across the organisation.

SECTION F: MEMBERS ROLES

5. As required by law, Members will put in place the terms of their remuneration and arrangements for review by an Independent Remuneration Panel

National code dimension: 2.9

In January 2010, the [Council](#) approved the appointment of London Councils as its Independent Remuneration Panel, with an element of independent advice particularised for Lewisham. Using the London Council's recommendations as a basis, the Council sought advice in June 2010 from an independent person, Sir Rodney Brooke, to assess the "fit" of these recommendations in the particular context of Lewisham's arrangements.

SECTION F: MEMBERS ROLES

6. Each year the Council will publish details of remuneration paid to each Member of the Council

National code dimension: 2.9

The members allowances scheme is attached to the [constitution as part VI](#).

The Council also publicises its Members Allowance Scheme each year in a newspaper. In June 2011, the Council published this information in The South London Press. The next publication is scheduled for June 2012.

Section G
Officers Roles

SECTION G: OFFICERS ROLES

1. The Council will maintain the post of Head of Paid Service (Chief Executive - responsible for the management of the Council's workforce and overall corporate management of the authority) separate from the political executive of the authority.

National code dimension: 2.1, 2.2, 2.4

This requirement is addressed in the Constitution and in the job description of the Chief Executive. Article 14 of the [Constitution](#) sets out the functions of the Head of Paid Service who is also known as the Council's Chief Executive.

SECTION G: OFFICERS ROLES

2. The Council will maintain the post of Chief Finance Officer to advise on the proper administration of the Council's financial affairs, keeping proper financial records and maintaining effective systems of financial control.

National code dimension: 2.1, 2.2, 2.6

These duties are reflected in the job description of the Executive Director for Regeneration & Resources. See Article 14 of the [Constitution](#) et seq.

SECTION G: OFFICERS ROLES

3. The Council will maintain the post of Monitoring Officer who will be the person responsible to the authority for ensuring that procedure, legislation and good practice are complied with.

National code dimension: 2.1, 2.2, 2.7, 4.10, 4.11

This requirement is addressed in the Constitution and in the job description of the Head of Law. The Monitoring Officer has oversight of the registers of Members' interests and gifts/hospitality.

The Monitoring Officer also offers support and guidance to the Standards Committee by:

- attending committee meetings
- advising Members of the committee

- submitting reports to the committee
- contributing to the development of the work programme of the committee in close collaboration with the Chair of the Committee
- providing training and sharing best practice

See Article 14 of the Council’s [Constitution](#).

SECTION G: OFFICERS ROLES

4. The Head of Paid Service, the Monitoring Officer and the Chief Finance Officer shall be entitled to attend any meeting of the Council, the Mayor and Cabinet or any committee.

National code dimension: 4.6, 4.7, 4.10, 4.11

This is documented within the [Constitution](#) at Rule 19C. “The Head of Paid Service, Chief Finance Officer and Monitoring Officer and their nominees are entitled to attend any meeting of the Executive and its committees. The Executive may not meet unless the proper Officer has been given reasonable notice that the meeting is to take place. A private meeting of the Executive may not meet to take any decision unless the Head of Paid Service, the Chief Finance Officer or the Monitoring Officer or their nominee are present. The meeting may only take a decision if there is an Officer present with responsibility for recording and publicising the decision”.

SECTION G: OFFICERS ROLES

5. When considering any matter Members must have regard to the advice of the Council’s statutory Officers.

National code dimension: 4.7, 4.10, 4.11

Article 14 of the [Constitution](#) designates five posts as statutory officers. To the three corporate statutory roles this adds the Executive Director for Children and Young People, who is the statutory director of Children’s Services and the Executive Director of Community Services who is the statutory director for Adult Services. The functions of all of these officers are set out in the same article. All statutory officers attend, or are represented at Council and Mayor and Cabinet.

In November 2011, in accordance with Section 31 of the Local Democracy, Economic Development and Construction Act 2009, the Council revised the Constitution to include the appointment of an Officer responsible for the promotion of Scrutiny within both the Council and the wider community.

The Constitution provides that decisions can only be made on the basis of full written reports incorporating service, corporate financial and legal implications. There is an agenda planning process to ensure these considerations are addressed in reports.

SECTION G: OFFICERS ROLES

6. All staff will have job descriptions which clearly define their roles, responsibilities and remuneration.

National code dimension: 2.9

Detailed job descriptions are agreed before a post is confirmed within the workforce establishment. All employees are provided with a contract of employment which clearly sets out the terms and conditions of their employment including the job role, remuneration and its review. A copy of this contract, duly signed by the employee concerned, is retained on their personal file. Job roles and responsibilities are periodically reviewed if necessary, in consultation with the employee, to meet evolving service delivery needs. Any resulting changes in job descriptions/grading/pay are clearly documented with copies placed on the personal file.

Salaries are updated annually in line with increases in pay agreed nationally and such changes are clearly documented in payroll records and/or personal files as appropriate. Any other changes in pay made outside the annual pay award are also clearly documented and retained on payroll records/personal files.

SECTION G: OFFICERS ROLES

7. Council employees will support and advise all Members of the Authority irrespective of whether they are executive or non-executive Members.

National code dimension: 2.2, 2.8, 4.7, 5.4

It is a Constitutional requirement that senior Council Officers support all Members regardless of their position on either the executive or scrutiny function. Article 14.4, details that the functions of the Head of Paid Service will have responsibility for the provision of professional advice to all parties in the decision making process. This is also detailed in functions of the Monitoring Officer (Article 14.5) and the Chief Finance Officer (Article 14.6).

The protocol for Member/ Officer relations which is attached to the Codes of Conduct within the [Constitution](#), also clearly sets out the expectations of employees in terms of their support to Members.

Section H
Accountability and Community
Focus

SECTION H: Accountability and Community Focus

1. The Council will record its decisions in writing and make those written records and the reasons for a decision available to the public.

National code dimension: 4.2, 6.6

This requirement is addressed in the Constitution. Decisions of the Mayor & Cabinet, Scrutiny Select Committees and Full Council are published on the Lewisham Website.

The Council has made an explicit commitment to openness in all its dealings, subject only to the need to preserve confidentiality in specific circumstances where it is proper and appropriate to do so. This is clearly expressed in its [Constitution](#) at Article 1, which states the Council's aims and purposes and sets out the principles of decision making. These include "a presumption in favour of openness, unless there are compelling lawful reasons preventing the consideration of matters in public".

The Constitution provides for the Mayor to make decisions in public at a meeting of the Mayor and Cabinet convened as if the meeting were taking the decision collectively. There is clear access to information provisions as set out in the Constitution at Part G, which are adhered to. These rules and the rest of the Constitution are on the Council's website, as are notices of [Council meetings](#) and decisions.

As part of the Audit of Ethical Governance undertaken by the Audit Commission in September 2005, the following comments were made: "Members follow the required formal procedures when making Council decisions which ensure that such decisions are made transparently and openly." They also commented that, "committee reports are produced in standard format to ensure that authors address all significant considerations such as the legal and financial implications of decisions, equalities issues and risk assessment."

Decisions of the elected Mayor and Cabinet are informed by Officer reports which address all the issues that have to be considered in all Officer reports to the Executive or committee."

The provisions of the Freedom of Information Act 2000 are fully implemented across the organisation. A corporate team has been established to monitor and ensure compliance with this Act and all other related legislation. (Such as the Data Protection Act 1998 and the Environmental Information Regulations 2004).

Complex cases are handled by dedicated representatives within each Directorate. The Council records all feedback on the corporate complaints management and feedback system which has led to an increased ability to record, report and identify trends.

In January 2011 there was a major revision of the committee documents system and ModernGov was introduced for content management and publication of agendas and other documents. This allows for all committee documents to appear on the public website at the same time as they are sent for manual printing.

A permanent corporate information and records managers post has now been established and there is now a strategic records management policy and system in the Council (Meridio) which complies with ISO 15489, the international standard for records management and section 46, Records Management Code of Practice of Freedom of Information Act (2000).

SECTION H: Accountability and Community Focus

2. All decisions made by the Mayor or delegated by him will be available for scrutiny by the overview and scrutiny committee in accordance with the Council's Constitution.

National code dimension: 4.1

All decisions made by the Mayor may be subject to scrutiny at Overview & Scrutiny Business Panel, which meets on a regular three-weekly cycle. This body has the power to exercise 'call-in' – to refer decisions made but not yet implemented to the Mayor for consideration. This has been used six times since the 2006 election. The sixth and most recent call-in related to the prioritisation of transport schemes and went to Mayor & Cabinet on 1st June 2011.

SECTION H: Accountability and Community Focus

3. The Mayor, Members of the Cabinet and Executive Directors may be required to give account for their performance to the relevant overview and scrutiny committee.

National code dimension: 3.5, 4.1

This requirement is addressed in the Constitution. The Council has made an explicit commitment to openness in all its dealings, subject only to the need to preserve confidentiality in specific circumstances where it is proper and appropriate to do so. This is clearly expressed in its Constitution at Article 1, which states the Council's aims and purposes and sets out the principles of decision making.

During 2011/12 the Cabinet member for resources and the Mayor both attended the Public Accounts Select Committee, the Cabinet member for Customer Services and the Mayor also attended the Housing Select Committee and the Cabinet Member for older people attended the Healthier Communities Select Committee to discuss and take questions on matters within their portfolios.

SECTION H: Accountability and Community Focus

4. The Council will publish performance targets and report on performance against those targets annually.

National code dimension: 1.4, 2.10, 5.7, 6.1, 6.9

Corporate Strategy

The Corporate Strategy (which essentially replaces the Best Value Performance Plan) is a strategic document addressing many issues that require responses over the medium term. The Corporate Strategy sets out our 10 corporate priorities which outline the Council's contribution to the delivery of the Sustainable Community Strategy. The Strategy is reviewed each year, through the Annual Report and is also supplemented by the monthly Management Report.

Annual Report 2010-11

The Council's Annual Report provides a full year review of activities, achievements and spend (for the previous year) in relation to the Council priorities.

Monthly Management Report

The Management Report provides a monthly update of progress in meeting the Council's priorities. The Report brings together performance indicators, risk entities, finance data and information on major projects into one overarching document. The Management Report, is available on the Council website.

The 2009/2010 [Annual Audit Letter](#) reports that the Council '*has comprehensive data quality processes in place. The Council has continued to implement an effective process for recording and reporting data and ensures that it is reliable*'

In the 2010/2011 [Annual Audit Letter](#) the Audit Commission concluded that: '*The Council has good arrangements to monitor efficiency savings and the impact on service quality and provision. It uses the Performance Plus performance monitoring system to monitor performance. Cabinet and the senior management team monitor the impact of the savings via regular budget monitoring reports.*'

SECTION H: Accountability and Community Focus

5. The Council will adopt a performance management framework to analyse key performance indicators and make information about performance against those indicators publicly available periodically.

National code dimension: 1.5, 1.7, 2.10, 4.5, 5.7

A review of the Performance Management and Self-regulation Framework takes place annually, to ensure continuous improvement of performance arrangements. It allows for robust and structured target setting against national requirements and local priorities. It also allows the Council, its partners and residents to monitor and measure the Council's effectiveness against these national and local performance standards.

We have excellent reporting and governance arrangements in place to secure continuous improvement. Our Management Report is the centrepiece of our performance reporting structure. It provides a clear and easy to read analysis of our performance against a basket of 59 indicators including National Indicators

and local measures, and also includes an executive summary to direct attention to areas of strong performance as well as areas requiring greater management attention. It is presented monthly to the Executive Management Team and quarterly to Mayor's briefing and Mayor & Cabinet. It is produced entirely from the Performance Plus (P+) system. It utilises exception reporting to focus attention on key areas: exception reporting for red Projects, Risk and Finance and Red and Green exception reporting for performance. By combining these four areas for each of our priorities, it functions as the critical tool for supporting decisions across the organisation. While examining this report, the Executive Management Team, Mayor & Cabinet and Public Accounts Select Committee challenge all aspects of performance.

The report is published on the Lewisham website. This is supported by Directorate Management Teams, which convene performance meetings to directly monitor and address performance for which they are responsible.

Complaints

The Council's [Comments, Complaints and Compliments](#) procedure is publicised on the web.

Lewisham Life – the Council's magazine - is delivered to all households in the borough, and includes Member contact details, a standing item on the Code of Conduct and the whistle blowing procedure in the 'What's On' section of each edition of the magazine.

The Council has taken active steps to improve its complaints procedure and continues to use the Council's complaints management system, iCasework, to record complaints and feedback. The Council's website has been updated to provide comprehensive information relating to complaints. This also includes a fact sheet about the role of the Independent Adjudicator. The Corporate Complaints Team continue to deliver ongoing complaints management training. The training is designed to ensure that services learn from complaints, how to take preventative and corrective action and how to write an effective letter. The training will ensure there is a better understanding of the relationship between good complaints management and its impact on service development.

The Head of Strategy and Performance for Customer Services reports annually to the Standards Committee with an update on all non-statutory complaints for

the Council, complaints performance is considered annually by Mayor and Cabinet and the Public Account Select Committee. Further reports are considered monthly at Directorate Management Team level and quarterly at Executive Management Team.

Budget Strategy and Value for Money

A Budget Savings Strategy Group effectively replaces the former Efficiency Programme Board. With the recent emphasis being on securing budget savings (whether this be via improving efficiency or by budget cuts or service cessations) the group was created to focus on delivering the revenue budget savings which would be needed to make the strategy work.

The Group comprises, Heads of Strategy & Performance and Group Finance Managers, plus a representative from Human Resources and Legal Services. The Group has the remit to review and act as a sounding board for the budget strategy, savings process, savings proposals and the mechanics for ensuring the Council has a smooth process for delivering savings. The Group is also responsible for annually reviewing the process and suggesting ways to improve it.

In addition to this, the Council is continuing to develop its approach to value for money through its participation in the Local Authority Performance System (LAPS). The LAPS tool enables London local authorities to benchmark costs and performance and develop VFM profiles across a range of service areas.

In the 2010/11 [Annual Audit Letter](#) the Audit Commission concluded that: *‘The Council challenges the way activities are delivered and explores new ways of delivering activities. The Council has good arrangements to monitor efficiency savings and the impact on service quality and provision. It uses the Performance Plus performance monitoring system to monitor performance. Cabinet and the senior management team monitor the impact of the savings via regular budget monitoring reports.’*

The 2010/11 [Annual Audit Letter](#) from the Audit Commission also concluded that: *‘The Council has prioritised its resources within tighter budgets and has secured economy, efficiency and effectiveness, for example by achieving cost reductions and by improving efficiency and productivity.’*

SECTION H: Accountability and Community Focus

6. The Council will put in place mechanisms to encourage participation in the affairs of the Council by individuals and groups from a broad cross section of the community, and will monitor their effectiveness.

National code dimension: 5.8, 6.5, 6.7, 6.8, 6.10

We have an open and outward facing culture that is clearly focussed on the needs of our residents and facilitated by an exceptionally strong and diverse approach to engagement and consultation. Within the [Framework for Engagement](#) 2009-12 the Council has restated its commitment to actively engaging and involving residents in decision making and service design where appropriate.

The Council's Framework for Engagement sets in place shared principles for engagement (which were also agreed at a partnership level through the Stronger Communities Partnership). The Framework commits the Council to;

- ensuring accessibility and promoting diversity;
- promoting an ongoing dialogue;
- being accountable, open and transparent, and;
- utilising best practice and maximising value for money.

Examples of the Council's consultation and engagement mechanisms include:

- **Local Assemblies** - which came into operation in spring 2008, with one assembly for each ward. Each is led by local Councillors, and supported through coordinators providing day-to-day organisation and support. Meetings of the local assembly are held locally and open to anyone living or working in the ward.
- **Young Mayor and Young Citizens Panel** - the panel has an entirely open Membership enabling any young person aged 11-18 either living or at school/college in the local area to join. The panel has over 300 Members who are invited to take part in various events throughout the

year; these include one-off consultations, ongoing Mayor's ward visits to local organisations, community groups and businesses.

- **uEngage** – this is an online system that allows anybody to search for all consultations by area of interest or ward. It also provides a platform for online engagement and e-petitions.
- **Overview and Scrutiny** - committees regularly encourage contributions and participation from local people in the scrutiny process.
- **Lewisham Residents Survey** - which was last carried out in 2009 (and annually before this) to measure the concerns of Lewisham residents, their feeling towards the borough and their ratings of services provided by the Council and other local partners. In 2010 this was substituted by the Council's budget consultation 'Our Lewisham, Our Say'. Fieldwork is anticipated to take place in Autumn 2012 for the next resident's survey.
- **Voluntary & Community Sector Children & Young People's Forum** - Lewisham VCS Children and Young People's Forum is a network of over 500 voluntary and community organisations working with children and young people in Lewisham. The Forum enables the sector to support and develop itself and forge strong partnerships with statutory agencies. It also provides an opportunity for the sector to engage at a strategic level electing two representatives to the CYP Strategic Partnership Board and Working Groups. Representatives feed back on discussions and gather views on specific issues at quarterly Forum meetings.
- **Children in Care Council** - The Children in Care Council (CICC) has been in operation since November 2009. Every young person is a member when they become looked after and there is a core group of 12 young people who work together with the participation officer to keep the council functioning day to day. The group perform a number of functions such as feeding into the Corporate Parenting Group, attending the DfE Children in Care Council Forum, and working with Lewisham's Children's Social Care on issues that may affect looked after children.
- **Stakeholder Challenge Panel** - to facilitate ongoing dialogue with customers, the Stakeholder Challenge Panel has been set up to act as a first point of contact for engagement with the VCS and their service users. The panel is a flexible network of approximately 35 groups who represent key groups in the borough.

To provide increased channels through which citizens are engaged, the Council continues to promote e-Participation through uEngage, and online engagement

system. This system provides the platform through which citizens can respond to online consultations as well as set up and respond to e-Petitions, (a function which went live in April 2010). The use of online forums were piloted through the Council's budget consultation 'Our Lewisham, Our Say' (2010).

The Council's engagement activity is overseen by the Strategy Performance and Communications Board. The Board operates at Executive Director level and provides a strategic steer on the communication and consultation agendas within the Council. It is supported by its subsidiary, the Consultation Steering Group, which draws representation from across the Council and supports effective resident engagement at an operational level by:

- Maintaining a forward plan of consultation activity planned across the Council. By overseeing this plan the group helps to join up planned consultations wherever possible, avoiding duplication of effort and the risk of "consultation fatigue" among residents.
- Maintaining oversight of planning consultation methodologies and materials, so as to ensure a consistent and high quality approach to engagement and to advise on issues such as sample selection, and reaching particular groups including hard to reach groups.
- To develop capacity and skills across the Council to undertake high quality engagement.
- To share findings from research and engagement activities and build a common understanding of the key messages and themes emerging from consultation activity.

Our Lewisham, Our Say (2010) was the Council's largest ever Council run consultation with the community. More than 2,500 people took part to give their views about how the Council should allocate its budget given the large financial pressures it faces. Residents took part either by completing the online survey or by taking part in discussions at local assemblies, community groups or online. The greatest numbers – more than 1,200 – were involved in discussions at assemblies. Just under 1,000 people completed the survey. Findings from this consultation and from consultations focusing on specific savings proposals informed the Mayor and councillors budget setting decisions.

The Audit Commission awarded Lewisham a "green flag" for community engagement and empowerment of local people, in their [2009 Area Assessment](#). They concluded that '*empowering and involving local people is at the heart of the*

way public sector partnerships work in Lewisham to improve the area as a place to live. Partners have an excellent track record of involving local people, including those who are less likely to be active in the local community.'

The Council often offers staff the opportunity to have their say about working for Lewisham. The main staff survey is Talkback, which last took place in 2009, asks a range of questions about diverse aspects of working for the organisation, such as pay and benefits, communication, leadership and job satisfaction. A 2012 staff survey is scheduled for the autumn.

Our Investors in People re-accreditation in November 2009 involved over 200 staff (including union representatives) meeting with assessors to give their views about working for the authority.

The Council again achieved Investors in People (IiP) accreditation in 2009 and this is due for renewal by 27 November 2012.

Investors in People is about business improvement and works within a framework which is there to help organisations with transforming their business performance. The framework is outcome focused, outlining what organisations need to achieve, but does not prescribe how, that is for the organisation to determine. The assessment will involve a number of employee engagement approaches including focus groups and key stakeholder meetings.

There are also a series of Staff Forums (e.g. Black Staff Forum, Disabled Staff Forum, Lesbian, Gay, Bisexual and Transgender Staff Forum and the Young Employees Network) all of which provide staff an opportunity to get involved in the decision-making processes across the Council.

SECTION H: Accountability and Community Focus

7. In consultation with the local community will develop a vision for the local community and other stakeholders and will ensure that that vision is expressed clearly and publicised.

National code dimension: 1.1, 1.2, 1.3, 2.11, 3.8, 6.3

Lewisham Strategic Partnership (LSP)

The Lewisham Strategic Partnership [LSP] is responsible for developing Lewisham's Sustainable Communities Strategy [SCS] "Shaping our Future" and for monitoring progress against the priorities set out in the Strategy. The Partnership was set up in September 2001 and brings together 19 key representatives from the public, private community & voluntary sector agencies within Lewisham, to address the strategic issues facing the borough. The LSP is chaired by the directly elected Mayor of Lewisham.

Working with the LSP board are a series of thematic partnerships, each concentrating on a specific set of cross-cutting policy issues. The thematic partnerships bring together the relevant organisations and individuals to determine appropriate interventions and to ensure that joint-working results in the best possible outcomes. The current thematic partnerships are as follows:

- Children & Young People's strategic partnership
- Adult strategic partnership board (soon to become the Health and Wellbeing Board)
- Economic development & enterprise board
- Safer Lewisham partnership
- Stronger communities partnership
- Sustainable Development Partnership

'Shaping our Future' Lewisham's SCS is underpinned by our vision:

'Together we will make Lewisham the best place in London to live, work and learn.' [Lewisham's 2020 vision]

and two key principles:

- reducing inequality – narrowing the gap in outcomes for citizens
- delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality local services

and six priorities:

- **Ambitious and achieving** – where people are inspired and supported to fulfil their potential;

- **Safer** – where people feel safe and live free from crime, antisocial behaviour and abuse;
- **Empowered and responsible** – where people are actively involved in their local area and contribute to supportive communities;
- **Clean, green and liveable** – where people live in high quality housing and can care for and enjoy their environment;
- **Healthy, active and enjoyable** – where people can actively participate in maintaining and improving their health and well-being; and
- **Dynamic and prosperous** – where people are part of vibrant communities and town centres, well connected to London and beyond.

A strong track record in user focus and engagement

Lewisham's approach to priority setting has been acknowledged as robust: *'good analysis of need, underpinned by excellent data, ensures the differentiated targeting of both universal and specialist services.'* The Partnership draws evidence and analysis from a comprehensive suite of information and data, which is used to identify priorities, take decisions and track performance. The Partnership is also introducing an interactive web-based system, which will enable citizens and partner organisations to access up-to-date statistics about Lewisham and its people. This will be made available through the Local Strategic Partnership [website](#).

Lewisham has a strong track record of robust community engagement. The 2007 Corporate Assessment Stakeholder Survey revealed that 89 per cent of Lewisham's stakeholders agreed that the Council has a good understanding of the needs of its community. This was the highest rating of any of the 87 Councils assessed at that time.

The Audit Commission concluded in their [2009 Area Assessment](#) that *'Lewisham's local strategic partnership understands the issues of concern to residents very well. Their main priorities reflect local people's needs and wishes clearly.'*

Evidence of strong local engagement can be seen in the work of the Young Mayor who, alongside a team of young advisors, has played a key role in reviewing corporate strategies and plans. The introduction of Local Assemblies has given local people control over how money from the Locality Funds and the Mayor's Fund are spent in their ward. The development of housing transfer options also demonstrates our commitment to give local people a say in the

future management of their homes. One of our local providers Phoenix Housing Trust is managed by local residents and is the first Community Gateway in London.

Our joint vision is promoted on the Council's website and in partnership strategies which are also published on the website. The strategic planning framework for the Council sets out how the various strategies and service plans that exist are connected to each other, with the vision of the Council and the LSP at the top of the hierarchy. The [LSP website](#) has links to key partnership plans and strategies.

Comprehensive Equalities Scheme (2012-16)

Taking account of the Equalities Act of 2010 the Council has developed a new Comprehensive Equalities Scheme. The objectives of Lewisham's CES are to:

- tackle victimisation, harassment and discrimination
- improve access to services
- close the gap in outcomes for our citizens
- increase understanding and mutual respect between communities
- increase participation and engagement

The scheme was developed as a result of extensive consultation. This has included presentations to voluntary & community organisations representing various protected characteristics and public bodies. Amongst those who have been consulted as part of this process include: the Standing Advisory Committee on Religious Education, the Ecumenical Borough Deans, the Lewisham Disability Coalition and Lewisham Ethnic Minority Partnership. Others included the Metro Centre, Lewisham Pensioners Forum and Lewisham's Young Mayor & Young Advisors. Presentations have also been made to internal staff forums.

SECTION H: Accountability and Community Focus

8. The Council will co-operate fully with external inspectors and respond positively to their findings, making arrangements to implement agreed actions effectively.

National code dimension: 1.5, 1.6, 2.10, 3.5

Corporate commitment

Lewisham has a robust approach to managing performance, including responding positively to issues arising from inspections and assessment.

Lewisham's broader performance management offer ensures that we are able to continue to track progress in achieving borough-wide performance objectives and address areas for improvement impacting upon outcomes. A good example of how we are able to do this is through our monthly [Management Report](#). The report which is considered by our Executive Management Team and Mayor & Cabinet, enables senior management to gain a clear view as to whether actions taken to improve performance are achieving the desired outcomes.

Following inspections, the Council also uses the business improvement planning process to ensure areas for improvement are properly cascaded and monitored. Oversight for business improvement plan delivery is provided through each of the Council's five Directorate Management Teams as well as through our Strategy Performance and Consultation Board.

The development of [Lewisham's Children & Young People's Plan 2009-12](#) (CYPP) is a good example of how the Council uses strategic planning to strengthen partnership working and utilise collaborative effort to drive improvement. Oversight for the delivery of CYPP objectives is provided by a multi-agency borough-wide partnership as well as through the targeted interventions of individual partners. The responsiveness of the Council to external inspection and challenge has seen our children's social care rating increase from 2 out of 4 in 2004 to 4 (the highest level in 2009 and 2010).

Below is a summary of inspection and assessment results in Lewisham, during 2011 as well as measures in place to respond to these.

The 2010/11 [Annual Audit Letter](#) summarises the findings of the audit and inspection work undertaken by the Audit Commission, as part of the annual audit plan.

The summary of conclusions in the Annual Audit Letter are as follows:

- an unqualified opinion on the Council's financial statement or accounts
- an unqualified opinion on the Council's arrangements for delivering value for money

Children's social care inspection

Ofsted annual assessment of our children's services have been merited as 'performing excellently' for three continuous years 2009-11. The most recent unannounced inspection of referrals and assessment services in 2010 found that "prompt action is taken when children are identified as being at risk and in need of safeguarding. Subsequent child protection investigations are thorough and undertaken by suitably qualified social workers."

In addition, Lewisham had an announced inspection of its Looked After Children and Safeguarding Services in early 2012. Our safeguarding services were rated as "outstanding" and services for Looked After Children were rated as "good". The inspection highlighted that "the overall effectiveness of the council and its partners is outstanding. Children and young people in Lewisham are very effectively safeguarded through a combination of initiatives lead by partner agencies and some directly influenced by young people."

Adult social care inspection

As part of the Annual Performance Assessment (2009-10) by Care Quality Commission (CQC) an overall grade for 'Delivery of Outcomes' determines how well a council is meeting adult social care needs in its area. On 'Delivery of Outcomes' CQC assessed Lewisham as 'performing well'. The CQC will be moving to a revised assessment model for 2012 based on compliance against national standards, this will not be area based.

Section I
Financial matters

SECTION I: FINANCIAL MATTERS

In addition to those financial matters raised elsewhere in this code, the Council will:

1. Put in place a process by which resources are allocated to priorities

The Council's corporate, financial and asset planning processes are integrated. This ensures that the policy implications of both capital and revenue resource allocation decisions are fully considered during the budget setting process. The annual budget report went to [Mayor & Cabinet](#) on 15th February 2012, and subsequently to Council on 29th February 2012. As in previous years, all budget savings proposals were analysed for their impact on each of the 10 priorities; they were also assessed for their equalities impact in line with equality legislation.

SECTION I: FINANCIAL MATTERS**2. Adopt a financial reporting process to ensure that Members receive financial monitoring reports at appropriate intervals**

National code dimension: 1.4, 1.7, 6.9

Timely and accurate monitoring reports are produced monthly and are reported to the Executive Management Team. These are also reported to Public Accounts Select Committee and Mayor & Cabinet every quarter. Budget Monitoring Reports link in-year budget variances to performance indicators to provide a rounded view of organisational performance. Last year's in-year forecasts were consistent with the year-end out-turns and the rolling forecasts used throughout the year supported efficient closure of the [accounts](#) and reporting of those to Members in June 2011.

SECTION I: FINANCIAL MATTERS**3. Maintain an objective and professional relationship with external auditors**

Internal Audit has Managed Audit status, whereby the Audit Commission (the Council's external auditors) place reliance on the work of internal audit in forming their opinion. As part of the managed audit arrangements Internal Audit undertake reviews of the Council's fundamental systems.

The Council's external auditors, the Audit Commission, carry out an independent audit of the Council's Systems of Internal Financial Control and report their findings in an Annual Audit Letter. Their letter dated November 2011, based on their audit of 2010/11, was reported to Members on 23rd November 2011 at the [Audit Panel](#).

In the 2010/11 [Annual Audit Letter](#) the Audit Commission concluded that the Council: *'has robust systems and processes to manage effectively financial risks and opportunities and secure a stable financial position'*.

SECTION I: FINANCIAL MATTERS

4. Publish an annual statement of accounts in a timely manner

National code dimension: 1.4, 6.9

The last Statement of Accounts was approved by [Full Council](#) on 21st September 2011.

Section J
Risk Management

SECTION J: Risk Management

1. The Council will put in place a robust system for identifying and evaluating significant risks to the authority

National code dimension: 4.4, 4.8

The Council's Risk Management Strategy was revised and amended to reflect current priorities and good practice at the end of 2010/11.

To ensure that risk management is at the heart of the Council's corporate governance arrangements, the links with other business processes such as performance management and business continuity were strengthened throughout the strategy. The strategy will be reviewed again in 2013.

In accordance with the Strategy, the main risk reporting mechanism continues to be by way of risk registers which are maintained at Operational, Directorate and Corporate levels. The registers are maintained in the Council's performance management system, P+.

Working with the performance management team, refresher risk management training has been delivered for those working on the Corporate and Directorate risk registers.

The registers record significant risks and score them in terms of impact and likelihood. Target scores are set and performance against target is monitored. The Directorate registers are considered at DMT meetings prior to further consolidation and are then subject to further challenge at the Risk Management Working Party (RMWP).

The Corporate Risk Register is monitored, updated and reported quarterly to RMWP prior to both Directorate and Corporate registers being reported to and reviewed by Executive Management Team and the Internal Control Board. This comprises all Executive Directors, Head of Law, Head of Audit & Risk and Group Manager Insurance and Risk and is chaired by an independent 'non executive'

person (Bill Roots, a former London local authority Chief Executive) for further challenge.

Management of risk is embedded in all of our corporate management processes and a comprehensive approach is embedded in managing risk for all major projects and programmes.

The focus on risk in the Management Report was reviewed in 2011/12 to include a statement on the risk environment for each priority as well as the risks with a 'red' rating being reported. In addition, for both corporate and directorate risks any significant variances against target are reported.

SECTION J: Risk Management
2. The Council will put in place effective risk management systems, including systems of internal control as well as effective arrangements for an objective review of risk management and internal control

National code dimension: 4.4, 4.8

In 2011/12 the Council retendered its Internal Audit Service contract to an reappointing RSM Tenon Ltd. Each year, Internal Audit objectively reviews the Council's risk management framework, assessing its effectiveness and reporting its findings on risk management to the Risk Management Working Party, Internal Control Board and the Audit Panel. The reviews include any recommendations for strengthening the risk management framework. Internal Audit also deliver a full programme of internal audit reviews (the Audit Plan) focused on the Council's key systems and risk identified through the risk management process. These reviews provide assurance and recommendations for improvement on the internal control framework and key internal controls operating in the Council.

Significant risks or areas of non-compliance identified via the audit process are brought to the attention of the Internal Control Board. Where Internal Audit issue a limited or no assurance opinion, risks are also reported to the Audit Panel. In addition, regular progress reports are made to the Internal Control Board and the Audit Panel on progress made to implement the recommendations of Internal Audit to improve the management of risks.

The Council's governance, risk and control management arrangements are subject to annual independent review by the Audit Commission, the Council's external auditors.

In order to provide assurance on our risk management framework, a 'risk maturity thematic review' of risk management across the Council was again commissioned from our internal audit service providers, which reported in May 2012. The conclusion of the review is that the Council has maintained its 'managed' approach to risk, which is the second highest of their five potential categories for the assessment.

The Council continues to build on the progress already made to ensure that risk management is fully embedded within all directorate's service planning and performance management processes. For example, the 2012/13 service improvement planning process included a strong focus on risk (looking at each of the financial, business and operational dimensions).

The 20010/11 [Annual Audit Letter](#), issued by the Audit Commission's appointed auditor issued an unqualified value for money conclusion and concluded that the Council "*has robust systems and processes to manager effectively financial risks and opportunities*".

SECTION J: Risk Management

3. Annually the Council will publish an objective balanced and understandable statement and assessment of the authority's risk management mechanisms and their effectiveness.

National code dimension: 4.8

The Annual Governance Statement (AGS) was published with the Statement of Accounts in September 2011, which comments, amongst other things, on the internal control environment and the risk management framework, a review of their effectiveness and significant internal control issues.

The AGS action plan is monitored by the Annual Governance Statement Working Group throughout the year and progress on actions arising from the 2010/11 AGS and plans for delivering the 2011/12 AGS have been reported to the Internal Control Board.

Section K
Partnership Governance

SECTION K: Partnership Governance

1. The Council will ensure that it has robust and effective mechanisms to ensure that its partnerships are effectively governed, and that the risks involved in partnership working are accurately identified and appropriately managed.

National code dimension: 2.12, 2.13

In April 2008, the Monitoring Officer presented a report to the Internal Control Board that examined the governance arrangements of the Council's key partnerships. This was followed in February 2009 with a detailed audit of all the Council's major partnerships and contractual arrangements. The findings of that audit were reported to the Executive Management Team (EMT) and to the Internal Control Board.

As a result of that review, EMT required all Directorates to consider partnership governance arrangements, and particularly the business continuity arrangements of those partnerships, at Directorate Management Teams.

In November 2009, the Chief Executive presented a paper to ICB which assessed the main risks to the partnerships within each of Lewisham's six Sustainable Community Strategy priority themes.

In November 2009, Standards Committee considered a new "Standards in Partnership" protocol which has been developed by Standards for England. This protocol provides some behavioural principles to guide those participating in strategic partnerships without separate legal entity. Adherence to this protocol is intended to ensure that the aims of the partnership can be fulfilled effectively and the public can have confidence in the operation of the partnership.

The Standards Committee made a recommendation to refer this partnership protocol to the Lewisham Strategic Partnership, where it was considered on the 7th December 2009. The LSP reviewed its Terms of Reference and Code of Conduct in 2010 in order to reflect the good practice set out in the Standards for England partnership protocol.

Following an LSP meeting in May 2012 the Mayor has requested that a paper outlining the different options, relating to the future role and work programme of the LSP, be drafted.. This options paper will be used to agree any further developments of future changes to the partnership structure.

SECTION L: Review

1. The Council will monitor compliance with this Code annually. The Head of Paid Service, Chief Finance Officer and the Monitoring Officer will present a joint report to the Standards Committee on the extent of compliance, and the Council's annual statement of accounts will contain a statement explaining the extent of compliance. The Officers will also present any proposals for amendment to the Code for consideration.

This Report is submitted as evidence of compliance with the review procedure as stated above.