

CODE OF CORPORATE GOVERNANCE

1.0 Introduction

1.1 What is Corporate Governance?

Corporate governance is the way in which organisations are directed, controlled and led. It defines relationships and the distribution of rights and responsibilities among those who work for and with the organisation, determines the rules and procedures through which the organisation's objectives are set, and provides the means of attaining those objectives and monitoring performance. Importantly, it defines where accountability lies throughout the organisation.

1.2 Corporate Governance in the Care Inspectorate

This code provides the framework by which the Care Inspectorate is accountable to people who use care services and their carers, other stakeholders and the wider Scottish public. The Code sets out and describes the way in which we carry out our functions through our Board Members, employees, volunteers and the procedures and processes by which we undertake our work. The aim is to ensure that we can deliver benefits and positive outcomes for people who use care services and their carers and to establish and maintain public confidence in the Care Inspectorate as a public body. We are responsible for ensuring that we conduct our business in accordance with the law and proper standards, that we safeguard and properly account for public money and that this money is used in accordance with Best Value principles.

Section 2.0 below sets out the core principles of good governance.

Section 3.0 sets out how compliance with this code is to be monitored, developed and reported on.

Section 4.0 provides details of how we apply the principles of good governance.

Appendix 1 provides a register of our key governance policy documents and how these relate to the principles of good governance.

2.0 Principles of Good Governance

The "Good Governance Standard for Public Services" comprises six core principles of good governance. This Code sets out how we apply these six core principles to our work. The core principles are:

1. Good governance means focusing on our purpose and outcomes for people who use care services and their carers.
2. Good governance means performing effectively in clearly defined functions and roles

3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour.
4. Good governance means taking informed, transparent decisions and managing risk.
5. Good governance means developing the capacity and capability of the governing body to be effective.
6. Good governance means engaging stakeholders and making accountability real.

3.0 Annual Review and Reporting

Compliance with this code will be assessed on an annual basis by an officer working group on corporate governance. This working group will be chaired by the Head of Finance and Corporate Governance and comprise the Head of Organisational Development, Head of Legal, Registration and Complaints, Head of Quality and Improvement and Head of Analysis and Business Planning. A representative from internal audit may also be invited to attend meetings of this group to provide advice.

The results of this assessment will be used to:

- Develop an annual action plan to improve and develop corporate governance. This action plan will be submitted each year to the Audit Committee for approval.
- Review progress against the agreed action plan
- Identify new and emerging governance issues
- Inform the preparation of the annual Governance Statement which is publicly reported in the Annual Report and Accounts.

Supporting Principle 4.1.2	Action	Demonstrated through:
Making sure we deliver a high quality service	<p>Performance and quality information is available and regularly considered by senior management and the Board</p> <p>Arrangements are in place to identify and deal with poor performance and quality.</p>	<ul style="list-style-type: none"> • Key performance indicators • Quality indicators • Stakeholder feedback • Complaints • Quality Assurance Framework (QAF) • Performance Development and Review System • Lessons learned reports • Case reviews • Operational performance reports • Budget monitoring reports

Supporting Principle 4.1.3	Action	Demonstrated through:
Making sure taxpayers receive value for money	Regular review of resources and service delivery.	<ul style="list-style-type: none"> • Structured Best Value Review Programme • Alignment of corporate plan, business plan and budget • Annual efficiencies report • Resource models • Methodology development • Operational performance reports • Budget monitoring reports • Benchmarking

Section 4.2

Core Principle: Good governance means performing effectively in clearly defined functions and roles

Rationale: In order to achieve our vision and strategic objectives, we need a constructive working relationship between Board Members, officers and Sponsor Department with clear roles and responsibilities.

Supporting Principle 4.2.1	Action	Demonstrated through:
Being clear about the functions of the Board.	Clearly documented roles and responsibilities Board member induction and on-going training	<ul style="list-style-type: none"> • Documented in Reservation of Powers and Scheme of Delegation • Structured induction programme • “On Board” based training • Board and Committee effectiveness reviews • Individual Board member performance reviews

Supporting Principle 4.2.2	Action	Demonstrated through:
Being clear about the responsibilities of Board members, officers and Scottish Government Sponsor Department.	Clear statement of respective roles Collective responsibility for decisions	<ul style="list-style-type: none"> • Reservation of Powers and Scheme of Delegation • Accountable Officer Memorandum • Agreed NDPB Executive Framework document • Chair / Chief Executive performance reviews • Sponsor Department review meetings • Board and Committee effectiveness reviews • Individual Board member performance reviews

Supporting Principle 4.2.3	Action	Demonstrated through:
Being clear about the relationship between the Care Inspectorate, its scrutiny partners and the public.	Effective engagement with the public Decisions are made to further the purpose of the Care Inspectorate	<ul style="list-style-type: none"> • Involving People Group • Complaints process • Public Board meetings • Publicly available minutes • Register of Interests • Declaration of interests procedure

Section 4.3

Core Principle:

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

Rationale:

A hallmark of good governance is the development of shared values, which become part of the culture, underpinning policy and behaviour throughout the Care Inspectorate.

Supporting Principle 4.3.1	Action	Demonstrated through:
Putting our values into practice.	Establish and promote Care Inspectorate values	<ul style="list-style-type: none"> • Values are specifically identified and publicised • Board and Committee effectiveness reviews • Conferences & events • Induction and on-going training

Supporting Principle 4.3.2	Action	Demonstrated through:
Individuals behaving in ways that uphold and exemplify effective governance.	Live up to the values and demonstrate through behaviour	<ul style="list-style-type: none"> • Individual Board member performance reviews • Performance & Development Review System. • Code of Conduct for Board Members • Staff Code of Conduct

Section 4.4

Core Principle: Good governance means taking informed, transparent decisions and managing risks

Rationale: To make sustainable decisions that further the Care Inspectorate’s purpose and strategic direction Board Members and officers need the support of appropriate systems to help ensure decisions are implemented and that resources are used legally and efficiently. This includes an effective risk management system that identifies and assesses risks, decides on an appropriate response and provides assurance that the chosen response is effective.

Supporting Principle 4.4.1	Action	Demonstrated through:
Being rigorous and transparent about how decisions are taken.	Formal statement specifying decisions reserved for the Board and those delegated to Committees and officers.	<ul style="list-style-type: none"> • Reservation of Powers and Scheme of Delegation

Supporting Principle 4.4.2	Action	Demonstrated through:
Having and using good quality information, advice and support.	<p>Information is fit for purpose.</p> <p>Professional advice is available</p>	<ul style="list-style-type: none"> • Report template • Board and Committee effectiveness reviews • Report consultation procedure • Attendance of professionals at Board and Committee meetings • Access to external professional advice when required

Supporting Principle 4.4.3	Action	Demonstrated through:
Making sure that an effective risk management system is in operation.	Care Inspectorate operates an effective system of risk management	<ul style="list-style-type: none"> • Strategic risk register • Risk template • Internal and External Audit reports • Financial Regulations • Register and declaration of interests • All committees consider risks as an integral part of their business.

Section 4.5

Core Principle:

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

Rationale:

The Care Inspectorate needs people with the right skills to ensure it is effectively directed and controlled. Governance is strengthened by the participation of people with many different types of knowledge and experience.

Supporting Principle 4.5.1	Action	Demonstrated through:
Making sure that Board members and staff have the skills, knowledge and experience they need to perform well.	Assess the skills needed to fulfil the Care Inspectorates functions	<ul style="list-style-type: none"> • Training needs analysis • Workforce planning • Board and Committee effectiveness reviews

Supporting Principle 4.5.2	Action	Demonstrated through:
Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group.	Equipping Board members and relevant officers to perform effectively.	<ul style="list-style-type: none"> • Induction programme • On-going training opportunities • Individual Board member performance reviews • Board and Committee effectiveness reviews • Performance & Development Review System for officers.

Supporting Principle 4.5.3	Action	Demonstrated through:
Striking a balance in the membership of the Board, between continuity and renewal.	Balancing knowledge and experience with fresh thinking	<ul style="list-style-type: none"> • Fixed term appointments • Limit of 2 terms • Staggered termination of appointment dates

Section 4.6

Core Principle: Good governance means engaging stakeholders and making accountability real.

Rationale: Real accountability is concerned not only with reporting on or discussing actions already completed, but also engaging with our stakeholders to understand and respond to their views as we plan and carry out our activities.

Supporting Principle 4.6.1	Action	Demonstrated through:
Understanding formal and informal accountability relationships.	Assess the purpose and strength of relationships	<ul style="list-style-type: none"> • Ministerial direction and expectation • Agreed NDPB Executive Framework document • Sponsor Department review meetings • Partnership agreements with other scrutiny bodies • Memorandum of Understanding

Supporting Principle 4.6.2	Action	Demonstrated through:
Taking an active and planned approach to dialogue with and accountability to the public.	<p>Welcoming and dealing with feedback</p> <p>Clear policy on the types of issues for public consultation / engagement and service user and carer consultation / engagement</p> <p>Publish annually the Care Inspectorate's purpose, strategy, plans, financial statements, outcomes, achievements and satisfaction levels</p>	<ul style="list-style-type: none"> • Clear feedback mechanisms in place • Complaints process • Lessons learned reports • Involved People Group • Corporate Plan • Operational Improvement Plan • Annual Report and Accounts • Annual Standards and Quality Report • Triennial Overview reports

Supporting Principle 4.6.3	Action	Demonstrated through:
Taking an active and planned approach to responsibility to staff.	<p>Clear policy on when and how staff and their representatives are consulted with and/or involved in decision making</p> <p>Protect the rights of staff including support for whistleblowers</p>	<ul style="list-style-type: none"> • Partnership Forum agreement • Staff Conference • Development weeks • Whistleblowing Policy • Discipline and grievance procedure

Supporting Principle 4.6.4	Action	Demonstrated through:
Engaging effectively with institutional stakeholders.	Board to take the lead in forming and maintaining relationships with other relevant organisations	<ul style="list-style-type: none"> • Chair's cross membership of HIS and SSSC Boards • Joint Board meetings