Code
of Good Practices
for Local Government

Office of the Prime Minister

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Preamble

This Code of Good Practices should serve as a tool to assist in achieving effective and efficient functions and operations within Local Councils.

> "[Local] Governance is about how local government bodies ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they answer for, engage with and, where appropriate, lead their communities."

The underlying principle for the adoption of good practices for local government is the delivery of good local governance. To achieve this objective the following measures are to be adopted:

1. Openness and inclusivity

It is highly important to ensure that stakeholders have confidence in the decision-making and management processes of local authorities, and in the approach and operations of Local Council members and

employees. Genuine consultation with stakeholders and full, accurate and clear information leads to effective and timely action and lends itself to necessary scrutiny. Openness also requires an inclusive approach which seeks to ensure that all stakeholders and potential stakeholders have the opportunity to engage effectively with the decision-making processes and actions of local authorities. It requires an outward focus and commitment to working in partnership. It also calls for innovative approaches to consultation and to service provision.

2.   Integrity

An integral approach is one based on honesty, selflessness and objectivity, and high standards of propriety and probity in the management of public funds and all Local Council's affairs. Integrity is dependant on the effectiveness of the control framework and on the personal standards and professionalism of the members and staff within the Council. Integrity is also reflected in the Council's decision-making procedures, in its service delivery and in the quality of its financial and performance reporting.

3.   Accountability

Local Council members and staff are responsible for their decisions and actions, including their management of public funds and all aspects of performance. In the interest of public interest, they should submit themselves to appropriate external scrutiny. This is mainly achieved through clear understanding of these responsibilities, and having clearly defined roles.

4.   Ethical Conduct

In the exercise of their functions, Council members and staff should put the public good before any individual interests. Effective measures should be put in place to prevent and combat all forms of corruption. In this respect, the Code of Ethics for Local Councillors and the Code of Ethics for Public Officers should serve as guidelines.

5.   Competence and Capacity

The professional skills of those who deliver governance should be continuously maintained and strengthened in order to improve their output and impact. Council employees should be motivated to continuously improve their performance. Practical methods and procedures should be created and used in order to transform skills into capacity and to produce better results.

6.   Innovation and Openness to Change

New and efficient solutions to problems should be sought and advantage taken of modern methods of service provision. There should be readiness to pilot and experiment new programmes and to learn from the experience of others. A climate should be created that is favourable to change in the interest of achieving better results.

7.   Responsiveness

Local Councils are expected to abide by the objectives, rules, structures and procedures in response to the legitimate expectations

and needs of citizens. All requests and complaints are to be replied to within a reasonable timeframe and without undue delay.

8. Corporate Governance

Six main dimensions that Local Councils should focus on to ensure effective corporate governance:

- The purpose of the Local Council and outcomes for the community and the creation and implementation of a vision of the local area;
- Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Local Council and demonstrating the values of good governance by 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 other stakeholders to ensure robust public accountability;
- Leadership in context – understanding the context for public service leadership, and the challenges created for collaboration between agencies and the communities they serve;
- Leadership and politics – working effectively with national, local, organisational, and community politics;
- Leadership of place – working with communities of place and communities of interest to promote health and wellbeing;

- Leading in collaboration – working across organisational boundaries to mobilise collaborative action;
- Leadership of self – recognising the distinctive contribution each leader can make and what it means to lead authentically.

9.   Enhancing Local Democracy

The enhancement of local democracy is an inherent factor of local government. Democracy is an evolution of the concepts of "civic culture" and "law and order" to the wider concept embracing consensus building, participation and civic awareness. In this regard, therefore, Local Councils play a very crucial part - that of giving added value to the concept of local democracy by adopting a consultative approach with all stakeholders, encouraging citizens and introducing measures that stimulate participation of local citizens in local decision-making, as well as instilling civic awareness in their communities.

10.   Adopting a management approach

Public management, including local public management, provides a focus of governance based on strong principles of management including proper human resource, financial, operational as well as strategic management. The adoption of good management techniques should be citizen focused with a view to deliver best quality service. The adoption of total quality management techniques, in particular with respect to the administrative and executive functions is crucial in the achievement of quality service to the local citizens. Good management skills are, therefore, required, including an entrepreneurial approach

and innovative thinking in order to respond not only to present but also to foreseeable needs.

A "management approach" also calls for the adoption of strategic thinking and the adoption of a strategic business plan that is mission driven and includes the objectives, strategies and tactics to be adopted in order to achieve such vision.

11.　　Sustainability and Long Term Orientation

Sustainable development in the local government context is one where people, and more critically, people-centred policies are the primary focus of government. Sustainable development at local level is geared towards improving the social, economic, political, cultural and psychological quality of the citizens, integrating them into society while at the same time empowering them to live fulfilled lives.

Empowerment includes the right to participate fully in the decision making process as it affects one's life, as well as to have economic and social security. Governance, from a development perspective, puts people first.

Best practice in the area of sustainable development can be achieved by adopting and implementing the following measures:

- Promoting sustainable development of the locality to ensure the proper delivery of adequate services to the residents, proper protection of the environment and

proper conservation of heritage of historic towns and rural settlements;

- Encouraging responsible citizenship and ensuring safe communities;
- Promoting leisure and cultural facilities to contribute to healthy living for citizens;
- Targeting resources at areas of disadvantage to reduce social exclusion and improve the quality of life of everyone;
- Creating opportunity for all by promoting sustainable local economic development;
- Ensuring that local authorities listen to their citizens and deliver high quality, value for money, costumer focused services.

12. Sound Financial Management

Obligations entered into should not exceed the cost of services provided and do not reduce demand excessively, particularly with respect to important public services. Prudence is to be observed in financial management, including in the contracting and use of loans, in the estimation of resources, revenues and reserves, and in the use of exceptional revenue. Business Plans and Budgets are to be prepared in consultation with the local citizens.

Risks should be properly estimated and managed, including the publication of audited accounts and, in the case of public-private partnerships, by sharing the risks realistically.

13.   Rule of Law

Local Councils are to conform with the law and judicial decisions relating to local government functions and operation. The rules and regulations are to be adopted in accordance with legal provisions and enforcement carried out in an impartial manner.

Recommended Actions

For achieving the objectives highlighted above, the following actions are recommended:

- The adoption of a Local Strategic Plan that is community oriented and which takes into consideration local historic, cultural, geographic and social characteristics;
- The adoption of a Vision for the locality;
- Ensuring that Councillors and employees work together to achieve a common purpose with clearly defined functions and roles;
- Promotion of the values for the Local Council and the demonstration of 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 Councillors and employees to be effective;

- Encouraging effective dialogue amongst all Councillors so as to ensure effective implementation of tasks and projects;
- Ensuring proper distribution of tasks and responsibilities amongst all Councillors;
- Engaging with local people and other stakeholders to ensure that the decisions taken are in the best interests of the local community;
- Utilisation of e-services as a means of getting closer to the community.