

EAST GRINSTEAD TOWN COUNCIL

THE IMPORTANCE OF GOOD GOVERNANCE IN EAST GRINSTEAD

The following report sets out East Grinstead Town Council's policy positioning on Good Governance at October 2006. The policy statement was approved at Finance and General Purposes Committee on 21 September 2006 and ratified at Council on 2 October. In accordance with Member instructions a further review of the Council's governance structures will be completed by October 2008 developing existing processes in place for measuring performance and governance arrangements generally.

The Independent Commission on Good Governance in Public Services published the Good Governance Standard for Public Services in January 2005. This guide was produced to help everyone concerned with the governance of public services not only to understand and apply common principles of good governance, but also to assess the strengths and weaknesses of current governance practice and improve it. In producing the report the commission hopes that the standard would be useful to governors (the generic term meaning a member of the governing body whether elected or appointed and including elected members/councillors of a local authority) who are striving to do a difficult job better, and to individuals and groups who have an interest in scrutinising the effect of this governance.

The standard focuses on the ways different functions of governance can support each other. Governance is dynamic: good governance encourages public trust and participation that enables services to improve; bad governance fosters the low morale and adversarial relationships that lead to poor performance or even, ultimately, to dysfunctional organisations. The Standard, which can be accessed on www.opm.co.uk, contains much useful information but most helpful is the appendix containing assessment questions for governors and governing bodies to ask themselves.

Background information on the Good Governance Standard for Public Services was initially reported to Finance & General Purposes Committee on 27 January 2005. Members requested at that time that a further report be brought to the meeting on 23 June 2005, setting out the principles of good governance and addressing how the Town Council shapes up in answering the key questions set out in the principles and identifying those areas that require further work and refinement (min 304 27.01.05). The purpose of that report was to conduct such an assessment review with a view to giving some assurance that the East Grinstead Town Council is a well-governed authority. At the meeting of Finance & General Purposes Committee on 21 September 2006 Councillors conducted a further comprehensive review of their performance in relation to the Good Governance Standard and resolved to approve without alteration the following assessment report.

1. Good governance means focusing on the organisation's purpose and on outcomes for citizens and service users

Q. *How clear are we about what we are trying to achieve as an organisation? Do we always have this at the front of our minds when we are planning or taking decisions? How well are we doing in achieving our intended outcomes?*

A. The Council applies clear forward planning criteria and monitors performance on an on-going basis. This is achieved through a variety of mechanisms including the Performance Plan, through Committees, through the Chairman's

Group and through staff appraisal. As an integral element within the Best Value Performance Plan process we do indicate where we have achieved, and where we have not achieved, our intended outcomes.

Q. *To what extent does the information that we have about the quality of service for users help us make rigorous decisions about improving quality? Do we receive regular and comprehensive information on users' views of quality? How could this information be improved? How effectively do we use this information when we are planning and taking decisions?*

A. We survey the users of our services on an annual basis in a number of ways. The Best Value survey questionnaire form is our prime means of monitoring customer satisfaction. This exercise is undertaken concurrently with the other 40 Best Value Town Councils in order to achieve benchmarking data. The Town Council's services generally score well but it needs emphasising that this survey work tends to focus upon users and not those who currently do not use our services. Similarly we undertake regular surveys of hirers of our premises, of our tourism service providers and of local undertakers and stonemasons in respect of the burials/cemetery service. We do not survey non-users and this is an area that could be improved upon in future, as this would be especially useful in planning and taking decisions.

Q. *To what extent does the information that we have on costs and performance help us to make rigorous decisions about improving value for money? How effectively do we use this information when we are planning and taking decisions? How well do we understand how the value we provide compares with that of similar organisations?*

A. The Town Council has extensive information available to it in respect of our costs in providing services and this information is given to Members in order to help inform the decision making process. We do undertake analysis of our costs in respect of other similar councils (the 41 Group) and we are aware that out of that group the Town Council Band D precept is in the lowest decile. As policy Members make no decisions relating to extensions to services or changes in service delivery without the full financial ramifications of those decisions being fully understood at the decision making stage.

2. Good governance means performing effectively in clearly defined functions and roles

Q. *Do we all know what we are supposed to be doing?*

A. Town and Parish Councils, unlike principal authorities, do not have clearly defined service requirements set out in statute. On the contrary the only service delivery area that the Town Council is required to undertake relates to allotments. All other services are discretionary. The general focus of the Town Council's services delivery has always been to give added value to local council taxpayers. Hence the Town Council provides services that are not provided elsewhere. Chequer Mead Theatre (delivered through the sole custodian trust), the Meridian Hall, Parish Halls (another charity), the Old Court House and accommodation at East Court all provide community opportunities that are not available elsewhere and can certainly not be provided by either the District or County Councils. The Town Council has not, as policy, ever sought to compete with other authorities and for that reason it has not been an objective of the Council historically for the services to be

devolved from the principal authorities when money does not follow. This objective has clearly been set in order to ensure that there is no local double taxation.

All Councillors/Trustees (in their capacity as governors) are aware of the range of Council services both through the work of the Council's committees. More specifically, they are aware of the strategic direction and priorities of those services through the core information available within the Best Value Performance Plan, which draws on the Majority Group's political programme.

Q. *Is our approach to each of the governing body's main functions clearly set out and understood by all in the governing body and the senior executive? What does the size and complexity of our organisation mean for the ways in which we approach each of the main functions of governance?*

A. The Town Council has a mission statement, corporate objectives (including one governing each committee), terms of reference for each committee and approved programme strategies and policy statements. These are regularly reviewed. Members understand how these all link together and where there is clear synergy between the operations of the various committees and the organisational structure.

Q. *How clearly have we defined the respective roles and responsibilities of the non-executives and the executive, and of the chair and the chief executive? Do all members of the governing body take collective responsibility for the governing body's decisions?*

A. All Members (as governors) understand their prime roles and responsibilities for policy determination. The Mayor is the civic head. The Leader of Council and Committee Chairmen have their roles set out in Standing Orders and Terms of Reference. All Councillors understand the decisions of the Council and committees are made in the name of the Council. The role of the Executive, under the leadership of the Town Clerk, is to inform in a way that aids that policy making and to subsequently implement the policies laid down by elected Councillors. The Town Clerk serves as Proper Officer and Monitoring Officer (insofar as that role is not for the Code of Conduct fulfilled by the Corporate Director at Mid Sussex District Council). The Head of Finance and Support Services serves as Responsible Finance Officer. The Town Clerk also serves as Clerk to the Trustees for Chequer Mead Community Arts Centre and the Parish Halls Trust. Elected members serve as Trustees (not Councillors) on those charities where they elect to do so.

Q. *How well does the organisation understand the views of the public and service users? Do we receive comprehensive and reliable information about these views and do we use it in decision-making?*

A. Members receive regular reports and information on the views of public and service users, primarily as an integral element within the Best Value Performance Plan. This information does aid decision-making. Members also feed into the organisation issues and comments from their own surgeries and contacts with constituents. This is an area of the Council's work that has been considerably expanded in recent times through the partnership working with local action teams and residents associations, for example. The importance attached to this liaison work as elected community champions is now reflected in the agreed post specification for all Town Councillors that was

approved at the Finance & General Purposes Committee meeting on 22 June 2006 (minute 89).

3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour

Q. *What are the values that we expect the staff to demonstrate in their behaviour and actions? How well are these values reflected in our approach to decision making? What more should we do to ensure these values guide our actions and those of staff?*

A. East Grinstead Town Council lies at the heart of the community and in this regard the behaviour and actions of the Town Council's staff and establishment are absolutely critical in ensuring that the values of the organisation are carried through at all levels and understood by the public. These values of integrity, loyalty, honesty, service, commitment and discretion are understood by, and applied by, the staff. The Council's commitment to staff development through the Investors in People programme, which provides for regular staff appraisals, aids this process.

Q. *In what way does our behaviour, collectively as a governing body and individually as governors, show that we take our responsibilities to the organisation and its stakeholders very seriously? Are there any ways in which our behaviour might weaken the organisation's aims and values?*

A. All elected Town Councillors are, immediately upon election, subject to the Local Government Code of Conduct, which they are obliged to sign up to. This confirms that, as a Town Councillor of East Grinstead Town Council they take that office upon themselves "and will duly and faithfully fulfil the duties of it according to the best of my judgement and ability". They further undertake to "observe the Code of Conduct which is expected of Members of East Grinstead Town Council". Members take seriously their behaviour at meetings and the way they conduct themselves. Relationships across the Council are professional and training is taken seriously. Every effort is made to sustain good relationships with the local media and all stakeholders. There are no identified ways in which the current behaviour weakens the organisations aims or values although the Council is vigilant to identify potential problem areas, which might so occur at anytime.

4. Good governance means taking informed, transparent decisions and managing risk

Q. *How well do our meetings work? What could we do to make them more productive and do our business more effectively?*

A. The Town Council and Committee meetings are business like, focussed and, within the context of the Council's standing orders, formal. All businesses are conducted through the chair. Every item has a written report and this ensures that discussions focus upon the matter in hand and that there is no unnecessary time spent establishing the facts which would otherwise happens were reports to be verbal. Agendas are sent to Members at least one week prior to meetings (significantly better than the statutory requirement of three days) and this enables Members to have ample time to read the documentation and to undertake such additional research as they might require prior to the meetings. A more formal risk management process is

being developed to enhance the use of risk as an integrated driver to decision making.

Q. *Have we formally agreed on the types of decisions that are delegated to the executive and those that are reserved for the governing body? Is this set out in a clear and up-to-date statement? How effective is this as a guide to action for the governing body and the executive? How well do we explain the reasons for our decisions to all those who might be affected by them?*

A. The Terms of Reference of each committee are clearly set out and are reviewed each year. The majority of the Council's business is conducted through the Committees who have resolutionary powers. Committee formally recommends items for which Council is ultimately responsible on. This arrangement works well. At the commencement of each business cycle a Chairman's meeting discusses the key issues to be addressed and this ensures that the appropriate Chairman is fully aware in advance of specific agenda items. The press are invited to all meetings and special seating arrangements are made for them. Relationships with the press are good and they generally cover the Town Council's business fairly and in an informed manner. The public are also welcomed to meetings and agendas and reports are provided for them.

Minutes of meetings (in draft form) are posted on the Town Council's web site within five working days of the meeting thereby ensuring enhanced public awareness of the Council's decision-making. The Council also provides information and background to its decisions to the Press, in its Civic News publication and on its website.

Q. *Is the information we receive robust and objective? How could the information we receive be improved to help improve our decision-making? Do we take professional advice to inform and support our decision-making when it is sensible and appropriate to do so?*

A. Unlike the majority of Parish and Town Councils East Grinstead does ensure that all agenda items are supported by a written report, the extent of which is dependent upon the complexity or otherwise of the issue under consideration. References to where additional source/background material can be found, including on websites for example, is also provided where appropriate. Members are fully at liberty to ask for such additional information if they might require this at any time. The benefit of sending agenda items out early is to ensure Members can contact the Town Council's executive prior to meetings to specifically request additional information to be made available at those meetings. Legal advice is sought from appropriate professional personnel where appropriate, including on legal and financial matters.

Q. *How effective is the organisation's risk management system? How do we review whether this system is working effectively? Do we develop an action plan to correct any deficiencies in the systems? If so, do we publish this each year?*

A. Risk management is a relatively new discipline for Parish and Town Councils but East Grinstead Town Council's Risk Management System is now well established, and is subject to twice yearly reporting to Finance & General Purposes Committee. Risk Management is built into the Town Council's

Business Management processes, including action planning, and an annual action plan report is produced.

5. Good governance means developing the capacity and capability of the governing body to be effective

Q. *What skills have we decided that governors must have to do their jobs effectively? How well does our recruitment process identify people with the necessary skills and reach people from a wide cross-section of society? What more could we do to make sure that becoming a governor is practical for as many people as possible?*

A. The Town Council has never experienced difficulties in attracting community minded individuals to stand for election. In East Grinstead, due to its relatively urban nature and large population, individuals standing for election have tended to come through a political party. It is emphasised however election to the Town Council is by democratic will and it is open to any individual wishing to serve to put their name forward whether as an independent or through one of the main parties. In the build up to each main election the Town Clerk organises training sessions for budding councillors with a view to attracting interest. Ultimately it is the extent to which the Council engages with the community and is seen as being representative of the community, and effective in its service, that will determine the degree of interest in serving on the Council. Meetings are generally held in the evening, making attendance easier for those in employment. Currently there are no allowances paid for service as a Councillor on East Grinstead Town Council, but at Finance & General Purposes Committee on 23 March 2006 it was agreed that these would be allowed from May 2007, and that it will be for individual members to decide whether they wish to claim. The benefit of this policy change is that it will ensure the opening up of opportunities to serve to a wider more inclusive constituency, including to those of modest means.

Q. *How effective are we at developing our skills and updating our knowledge? How effective are our arrangements for reviewing the performance of individual governors? Do we put into practice action plans for improving our performance as a governing body?*

A. There are no formal mechanisms in place for monitoring the performance of elected members. However, the Mayor, Leader of the Council and all Committee Chairmen and Vice Chairmen are all subject to annual election by Members, implying at least an informal performance review process. Ultimately the judgement on the performance of Members lies with the electorate at the ballot box.

Detailed analysis is maintained regarding member attendances at meetings, and this is used to benchmark with other councils. Attendances are generally high notwithstanding that 50% of the current council are dual-hatted. Town councillors tend to be active in the community witnessed by their representation on some thirty outside organisations.

Q. *What is our approach to finding a balance between continuity of knowledge and renewal of thinking in the governing body? What are our reasons for this approach? Do we need to review it?*

- A. There is no formal mechanism in place to ensure a balance between new blood and continuity within the elected membership of the council: it would be impossible for there to be such mechanism. As indicated previously, election is at the wish of the people through the ballot box. However in reality there is a constant turnaround in new councillors and the average period of office tends to be in the region of two administrations, namely eight years. Some members serve for a longer period and others for less.

It needs emphasising that the Town Council's current elected membership covers a reasonable spectrum of age ranges with good gender balance. The majority of members are working, many in skilled environments which enable them to transfer their work skills to the benefit of the Council and community of East Grinstead. The removal, from May 2007, of the policy not to pay allowances will, further assist in attracting new potential Members.

The Council's commitment to serving the needs of young people living in the community was made manifest in the creation of an East Grinstead Youth Council in the summer 2005.

6. Good governance means engaging stakeholders and making accountability real

- Q. *Who are we accountable to and for what? How well does each of these accountability relationships work? Do we need to take steps to clarify or strengthen any relationships? Do we need to negotiate a shift in the balance between different accountability relationships?*

- A. The Council is accountable to the electorate of East Grinstead. This currently stands at approximately 19,000. It is also accountable to the community of East Grinstead with a population of nearly 25,000.

However, this is an accountability that often rests more on the ability to influence others, for example service providers, other tiers of local government and central government, than stemming from direct service provision. This is an area where the Council needs to strive to ensure a realistic public expectation of its accountabilities, but also an area where the Council works to strengthen relationships to enhance its influence. Examples of this include its involvement in the Mid Sussex District Council/West Sussex County Council Joint Advisory Group for the East Grinstead Area Action and increasing liaison with the Police, focussed on Local Action Teams and reviews of policing issues at Public Services Committee.

The Town Council also has a relationship with its local business community, many of who come from outside of the town and yet whose investment within East Grinstead is critical to the success of the local economy. Whilst the Town Council receives no part of the uniform business rate emanating from those businesses an effective relationship in the interest of East Grinstead is clearly evident and required. The Town Council has regular engagements with many local groups and organisations representing the community including residents associations, clubs, schools, businesses, and churches and constantly seeks to redefine and strengthen those relationships in ways that are of mutual benefit.

The Council's commitment to serving the needs of young people living in the community, and ensuring increasing engagement with them, was made

manifest by the creation of an East Grinstead Youth Council in the summer 2005. This new body is fully supported by the Town Council, including by means of financial grant aid.

Q. *What is our policy on how the organisation should consult the public and service users? Does it explain clearly the sorts of issues on which it will consult which groups and how it will use the information it receives? Do we need to review this policy and its implementation?*

A. The Town Council strives to promote regular, positive and active engagement with all its stakeholders as the best way to ensure a meaningful process of regular consultation. The Council does consult the public on issues pertaining to service reviews, as an integral element within the best value regime, and seeking information of customer satisfaction with specific services. Two members of the public, as critical friends, serve on each best value review group.

Customer satisfaction information does inform on policy direction. The Council is always open to considering ways to enhance its consultative processes as necessary, including on specific issues that merit particular attention. For example the East Grinstead Area Action Plan, prepared by the Mid Sussex District Council, has proved controversial and accordingly the Town Council, with the agreement of the District Council, is actively working with representative residents groups and other bona fide bodies to produce alternative proposals, which may generate community consensus support.

Q. *What is our policy on consulting and involving staff and their representatives in decision-making? Is this communicated clearly to staff? How well do we follow this in practice? How effective are systems within the organisation for protecting the rights of staff?*

A. There are no formal processes with regard to staff engagement in decision making although this is not a formal requirement in a small organisation such as East Grinstead Town Council where the staff team are inevitably aware of all that is happening and the Town Clerk has personal accountability for agenda setting within the policy parameters approved by elected members. Within the executive there are regular meeting of the management team and information from these meetings are passed down to other staff via the heads of service. Councillors see staff as a valuable resource as witnessed by the Council's achievement in attaining Investors in People status.

Q. *Who are the institutional stakeholders that we need to have good relationships with? How do we organise ourselves to take the lead in developing relationships with other organisations at the most senior level?*

A. There are numerous stakeholders with whom the Council require to have good relationships. Basically this comprises any organisation or body resident within East Grinstead. Obviously within this there are key organisations such as the District and County Councils, the Chamber of Commerce and other business groups such as those representing the retail and industrial sectors, key voluntary organisations such as CAB and CVS, the Queen Victoria Hospital, and local schools and churches. Where formal organisations are in place then the Town Council seeks representation on those bodies. The Town Council also hosts a number of events each year in order to ensure

ongoing engagement and the development of meaningful relationships with such bodies at the most senior levels.

7. Applying the good governance Standard

Q. *To what extent does the “Good Governance Standard for Public Services” apply to our organisation, bearing in mind its type and size?*

A. The Good Governance Standard for Public Services is relevant for all public service organisations. The Town Council recognises its responsibility for good governance and welcomes the Standard and will attempt to apply this in a positive way and improve performance as a result. It needs emphasising however that it is what we achieve, rather than what is written, which will ultimately judge our governance performance.

Q. *Are we upholding and demonstrating the spirit and ethos of good governance that the Standard sets out to capture?*

A. The Town Council believes it does uphold and demonstrate the spirit and ethos of good governance and, as a small local council, has a good record in this regard. However the Council also recognises an obligation to remain vigilant to changing governance requirements, and the need for continual monitoring of our performance in order to give real assurance in this area.

Q. *Do we have a process for regularly reviewing our governance arrangements and practice against the Standard? What further improvements do we need to make?*

A. The Town Council has a number of processes in place for measuring performance, all as set out earlier in this document. This is the second paper focussed specifically on governance arrangements and practice against the Standard. Subsequently governance arrangements and practice against the Standard will be monitored, reviewed and publicly reported upon on at least a biennial basis.

Q. *Are we making public the results of our reviews and our plans for future improvements and are we inviting feedback from stakeholders and service users?*

A. The Town Council does make public the results of the reviews and plans for future improvements by a range of means including in its quarterly newsletter, Civic News, on the web site, www.eastgrinstead.gov.uk, and in its strategic documents including the Performance Plan. The Council will take note of best practice from elsewhere and, where appropriate, seek to improve its own performance in this area.