

**COTSWOLDS CONSERVATION BOARD**

**CODE OF CORPORATE  
GOVERNANCE**

**Revised February 2014**

## Introduction

1. Governance is about how an organisation ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, culture and values by which the organisation is directed and controlled and how it accounts to, engages with and, where appropriate, leads in achieving its purposes.
2. Strong transparent and responsive corporate governance is a critical feature of any public body. Those who are responsible for the conduct of public business and for spending public money are accountable for ensuring both that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
3. In discharging this accountability, public bodies and their management (members, officers and volunteers) are responsible for putting in place proper arrangements for the governance of their affairs and the stewardship of the resources at their disposal.
4. Cotswolds Conservation Board (the Board) operates through a governance framework that brings together legislative requirements, governance principles and management processes. The Board is committed to these principles and this code is a public statement of that commitment. The code also sets out how the commitment will be reflected in all areas of the Board's business.

## Core Principles

5. There are six fundamental principles, which underpin the Board's corporate governance framework. These are:

### **Focusing on the purposes of the Board and on creating and implementing a vision for the Area of Outstanding Natural Beauty**

6. The Board will show its commitment to this principle by:
  - ❖ Exercising strategic leadership by developing and clearly communicating the Board's purpose and vision and its intended outcomes to those with an interest in the Cotswolds.
  - ❖ Ensuring that people who come into contact with the Board receive a high quality of service.
  - ❖ Ensuring that the Board makes best use of resources and funders and service users receive excellent value for money.

### **Members, officers and volunteers working together to achieve a common purpose with clearly defined functions and roles.**

7. The Board will show its commitment to this principle by:
  - ❖ Ensuring effective leadership throughout the Board and being clear about executive and non-executive functions.
  - ❖ Ensuring that a constructive working relationship exists between the Board's members, officers and volunteers and that their respective responsibilities are carried out to a high standard.

- ❖ Ensuring relationships between the Board, its partners and the public are clear so that each knows what to expect of the other.

**Promoting values for the Board and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

8. The Board will show its commitment to this principle by:

- ❖ Ensuring Board members, officers and volunteers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.
- ❖ Ensuring that organisational values are put into practice and are effective.

**Taking informed and transparent decisions, which are subject to effective scrutiny, and managing risk.**

9. The Board will show its commitment to this principle by:

- ❖ Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.
- ❖ Having good quality information, advice and support to ensure that services are delivered effectively and to the benefit of the Cotswolds.
- ❖ Ensuring that an effective risk management system is in place.
- ❖ Using its legal powers to the full benefit of the Cotswolds and its communities.

**Developing the capacity and capability of members, officers and volunteers to be effective.**

10. The Board will show its commitment to this principle by:

- ❖ Making sure that members, officers and volunteers have the skills, knowledge, experience and resources they need to perform well in their roles.
- ❖ Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as groups.
- ❖ Encouraging new talent for membership of the Board so that best use can be made of individuals' skills and resources in balancing continuity and renewal

**Engaging with stakeholders and local people to ensure robust public accountability.**

11. The Board will show its commitment to this principle by:

- ❖ Exercising leadership by engaging with stakeholders, including partnerships and people, and develops constructive accountability relationships.

- ❖ Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate action whether directly by the Board, in partnership or by commissioning.
- ❖ Making best use of human resources by taking an active and planned approach to meet its responsibility to staff and volunteers.

### Monitoring and Review

12. The governance systems and processes in place will be monitored to ensure that they are effective in practice, and will be subject to review annually. Responsibility for arranging the review rests with the Director and, when completed, the findings will be reported to the Executive Committee.

13. Independent assurance will be provided by the Head of Internal Audit as part of the annual audit planning process.

14. The Executive Committee will monitor the implementation of the Corporate Governance Action Plan, as set out in the Board's Business Plan, which will include planned actions emanating from the review.

### Corporate Governance Framework

The Code is supported by policies, systems, procedures and structures that determine and control how the Board manages its affairs. The key documents and processes which form the Board's Corporate Governance Framework are listed in Appendix A to this document. They are mapped against the Core Principles described above.

### Annual Governance Statement

15. The Board will prepare an Annual Governance Statement as part of its Annual Return, to provide assurance that:

- governance arrangements are adequate and operating effectively in practice, or
- where the reviews of the governance arrangements have revealed gaps, action is planned that will ensure effective governance in future.

16. In its Annual Return, the Board is expected to make a number of representations and assertions in eight statements of assurance, which together comprise the Annual Governance Statement. The approval of the accounting statements may be delegated to a committee of the Board. However, the Annual Return as a whole including the Annual Governance Statement must be approved at a full Board meeting (usually in June). The statements are explained in the following paragraphs.

*Statement 1. 'We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.'*

17. This first statement covers the accounts of the Board. Through the act of formally approving the accounts, the Board asserts that it has prepared those accounts in the way prescribed by law and in accordance with proper practices.

*Statement 2. 'We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.'*

18. This second statement covers the Board's responsibility to ensure that its affairs are managed in accordance with proper standards of financial conduct and arrangements exist to prevent and detect fraud and corruption. The Board also asserts that it has tested those arrangements at least once in the year to make sure they are working in an adequate and effective way. This testing is carried out by internal audit.

*Statement 3. 'We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the Board to conduct its business or on its finances.'*

*Statement 4. 'We have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.'*

19. The third and fourth statements cover the Board's responsibility to act within the law and to put in place proper arrangements to ensure that its financial affairs are conducted in accordance with the law and relevant regulations, including providing the opportunity for electors to exercise their rights to inspect the financial records and ask questions of the auditor.

20. The third statement confirms that the Board has only done things that it has the legal power to do, and, at the fourth statement, confirms that it has during the year allowed all persons who may be interested the opportunity to exercise their rights. A positive response confirms that the Board has also complied with the codes of practice which it has endorsed and adopted to regulate the way in which it carries out its business.

*Statement 5. 'We have carried out an assessment of the risks facing the Board and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.'*

*Statement 6. 'We have maintained throughout the year an adequate and effective system of internal audit of the Board's accounting records and control systems and carried out a review of its effectiveness.'*

*Statement 7. 'We have taken appropriate action on all matters raised in reports from internal and external audit.'*

21. The fifth, sixth and seventh statements cover the Board's responsibility to develop, implement and regularly monitor the effectiveness of systems of internal control covering:

- the overall control environment, including internal audit;
- the identification, evaluation and management of operational and financial risks;
- budgetary control and monitoring arrangements; and
- the documentation and application of control procedures.

*Statement 8. 'We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Board and, where appropriate have included them in the accounting statements.'*

**22.** The eighth statement covers the Board's responsibility to conduct its financial affairs and to put in place proper arrangements to ensure that its financial standing is soundly based. This statement provides assurance that the Board has considered and disclosed in the annual return all matters relevant to its business, including any relevant events which have taken place in the period between the end of the financial year being reported and the date of the annual return, which could have an impact on its ability to continue its work.

**23.** Where a positive response cannot be provided to any of these statements, the Director will provide an explanation for the response and describe action that will be taken to address the weakness identified. (NB The Board does not act as trustee for trust funds, therefore the ninth statement on the Annual Return does not apply to the Board.)

**24.** Following approval by the Board, the Annual Governance Statement will be signed by the Chairman and the Director before publication and submission to the external auditor.

## Corporate Governance Framework

	Documents and Processes	Core Principles	Focusing on the purposes of the Board and on creating and implementing a vision for the Area of Outstanding Natural Beauty	Members, officers and volunteers working together to achieve a common purpose with clearly defined functions and roles.	Promoting values for the Board 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, officers and volunteers to be effective.	Engaging with stakeholders and local people to ensure robust public accountability.
1	CROW Act 2000 & NERC Act 2006		X					
2	Establishment Order & other legislation		X	X		X		
3	Constitution including Financial Regulations		X	X	X	X	X	
4	Management Plan		X	X		X	X	X
5	Business Plan (Medium Term Financial Plan)		X	X		X	X	x
6	Policies and Position Statements		X	X			X	X
7	Governance Code		X				x	
8	Funding Agreements		X					x
9	Annual Accounts & Financial Policies		X					x
10	Annual Governance Statement		X		x			x
11	Annual Review		X					X
12	Communications Strategy		x	x	x	x	x	x
13	Consultation Strategy		x	X				x
14	Compliments, Comments & Complaints Procedure		x		X	X		x
15	Forum for Partners/Annual Forum		x			x		X
16	Committee Structure and Procedures		x	X	x	X	x	x
17	Freedom of Information Publication Scheme		x			x		x
18	Partnership Protocols		x	x		x		x
19	Equality Standards		X	x	x	x	x	x
20	Board Website & IT Arrangements		x				x	X
21	Members Allowances Scheme			X			x	
22	Officer Job Descriptions, Pay and Conditions			X		X		
23	Recruitment Policies & Procedures		x	x	x	x	X	x
24	Scheme of Delegation			X	x	X		
25	Member/Officer Protocol			X	x	x		
26	Member and Officer Induction and Training			X	X	X	X	
27	Codes of Conduct for Members and Officers			x	X		x	
28	Officer and Member Indemnity Insurance				X			
29	Performance Management Framework			x	x	x	x	
30	Director			x		x	x	x
31	Section 151 Officer			x	x			
32	Monitoring Officer			x	x		x	
33	Legal Advice		x	x	x	x		
34	Decision Making and Recording Procedures			x	x	X	x	x
35	External Audit			x	x		x	x
36	Internal Audit				X		x	X
37	Risk Management Framework			x	x	X		
38	Health & Safety Policy			x	x	X	x	x
39	Environmental Performance Policy		x		X	x	x	
40	Register of Interests			x	X			
41	Anti Fraud and Corruption Policy				X			
42	Confidential Reporting/Whistleblowing Policy				X	X		x
43	Disciplinary and Capability Procedures				x			
44	Service Level Agreements			x	x	x	x	x
45	Voluntary Wardens Constitutional Agreement		x	X	X	X	X	X
	<b>Key</b>							
	X indicates a key document or process							
	x indicates a supporting or contributory process							