



MIDLOTHIAN INTEGRATION JOINT BOARD  
CODE OF CORPORATE GOVERNANCE 2016/17

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## Version control

1	February 2016	First Code set up
2		Altered to acknowledge structural changes in IJB and compliance with new best practices
3		
4		

## LOCAL CODE OF CORPORATE GOVERNANCE

### Introduction

Midlothian Integration Joint Board operates through a governance framework based on legislative requirement, governance principles and management processes. The IJB has put effort into ensuring that its governance arrangements are robust and lead in good practice, recognising that these are new and complex arrangements.

This local code of corporate governance is based on a governance framework document published by CIPFA/SOLACE in 2008-. "*Delivering Good Governance in Local Government*"

The code is set out in two parts:

Part 1 - describes the principles of good governance and how the IJB aims to achieve these.

Part 2 - identifies the IJB's policy and procedures that are essential to demonstrate compliance with these principles.

Compliance with the code will be evaluated and revised annually and endorsed as follows:

- Officer Working Group – comprising Chief Finance Officer, Heads of Service in Health and Social Care and other appropriate senior officers to review and update self assessment and agree improvement plan if required
- Joint Management Team – for comment
- IJB Audit and Risk Committee – for comment
- IJB – for approval
- Chair of IJB and Chief Officer– to sign off

The working group's assessment of compliance will be reflected in the Annual Governance Statement which the Chair of IJB and Chief Officer are required to produce as part of the auditing of the IJB's annual accounts. In addition the Internal Audit teams of Midlothian Council and NHS Lothian will together also conduct an annual independent audit reviewing the adequacy, effectiveness and extent of compliance with the code.

## Part 1

### Principles of Good Governance and how Midlothian IJB aims to achieve these

Principle 1 FOCUSING ON THE PURPOSE OF THE IJB AND ON OUTCOMES FOR THE COMMUNITY	
<i>Rationale: Public bodies need to develop and articulate a clear vision of their purpose and intended outcomes for citizens and service users that is clearly communicated, both within the organisation and to external stakeholders.</i>	
Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users.	<ul style="list-style-type: none"> <li>• Develop and promote our purpose and vision.</li> <li>• Review on a regular basis our vision for the local area.</li> <li>• Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.</li> <li>• Publish an annual report on a timely basis to communicate our activities and achievements, financial position and performance.</li> </ul>
Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.	<ul style="list-style-type: none"> <li>• Make sure that the information needed to review service quality effectively and regularly is available.</li> <li>• Put in place arrangements to identify and deal with failure in service delivery.</li> </ul>
Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.	<ul style="list-style-type: none"> <li>• Review the use of resources and monitor service delivery.</li> </ul>

Principle 2 MEMBERS AND OFFICERS WORKING TOGETHER TO ACHIEVE A COMMON PURPOSE WITH CLEARLY DEFINED FUNCTIONS AND ROLES	
<i>Rationale: A constructive working relationship between members and officers, with clear roles and responsibilities, is essential to the achievement of our vision.</i>	
Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.	<ul style="list-style-type: none"> <li>Set out a statement of the respective roles and responsibilities of members and of senior officers.</li> </ul>
Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard.	<ul style="list-style-type: none"> <li>Determine a scheme of delegation and reserve powers, taking account of relevant legislation, and ensure that it is monitored and updated when required.</li> <li>Make the Chief Officer responsible and accountable to the IJB for all aspects of strategic management and operational oversight</li> <li>Ensure the Chair of IJB and Chief Officer are clear on their respective roles and that a shared understanding of roles and objectives is maintained</li> <li>Make the Chief Finance Officer responsible for ensuring appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining effective systems of internal financial control.</li> <li>Make the Heads of Service in both Health and Adult and Social Care responsible for ensuring that agreed procedures are in place.</li> </ul>
Ensuring relationships between the authority, its partners and the public are clear so that each know what to expect of the other.	<ul style="list-style-type: none"> <li>Develop protocols to ensure effective communication between members and staff in their respective roles.</li> <li>Ensure that an established scheme for remuneration of members and staff and an effective structure for managing the process are in place.</li> <li>Ensure that effective mechanisms exist to monitor service delivery.</li> <li>Ensure that our vision, the Strategic Plan, priorities and targets are developed, through robust mechanisms and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</li> <li>When working in partnership ensure that members are clear about respective roles and responsibilities both individually and collectively.</li> <li>When working in partnership, ensure that there is clarity about the legal status of the partnership; and ensure that representatives of organisations both understand and make clear to all other partners the extent of their ability to bind their organisation to partners' decisions.</li> </ul>

<b>Principle 3</b>	
<b>PROMOTING VALUES FOR THE IJB AND DEMONSTRATING THE VALUES OF GOOD GOVERNANCE THROUGH UPHOLDING HIGH STANDARDS OF CONDUCT AND BEHAVIOUR</b>	
<i>Rationale: A hallmark of good governance is the development of shared values, which become part of the culture, underpinning policy and behaviour throughout the organisation.</i>	
Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Ensuring IJB members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.	<ul style="list-style-type: none"> <li>• Ensure that our leadership sets a tone for the organisation by creating a climate of openness, support and respect.</li> <li>• Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the IJB, its partners and the community are defined and communicated through codes of conduct and protocols</li> <li>• Put in place arrangements to ensure that members and staff are not influenced by prejudice, bias or conflict of interest in dealing with different stakeholder and put in place appropriate processes to ensure that they continue to operate in practice.</li> </ul>
Ensuring that organisational values are put into practice and are effective.	<ul style="list-style-type: none"> <li>• Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicating these with members, staff, the community and partners.</li> <li>• Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</li> <li>• Develop and maintain an effective standard of conduct mechanism.</li> <li>• Use our shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the IJB.</li> </ul>

**Principle 4****TAKING INFORMED AND TRANSPARENT DECISIONS WHICH ARE SUBJECT TO EFFECTIVE SCRUTINY AND MANAGING RISK**

*Rationale: Officers need the support of appropriate systems to help ensure that decisions are well informed, implemented and that resources are used legally and efficiently. An effective risk management system identifies and assesses risks, decides on appropriate responses and then provides assurance that the chosen responses are effective.*

Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.	<ul style="list-style-type: none"> <li>• Ensure effective scrutiny arrangements are in place which encourage constructive challenge and enhance our performance overall and that of any organisation for which we are responsible.</li> <li>• Ensure that there are open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and consideration on which decisions are based.</li> <li>• Ensure that there are arrangements to safeguard members and staff against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.</li> <li>• Maintain an effective, independent audit and risk committee.</li> <li>• Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</li> </ul>
Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.	<ul style="list-style-type: none"> <li>• Ensure that those making decisions are provided with information that is fit for purpose – relevant, timely and gives explanations of technical issues and their implications.</li> <li>• Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.</li> </ul>
Ensuring that an effective risk management system is in place.	<ul style="list-style-type: none"> <li>• Ensure that risk management is embedded; with members and managers at all levels recognising that risk management is part of their job.</li> <li>• Ensure that arrangements are in place for whistle-blowing to which Midlothian Council and NHS Lothian staff and all those contracting with Midlothian Council have access.</li> </ul>
Using legal powers to the full benefit of the citizens and communities in the area.	<ul style="list-style-type: none"> <li>• Actively recognise the limits of lawful activity placed on the IJB by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of the communities.</li> <li>• Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on the IJB by public law.</li> <li>• Observe all specific legislative requirements placed upon the IJB, and in particular integrate the key principles of good administrative law – rationality, legality and natural justice – into our procedures and decisions-making processes.</li> </ul>

<b>Principle 5</b> DEVELOPING THE CAPACITY AND CAPABILITIES OF MEMBERS AND OFFICERS TO BE EFFECTIVE	
<i>Rationale: Organisations need people with the right skills to direct and control them effectively. In addition, governance is strengthened by the participation of people with many different types of knowledge and experience.</i>	
Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Making sure that members and officers have the skills, knowledge, experience and resources they need to perform their roles well.	<ul style="list-style-type: none"> <li>• Provide induction programme tailored to individual needs and opportunities for members and staff to update their knowledge on a regular basis.</li> <li>• Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council and NHS Lothian.</li> <li>• Facilitate learning and development opportunities for members and staff.</li> </ul>
Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.	<ul style="list-style-type: none"> <li>• Assess the skills required by members' and staff and make a commitment to develop those skills to enable roles to be carried out effectively.</li> <li>• Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</li> <li>• Ensuring that effective arrangements are in place for addressing any training or development needs.</li> </ul>
Encouraging new talent for membership of the IJB so that best use can be made of individuals' skills and balancing continuity and renewal.	<ul style="list-style-type: none"> <li>• Ensure that effective arrangements are in place designed to encourage individuals from all section of the community to engage with and contribute to our work.</li> </ul>

**Principle 6**  
**ENGAGING WITH LOCAL PEOPLE AND OTHER STAKEHOLDERS TO ENSURE ROBUST PUBLIC ACCOUNTABILITY**

*Rationale: Organisations need people with the right skills to direct and control them effectively. In addition, governance is strengthened by the participation of people with many different types of knowledge and experience.*

Good Governance is about:	To demonstrate its commitment to good governance Midlothian IJB will:
Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.	<ul style="list-style-type: none"> <li>• Be clear to our staff and the community about what we do.</li> <li>• Consider those institutional stakeholders with whom we engage and assess the effectiveness of the relationships and any changes required.</li> <li>• Ensure the outcomes of our scrutiny function are open to the community and other stakeholder where appropriate.</li> </ul>
Taking an active and planned approach to dialogue with the accountability to the public to ensure effective and appropriate service delivery whether directly by the IJB, or in partnership or by commissioning.	<ul style="list-style-type: none"> <li>• Ensure channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively.</li> <li>• Hold meetings in public unless there are good reasons for confidentiality.</li> <li>• Ensure that arrangements are in place to enable us to engage with all section of the community effectively. These arrangements will recognise that different section of the community have different priorities and establish explicit processes for dealing with these competing demands.</li> <li>• Consult with the public and service users on our services and have a feedback mechanism to demonstrate what has changed as a result.</li> <li>• On an annual basis publish a range of information showing our performance in relation to service delivery and finance.</li> <li>• Ensure that we are open and accessible to the community, service users and staff and ensure that we make a commitment to openness and transparency in all of our dealings, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</li> </ul>
Making best use of human resources by taking an active and planned approach to meet responsibility to staff.	<ul style="list-style-type: none"> <li>• Develop and maintain arrangements for consulting and involving staff in decision making.</li> </ul>

### Part 3

#### Policies, Procedures and other Evidence

Policy, Procedure, Evidence	Core Principles					
	1	2	3	4	5	6
Access to Information Act						•
Accounts in compliance with statutory professional reporting standards		•				
Analysis of service complaints	•					
Annual Assurance Statement		•				
Annual Audited Accounts						•
Annual Budget Setting and Budget Monitoring Reports						•
Annual Financial Statements	•					
Annual Governance Statement						•
Annual Performance Report	•					•
Annual Statutory Reports						•
Assurance and Improvement Plan (AIP)	•	•			•	
Audit and External Inspections						•
Audit and Risk Committee, with Independent Chair and Independent Non Voting person	•			•	•	
Benchmarking	•					
Best Value Audit					•	
Business Continuity Plans	•			•		
Chief Officer Job Description		•				
Public Consultations		•				•
Code of Conduct for Members and associated training		•	•	•		
Code of Conduct for Officers		•	•	•		
Code of Corporate Governance Improvement Plan 2017/18		•				
Code of Corporate Governance Local Plan 2016/17	•	•				
Policy, Procedure, Evidence	Core Principles					
	1	2	3	4	5	6
Communication Strategy	•					•
Community Consultations						•
Community Engagement					•	

Strategic Plan Group Consultations						
Strategic Planning Group and Community Planning Structure and Partners	•					•
Strategic Planning Group meetings	•					
IJB pages on website				•		•
Complaints Handling Procedure	•		•	•		
Consultation and Engagement Strategy	•	•			•	•
Consultation Exercises						•
Induction Programmes	•					
Joint Management Team	•	•				
Corporate Parenting			•			
Code of Conduct		•				
Data Protection Act						•
IJB member development/training programme	•		•			
	Core Principles					
Policy, Procedure, Evidence						
	1	2	3	4	5	6
Employee Engagement Sessions						•
Employee Surveys						•
Equality Impact Assessments			•			
External assurance report, action plans developed and monitored through Covalent	•					
External Audit Reports	•					•
External Inspection Reports						•
Financial Directives	•					
Financial Discipline	•					
Financial Regulations		•	•	•		
Financial Statements						•
Freedom of Information Procedures/Act			•			•
Integration Newsletter						•
Internal Audit and Risk Management Functions separate				•		
Internal Audit Managers statement on Internal Control		•				
Internal Audit Programme, Reports and follow ups		•	•	•		
Internal/External Audits would reflect breaches in Standing Orders and/or Financial Regulations				•		
Joint Consultation arrangements including with Trades Unions			•			•
	Core Principles					

Policy, Procedure, Evidence	1	2	3	4	5	6
Joint Working						•
Meeting/Report Calendar prepared and issued by Secretariat			•	•		
Minutes of scrutiny published on intra/internet as appropriate			•	•		
Model Publication Scheme/Guide to Information (Adoption)						•
Partnership Principles and Objectives		•	•			
Workforce Development 2016-2017					•	•
Performance Indicators	•	•				•
Performance Management Framework	•					
Public Performance Reporting						•
Record of decision making and supporting materials				•		
	Core Principles					
Policy, Procedure, Evidence	1	2	3	4	5	6
Records of IJB Meetings						•
Register of interests, including gifts and hospitality for Voting Members			•	•		
Regular meetings between Chair of IJB and Chief Officer		•		•		
Risk Management Policy				•		
Risk Registers, Corporate, Service and Project based				•		
Risk Reporting via Covalent, Corporate Performance Reporting System	•			•		
Risk Training and Guidance				•		
Scheme of Delegated Authority		•		•		
Annual Performance Report	•					
Service Level Agreements incorporate Management Arrangements		•				
Service participation in Benchmarking		•				
Service Plans	•					
Service Review Programme		•				
Standing Orders		•	•	•		•