

# **West Yorkshire Combined Authority**

## **Local Code of Corporate Governance**

### **Introduction**

The definition of corporate governance is that it is about ‘how bodies ensure they do 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, and culture and values, by which bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.’

The West Yorkshire Combined Authority (WYCA) has approved and adopted a code of corporate governance which is consistent with the principles of the best practice guidance issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The framework is based upon the following six core principles:

1. Focussing on the purpose of the Authority and the outcomes for the community and creating and implementing a vision for the local area;
2. Members and officers working together to achieve a common purpose with clearly defined functions and roles;
3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
5. Developing the capacity and capability of members and officers to be effective;
6. Engaging with local people and other stakeholders to ensure robust public accountability.

The WYCA is committed to meeting these principles and this statement sets out how the supporting principles beneath each statement will be achieved, monitored and reviewed.

## The WYCA's core principles

### **1 Focussing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.**

#### ***Supporting principles:***

*Exercising leadership by clearly communicating the Authority's purpose and vision and its intended outcome for citizens and service users.*

The WYCA has adopted the Strategic Economic Plan (SEP) for the region, originally developed in 2014 by the Leeds City Region Enterprise Partnership. This sets out the vision for the city region to be a globally recognised economy and sets out ambitious plans to drive growth. A refreshed SEP that reassesses the strategy in the light of experience over the last two years and recognises economic and political developments over the period has been produced and approved by both the WYCA and LEP Boards. WYCA will work with its District partners to deliver the outcomes set out in the SEP.

Alongside this the Local Transport Plan (LTP) sets out key transport plans which are supported by bus, rail, freight, asset and network management strategies. The LTP is being reviewed to ensure it aligns with the SEP and will be relaunched later in 2016 as the Single Transport Plan. It will both reflect recent transport developments and provide clearer links to the SEP.

These key plans will set out the priorities for the region and show the ambition to create additional jobs, grow the economy and increase connectivity. Further detailed plans will set out specific projects, funding and timescales for delivery.

*Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.*

The WYCA will produce regular reports setting out its targets and the achievement against them. This will include progress on key projects in the West Yorkshire plus Transport Fund and other priority schemes in the Local Growth Deal. The annual tracker survey will demonstrate satisfaction with the provision of local public transport.

*Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.*

The WYCA will prepare a medium term financial strategy which is scrutinised by Members to ensure it supports the ambitions of the WYCA. Detailed annual budgets are considered and approved by the WYCA and shared with the constituent Councils. Annual accounts are produced within three months of the year end and an audit opinion on these and on the value for money position is provided by external auditors.

Work during the coming year will include the development of a services strategy to ensure that the WYCA is clear in identifying its service users and the outcomes for each group.

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

### ***Supporting principles:***

*Ensuring effective leadership throughout the Authority by being clear about executive and non executive functions*

*Ensuring a constructive working relationship exists between elected Members and Officers*

*Ensuring relationships between the Authority and the public are clear.*

The WYCA has in place clear constitutional documents and a Committee structure covering all aspects of WYCA's activities. The LEP Board, supported by its Panels, brings together Members and business leaders from the private sector to oversee and make strategic decisions about the SEP.

Schemes of delegation have been put in place to enable Committees, the Managing Director, Monitoring Officer and Directors to work effectively and make decisions in a transparent way. Statutory officers with the appropriate skills and resources have been appointed and ensure advice is given on the necessary financial and procedural matters.

The ways of working are published and reviewed annually, including Standing Orders and Financial Regulations, schemes of delegation, a Members Allowance Scheme and a protocol for Member/Officer relations. An Overview and Scrutiny Committee of co-opted members from all constituent authorities includes within its terms of reference the ability to call in any decision of the WYCA and a Governance and Audit Committee oversees financial and audit matters.

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

### ***Supporting principles***

*Ensuring members and officers exercise leadership by behaving in ways that uphold high standards of conduct and exemplify effective governance*

*Ensuring that organisational values are put into practice and are effective.*

The WYCA expects the highest standards of conduct and personal behaviour from its Members and employees. Robust arrangements are in place to ensure that these high standards are promoted and upheld. Organisational values have been adopted by the Authority and are reflected in policies and

protocols. These are undergoing review during 2016 to ensure they continue to influence the required behaviours for the CA.

The WYCA has issued, and keeps under regular review, a number of documents including a Member Code of Conduct, an Officer Code of Conduct, a complaints procedure and an anti fraud and anti corruption policy which includes the whistleblowing policy. All employees are trained in the values, standards, policies and procedures that WYCA expects them to adhere to. The operation of a Standards Committee is provided for, as may be necessary.

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

##### ***Supporting principles***

*Exercising leadership by being rigorous and transparent about how decisions are made*

*Having good quality information, advice and support*

*Making sure an effective risk management system is in place*

*Recognising the limits of lawful action*

The WYCA ensures that decision making is transparent and that appropriate advice is taken in reaching decisions. All key decisions of the WYCA and its Committees are made in public meetings with documents available to the public via the internet. Officer decisions are taken in accordance with the schemes of delegation in place and are recorded. The LEP Board publishes its papers and minutes via the internet. Investment decisions are made in the context of an assurance framework that meets national guidance and that is reviewed annually. The Overview and Scrutiny Committee, made up of co-opted Members from across the region, meets regularly and provides the mechanism for ongoing constructive scrutiny and challenge.

Appropriately skilled and qualified officers provide advice and input to the decision making process.

The WYCA has in place a Publication Scheme that complies with the requirements of the Transparency Code and enables the public to directly access a range of information on its website.

A risk management framework is in place and is overseen by the Governance and Audit Committee. An officer Audit and Risk Management Committee manages and develops these arrangements on its behalf with a separate Health and Safety Committee ensuring compliance with health and safety legislation and an appropriate management of those risks. A risk manual provides practical guidance to officers in recording, monitoring and managing risk through the performance management system. A risk appetite statement has been developed and approved.

The WYCA has arrangements in place to ensure it collects, uses and stores information and data appropriately.

The Governance and Audit Committee oversees all governance arrangements and ensures these are operating effectively. It monitors and formally reviews the work of the internal audit function and considers the annual review of internal control produced by the Internal Audit Manager.

Work to be undertaken during the coming year will include establishing webcasting arrangements for meetings of WYCA and its committees and ensuring similar standards of transparency are achieved for LEP Board meetings. Further consideration of the Publication Scheme will also take place to understand whether there is further information that could be published that may reduce the volume of Freedom of Information requests.

## **5 Developing the capacity and capability of members and officers to be effective**

### ***Supporting principles***

*Making sure Members and Officers have the skills, knowledge, experience and resources they need to perform well*

*Developing the capability of people with governance responsibilities*

*Encouraging new talent for membership of the Authority.*

The WYCA seeks to ensure all Members and Officers have the necessary skills and training to fulfil their roles. Members receive an induction programme when they are appointed to a Committee of the WYCA and this is supplemented by specialised training courses where appropriate. Officers are appointed using competency based job descriptions and their performance against these competencies is regularly monitored and reviewed. A detailed learning and development plan ensures that training needs are met at both an individual and an organisational level. The commitment to staff development is demonstrated in the continued commitment to the principles of both the Investor in People standard and the re-accreditation of the Customer Service Excellence standard.

Work to be undertaken during the coming year will include ensuring the same principles are extended to the private sector representatives on the LEP panels.

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

### ***Supporting principle***

*Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders.*

The WYCA engages with stakeholders and local people in a variety of ways. Its actions are readily available to the public via the publication of all meeting papers and decisions on the internet and the public nature of all its meetings.

The WYCA fosters close links with the local District Councils, facilitated by the appointment of senior politicians from these Districts to the WYCA. The Chair of the Leeds City Region Enterprise Partnership sits on the WYCA to assist in ensuring close working with local businesses.

The District Engagement Sub-Committees provide the forum for local people to engage on public transport matters that are relevant to them.

The LEP Board and Panels provide the forum for bringing together the public and private sector on economic policy matters.

WYCA and LEP websites are set up both to provide information and to engage with local people.

For all significant projects and strategies public consultation will be undertaken both electronically and in the form of public meetings.

Work to be undertaken during the year will include consideration of how current arrangements for local engagement on transport matters could be extended to include the wider economic agenda. The format and nature of these meetings will also be considered.

### **Monitoring and review**

It is the responsibility of the Governance and Audit Committee to keep corporate governance matters under review. As part of this process it undertakes regular reviews throughout the year with a formal review at the year end of the processes and systems in place during the year. This includes the results of the work carried out by the internal audit section. The Committee reviews the Annual Governance Statement which forms part of the statutory annual accounts which are subject to external audit. The Committee review and recommend this statement to the WYCA for consideration and approval.