



SOUTH LANARKSHIRE
Leisure & Culture

CODE OF CORPORATE GOVERNANCE

Introduction

Corporate Governance is represented by the systems by which an organisation is directed and controlled. It is concerned with the systems, processes and standards put in place to ensure that its overall aims and objectives are delivered in the most effective and transparent way with due regard for legal requirements, accountability and stakeholder expectations.

South Lanarkshire Leisure and Culture Limited (SLLC), as a charitable company limited by guarantee, always has to consider the statutory requirements of both company and charity law. However, the Company also has a key role in providing quality leisure and cultural services to the local community on behalf of South Lanarkshire Council. In order to do this effectively, there is a need for stakeholders and the public to have confidence and trust in the Company's Board of Directors and workforce. A framework for effective governance arrangements helps build this. This Code of Corporate Governance will be used to monitor and continually improve our governance arrangements.

Principles of Good Corporate Governance

The following principles underpin corporate governance and these must be reflected in all areas of the Company's business:

- ***Openness and Inclusivity***

Openness is essential to ensure that all stakeholders have confidence in the decision making and management processes of the Company. In addition, openness involves an inclusive approach, engaging all stakeholders where appropriate through genuine consultation.

- ***Integrity***

Integrity is based on honesty, selflessness and objectivity with high standards of propriety and probity in the stewardship of public funds and management of the Company's affairs.

- **Accountability**

Accountability is the process by which the Company, Board of Directors and employees are responsible for their actions and decisions. This is demonstrated, inter alia, through Board meeting arrangements, the management structure and key strategic documents such as the Company Accounts, business plans and our policy framework.

- **Leadership**

Strong leadership is an overarching principle of good governance and fundamental to direction setting and achievement of key business objectives. This is about clarity of vision for the company as well as effective decision making. Equally important are the values and culture of the organisation and all within it must maintain high standards of conduct, complying with relevant codes in this regard.

Characteristics of Good Corporate Governance

Good corporate governance exists when a number of internal and external factors combine to produce the following characteristics:

Effective leadership that sets clear strategic objectives, roles and responsibilities;

Robust systems and processes operating in the organisation, including strong financial and risk management practices. Other systems such as performance management and processes of external scrutiny and regulation are important in generating reliable information concerning organisational health and performance;

Culture of openness and honesty in which decisions and behaviours can be challenged and accountability is clear;

Focus on the needs of service users and the public in maintaining clarity of purpose, achieving stakeholder buy-in and delivering better outcomes.

Company Policy

SLLC undertakes to promote the above principles in its business and to require the Board of Directors, Senior Management Team and all employees to be aware of the principles and apply them in the course of their duties.

The effectiveness of the Company's corporate governance arrangements will be regularly assessed. Documentary evidence will be maintained to support compliance with the above principles. The minimum level of required evidence will typically include that set out in the table below.

TABLE OF EVIDENCE RE GOVERNANCE ARRANGEMENTS

CHARACTERISTIC	EVIDENCE
Effective Leadership	Memorandum & Articles of Association Strategy & Policy Documents Business Plan Marketing Plan Outcome Delivery Plans Annual Accounts Board Membership Arrangements Quarterly Board Meetings Board Information Sessions Audit Committee
Robust Systems & Processes	Financial Regulations Transfer & Funding Agreements with South Lanarkshire Council Scheme of Delegation Standing Orders on Contracts Capital Investment Plan Revenue Budget Independent Internal Audit Monthly Performance Monitoring Risk Management Processes Business Continuity Plan Adequate Insurance Cover Operational & Financial Procedures Health and Safety Processes External Audit Statutory Company Books Appropriate Service Level Agreements Independent Legal Advice
Culture and Values	Encourage and open and honest approach through: Codes of Conduct Whistleblowing Policy Register of Directors Interests Human Resources Policies & Practices
Customer & Stakeholder Focus	Partnership Arrangements (such as Community Plan) Customer Complaints Procedure Concessionary Schemes Marketing Plan Impact Assessments Consultation Processes Mystery Visit Programme Public Performance Reporting Freedom of Information Process