

TYNE & WEAR  
**archives&  
museums**

**TYNE & WEAR ARCHIVES & MUSEUMS**

**LOCAL CODE  
OF  
CORPORATE GOVERNANCE 2009/10**

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## Introduction

The Local Code of Governance was originally developed from a framework document produced by the Chartered Institute of Public Finance and Accountancy (CIPFA), in partnership with the Joseph Rowntree Foundation, and the Society of Local Authority Chief Executives (SOLACE), but the content is very much TWAM's own.

The purpose of this Code is to make explicit TWAM's commitment to working to good governance principles and to outline the key ways in which it implements these principles through its management systems, procedures and key relationships. It also enables TWAM to monitor itself and highlight strengths and weaknesses, and therefore improvements that may be required.

The six sections of the Code define how TWAM complies with the six principles of good governance laid down by the independent commission on good governance in public services.

These are:

- vision, forward planning and performance,
- roles and responsibilities of members and officers,
- standards of conduct,
- scrutiny and risk management,
- developing capacity,
- engaging with local people and stakeholders.

All policies, systems, procedures and structures that determine and control the way in which TWAM manages its business for the greater good of the community comprise the local code or governance framework. It helps management to identify areas where further action is required to meet changing circumstances and/or to ensure that we are following best practice in all aspects of governance.

TWAM could not have achieved its success in providing high quality services without a foundation of sound governance and the commitment of members and officers to maintaining those standards. It is hoped that, by making explicit the underlying principles and processes, the Code will assist members and officers to sustain high standards in the future.

In the following tables, reference is made to the North East Regional Museums Hub (NERMH) which TWAM runs on behalf of a partnership which includes the Museums, Libraries and Archives Council (MLA), Beamish Museum, The Bowes Museum and Hartlepool Museums Service.

## Arrangement for ensuring ongoing review and effectiveness

In order to meet the statutory requirements set out in Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2006 TWAM must complete an Annual Governance Review and prepare an Annual Governance Statement which will be signed by the Chair of the Joint Committee, the Director of Tyne & Wear Archives & Museums and Treasurer to the Joint Committee and published with the Annual Statement of Accounts to report publicly on the extent to which TWAM has complied with its Code. This AGS will include how the effectiveness of the governance arrangements has been monitored and any planned changes and improvements in the coming period.

A working group, comprising members of the Audit Committee and senior TWAM officers, will be responsible for completing the Annual Governance Review and drafting the Annual Governance Statement after evaluating assurances and considering supporting evidence. The statement will be subject to independent review and approval by the Audit Committee.

To ensure that this Code is a dynamic process that leads to real outcomes, it has been developed as follows:

1. The key documents and functions that support corporate governance and, in turn shape other processes, have been identified. Some of these documents and functions such as the Joint Agreement, the Corporate Plan and TWAM's Risk Management Framework contribute towards more than one core principle. These are identified in Appendix 1 to the Code;
2. For each document/function the target population i.e. who should be aware of this document or function has been identified. In all cases there are several target audiences and an approach has been developed that distinguishes between audiences to best service their needs;
3. A lead officer for each document/function has also been identified to ensure that the identified duty in respect of corporate governance is clearly assigned to an accountable person;
4. A distinctive feature of TWAM's Local Code is that it has been designed as a process not a one-off document. Therefore, three discrete types of actions have been identified and assigned to nominated officers.
  - **Awareness:** making sure that everyone who needs to know about the document/function does know about it;
  - **Monitoring:** Being satisfied that the management processes defined in the Local Code are actually being adhered to throughout the organisation;
  - **Review:** Throughout the year, the TWAM senior management team will regularly monitor the Local Code in order to identify any changes required or particular issues arising. Issues identified for improvement will be monitored through the Action Plan for Improvement and a report will be submitted to the Audit Committee. The Audit Committee will report and recommend to the Joint Committee any matters that it believes require action.

<b>Core Principle 1:</b> <b><i>Focusing on the purpose of TWAM and on outcomes for the local community and creating and implementing a vision for the local area</i></b>	
<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Exercise strategic leadership by developing and clearly communicating TWAM's purpose and vision and its intended outcome for citizens and service users</i>	<ul style="list-style-type: none"> <li>• Develop &amp; promote TWAM's purpose &amp; vision.</li> <li>• Review, on a regular basis, TWAM's vision and the implications for TWAM's governance arrangements.</li> <li>• Ensure that partnerships are underpinned by a common vision that is understood and agreed by all partners.</li> <li>• Publish an annual report on a timely basis to communicate TWAM's activities and achievements, its financial position and performance.</li> </ul>
<i>Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</i>	<ul style="list-style-type: none"> <li>• Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</li> <li>• Put in place effective arrangements to identify and deal with failure in service delivery.</li> </ul>
<i>Ensuring that TWAM makes best use of resources and that tax payers and service users receive excellent value for money.</i>	<ul style="list-style-type: none"> <li>• Decide how value for money is to be measured and make sure TWAM or partnership has the information needed to review value for money and performance effectively.</li> <li>• Measure the environmental impact of policies, plans and decisions</li> </ul>

<b>Core Principle 2:</b> <b>Members and officers working together to achieve a common purpose with clearly defined functions and roles</b>	
<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Ensuring effective leadership throughout TWAM and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</i>	<ul style="list-style-type: none"> <li>• Set out a clear statement of the respective roles and responsibilities of the Joint Committee and its members, and of senior officers, and how they will discharge these responsibilities.</li> </ul>
<i>Ensuring that a constructive working relationship exists between Joint Committee Members and Officers and that the responsibilities of Members and Officers are carried out to a high standard.</i>	<ul style="list-style-type: none"> <li>• Determine a scheme of delegation and reserve powers within the Joint Agreement, including a formal schedule of those matters specifically reserved for collective decision of the Joint Committee, taking account of relevant legislation.</li> <li>• Ensure the Director's responsibility and accountability to the Joint Committee for all aspects of operational management.</li> <li>• Develop protocols to ensure that the Chair and Director negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</li> <li>• Make a Senior Officer responsible to the Joint Committee for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control. Under current arrangements this will be the S151 Officer of the lead Authority.</li> <li>• Make a Senior Officer responsible to the Joint Committee for ensuring adherence to agreed procedures and compliance with Statutes and Regulations. Under current arrangements this will be the lead Authority Monitoring Officer.</li> </ul>
<i>Ensuring relationships between the Joint Committee, its partners and the public are clear so that each knows what to expect</i>	<ul style="list-style-type: none"> <li>• Develop protocols to ensure effective communication between Members and Officers in their respective roles.</li> <li>• Working with Newcastle City Council, set out the terms and conditions for remuneration of Members and Officers and an effective structure for managing the process, including an effective Remuneration Panel (if applicable).</li> <li>• Ensure that effective mechanisms exist to monitor service</li> </ul>

<p><i>of the other.</i></p>	<p>delivery</p> <ul style="list-style-type: none"><li>• Ensure that the organisation’s vision, strategic plans, 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 their roles and responsibilities both individually and collectively in relation to the partnership and to the authority</li><li>• When working in partnership - (a) Ensure that there is clarity about the legal status of the partnership (b) Ensure that representatives of representatives of organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions</li></ul>
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***Core Principle 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour***

<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Ensuring Joint Committee members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</i>	<ul style="list-style-type: none"> <li>• Ensure that TWAM’s leadership sets a tone for the organisation by creating a climate of openness, support and respect</li> <li>• Ensure that standards of conduct and behaviour expected of members and staff, of work between them and between TWAM, 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 employees of TWAM are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice</li> </ul>
<i>Ensuring that organisational values are put into practice and are effective.</i>	<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 communicate 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 audit committee</li> <li>• Use the organisation’s shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within TWAM</li> <li>• In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners’ behaviour both individually and collectively</li> </ul>

<b>Core Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk</b>	
<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.</i>	<ul style="list-style-type: none"> <li>• Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances TWAM's performance and that of any organisation for which it is responsible</li> <li>• Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based</li> <li>• Put in place arrangements to safeguard members and employees against conflicts of interest and ensure that these operate in practice</li> <li>• Develop and maintain an effective audit committee which is independent of the Joint Committee or make other appropriate arrangements for the discharge of the functions of such a committee</li> <li>• Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints</li> </ul>
<i>Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</i>	<ul style="list-style-type: none"> <li>• Ensure that those making decisions whether for TWAM or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications</li> <li>• Ensure that proper 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>
<i>Ensuring that an effective risk management system is in place.</i>	<ul style="list-style-type: none"> <li>• Ensure that risk management is embedded into the culture of TWAM, with members and managers at all levels recognising that risk management is part of their responsibility</li> <li>• Ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those contracting with or appointed by TWAM have access</li> </ul>
<i>Using their legal powers to the full benefit of the citizens and communities in their area.</i>	<ul style="list-style-type: none"> <li>• Actively recognise the limits of lawful activity placed on them by, for example, the principles of <i>ultra vires</i> but also strive to utilise their powers to the full benefit of their communities</li> <li>• Recognise the limits of lawful action and observe both the specific requirements of legislation and the general</li> </ul>

	<p>responsibilities placed on authorities by public law</p> <ul style="list-style-type: none"><li>• Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law, including rationality, legality and natural justice,</li><li>• into their procedures and decision-making processes</li></ul>
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<b>Core Principle 5: Developing the capacity and capability of members and officers to be effective</b>	
<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.</i>	<ul style="list-style-type: none"> <li>• Provide induction programmes tailored to individual needs and opportunities for members and officers to provide appropriate knowledge for their requirements. 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 TWAM</li> </ul>
<i>Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.</i>	<ul style="list-style-type: none"> <li>• Assess the skills required by members and officers 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>• Ensure that effective arrangements are in place for reviewing the performance of the Joint Committee and its members and agreeing an action plan which might, for example, aim to address any training or development needs</li> </ul>
<i>Encouraging new talent for membership of the Joint Committee so that best use can be made of individuals' skills and resources in balancing continuity and renewal.</i>	<ul style="list-style-type: none"> <li>• Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to, and participate in TWAM's work</li> <li>• Ensure that career structures are in place for members and officers to encourage participation and development</li> </ul>

<b>Core Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability</b>	
<b>Supporting Principles</b>	<b>How TWAM will meet this commitment</b>
<i>Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.</i>	<ul style="list-style-type: none"> <li>• Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively</li> <li>• Hold meetings of the Joint Committee in public unless there are good reasons for confidentiality</li> <li>• Ensure that arrangements are in place to enable the Joint Committee to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different requirements and priorities and should establish explicit processes for dealing with complementary and competing demands</li> <li>• Establish a clear policy on the types of issues that TWAM will meaningfully consult on or engage with the public and service users. This should include a feedback mechanism to demonstrate what has changed as a result</li> <li>• On an annual basis, publish a performance plan giving information on vision, strategy, plans and financial statements and information about outcomes, achievements and user satisfaction in the previous period</li> <li>• Ensure that TWAM is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so</li> </ul>
<i>Making best use of human resources by taking an active and planned approach to meet responsibility to staff</i>	<ul style="list-style-type: none"> <li>• Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making</li> </ul>

Document / Function	Core Principles of Corporate Governance					
	Focusing on the purpose of TWAM and on outcomes for the local 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 stakeholders

Museums, Libraries and Archives Council Accreditation	✓					✓
Acquisition and Disposals Policies	✓		✓	✓		
Annual Governance Statement	✓	✓	✓	✓	✓	✓
Annual Report	✓					✓
Annual Statement of Accounts	✓					✓
Audit Committee		✓	✓	✓	✓	
Benchmarking of visitors and residents	✓	✓		✓	✓	✓

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Code of Conduct for Employees		✓	✓	✓	✓	
Code of Conduct for Members		✓	✓	✓	✓	
Confidential Reporting Policy			✓	✓	✓	
Corporate Plan	✓	✓	✓	✓	✓	✓
Counter Fraud & Corruption Policy		✓	✓	✓		
Customers comments, Compliments and Complaints Procedures	✓	✓	✓	✓	✓	✓
E Newsletter	✓					✓

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Environmental Policy	✓					
Financial Planning and Budget setting	✓	✓		✓		✓
Financial Procedure Rules and Procurement Strategy	✓	✓	✓	✓		✓
HR Policies		✓	✓		✓	
Hub Review Committee		✓		✓	✓	✓
Investors in People		✓	✓		✓	

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Joint Agreement (10 year agreement in respect of Joint Service)		✓				✓
Joint Committee Meetings		✓		✓	✓	✓
Joint Consultative Committee		✓	✓	✓		✓
Local Code of Corporate Governance	✓	✓	✓	✓	✓	✓
Mission, Vision and Commitment	✓	✓	✓	✓	✓	✓

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Performance Management Framework	✓		✓	✓		✓
Professional Standards for Archives	✓		✓			
Project Management Procedures		✓		✓	✓	✓
Record of Decisions			✓	✓		✓
Risk Management Framework	✓		✓	✓	✓	
Scheme of Delegation		✓	✓	✓	✓	

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Service Level Agreements	✓	✓	✓			✓
Significant Partnerships Code of Practice	✓	✓	✓	✓	✓	✓
User Consultation	✓	✓			✓	✓
Value for Money Assessment	✓			✓		