

# Local Code of Corporate Governance

April 2023

<b><u>Version Control</u></b>			
<b><u>Version</u></b>	<b><u>Author</u></b>	<b><u>Date</u></b>	<b><u>Changes</u></b>
1.0	Internal Audit Manager	2016	New Local Code.
1.01	Internal Audit Manager	2018	Minor updates.
2.0	S151 Officer	<b>April 2023</b>	Re-write of Local Code.

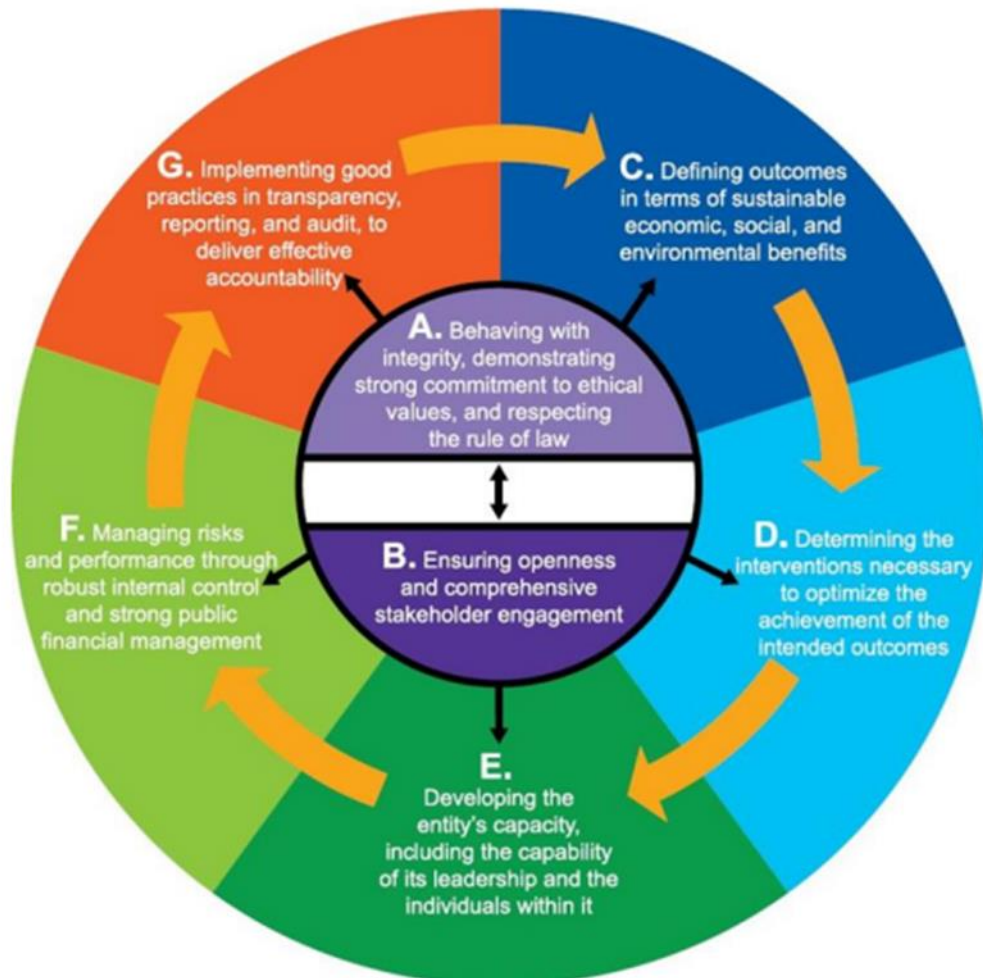
## 1. Introduction

CIPFA, in collaboration with Solace, published *Delivering Good Governance in Local Government: Framework* which set the standard for Local Government Governance in the UK and the latest update, published Spring 2016, applies to Annual Governance Statements. The framework requires a Local Code of Corporate Governance to be produced which demonstrates how an authority deploys governance within its organisation, and what activities evidence its deployment.

Underpinning the framework is a responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way, with an overarching aim to ensure:

- Resources are directed in an accordance with agreed policies and in line with priorities,
- There is sound and inclusive decision making, and
- There is clear accountability for the use of resources in achieving desired outcomes for service users and communities.

The framework contains seven principles, demonstrated in the diagram below:



This Local Code of Corporate Governance will show how the Council meets these principles and captures their effectiveness for the Annual Governance Review statement. The code also underpins the delivery of the Council's Corporate Plan, and the principles of "do, enable, Influence".

The Council will undertake an annual review of its governance arrangements to ensure continuing compliance with CIPFA best practice to provide assurance that corporate governance arrangements are adequate and operating effectively in practice. Where reviews of the corporate governance arrangements have revealed gaps, actions will be planned to enhance the governance arrangements accordingly.

## **2. The Council - How it Works**

The Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. The Constitution is divided into 16 articles which set out the basic rules governing the Council's business.

The Council operates an 'Executive Leader and Cabinet' model of decision-making. Under this model, the executive leader, appoints their own deputy executive leader and cabinet, which comprises seven other councillors.

Overview and Scrutiny Panels aim to improve the council's performance by monitoring, questioning and making recommendations on the way services are provided and decisions are taken.

There are two panels, each of which is made up of 12 council members.

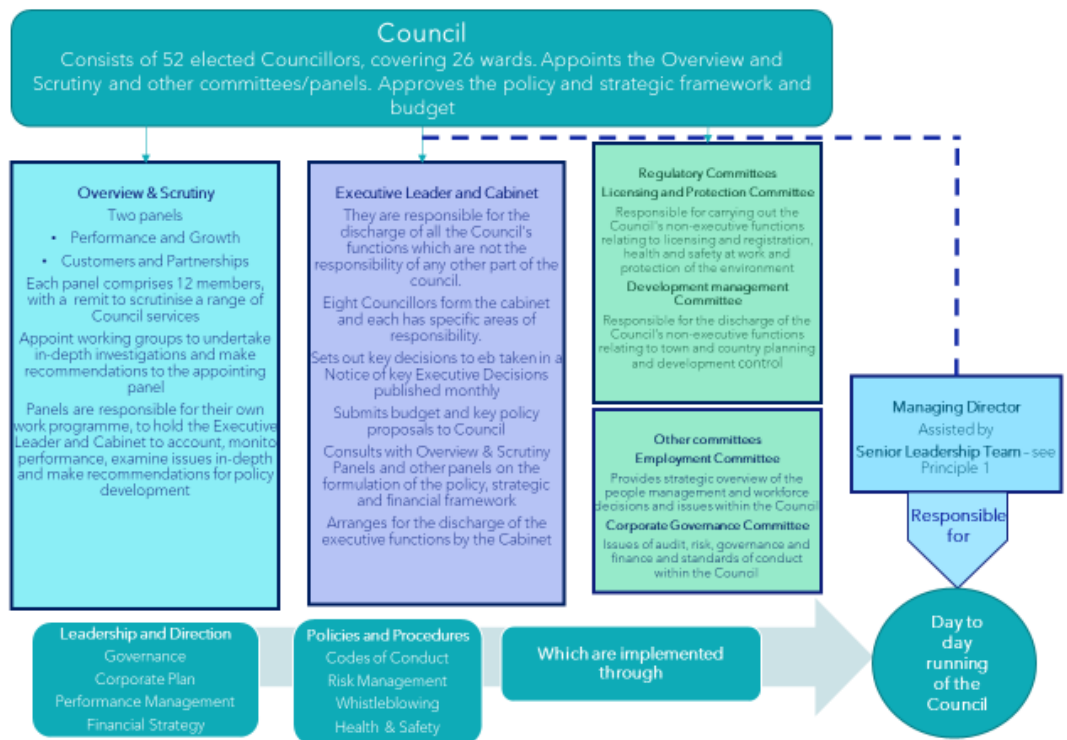
The panels have an important role in the executive decision-making by holding the cabinet to account. This involves ensuring that decisions taken by the cabinet are appropriate and within the council's policy and financial framework.

If any three members of a relevant panel feel that a decision is inappropriate or contrary to policy or the budget, they can "call the decision in". This must be done within five days of the decision being made to prevent it from being implemented. They will then discuss the matter formally with the relevant cabinet member and officer and, if necessary, make recommendations to the decision-maker to reconsider or amend their decision.

The panels also carry out detailed, evidence-based assessments of council services or wider issues that affect the lives of local people. At the end of each study, a panel will report with recommendations as to how things could be improved. Much of their work involves the detailed examination of key council plans and policies, both before and after they have been approved.

The Council has also established a Corporate Governance Committee which oversees governance arrangements and the standards of conduct of members.

The Council has a range of non-executive decisions that need to be taken, for example, determining planning and licensing applications. These decisions are delegated to the Development Management Committee, Licensing, and Protection Committee and the Licensing Committee



This decision making and governance is carried through to the day to day running of the Council, and is deployed and monitored through the “Three Lines of Defence” model:



### 3. Demonstrating the Principles

Principles	Council Arrangements	Supporting Examples
<p><b>Principle A:</b> Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p>	Code of Conduct for Members based upon the LGA Model Councillor Code of Conduct 2020.	See Part 5, Codes and Protocol, of the Constitution
	The seven Principles of Public Life, known as the "Nolan Principles" apply to all public sector employees and members.	See Part 5, Codes and Protocol, of the Constitution
	Acceptance of code by Councillors	Signed declaration of Acceptance of Office
	Declaration of Interests, rules for declaration. Confirmation of no declarable interests at the start of each Committee meeting	Register of Interests Committee meeting notes
	Gifts & Hospitality, rules for declaration	Register of Gifts & Hospitality
	Code of Conduct Complaints Process	Annual Complaints report
	Employee Code of Conduct	Annual confirmation of the code
	Defined delegation of responsibilities to Officers	See Part 3 of the Constitution
	Appointment of Monitoring Officer to validate the Council is operating in a lawful manner	See Article 12 of the Constitution
	Whistleblowing policy to allow the reporting and investigation of breaches of Conduct or Council Policy	Whistleblowing Policy
	CIPFA Code of Financial Management	Annual review of compliance with code. Finance Regulations
	Procurement Governance Framework	Code of Procurement Contract Regulations

<b>Principles</b>	<b>Council Arrangements</b>	<b>Supporting Examples</b>
	The Council has adopted a series of policies that apply equally to the roles of the member and employee which includes a dignity at work policy and corporate equality policy	Constitution Regular review of policies
	Promoting an ethical culture	Council's icare values
	Creation of an Assurance Board to seek assurance the Council's governance arrangements are effective and give the comfort required.	Assurance board agendas and meeting notes.

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<p><b>Principle B:</b> Ensuring openness and comprehensive stakeholder engagement</p>	<p>Details of Council's priority outcomes are included in the Corporate Plan</p>	<p>Agreed through Council and published on website</p>
	<p>Details of the Council's activities and achievements are included in the Annual Report</p>	<p>See Council meeting agendas on HDC website</p>
	<p>Details of the governance activities, changes and challenges are included in the Annual Governance Statement</p>	<p>See HDC website – Council &amp; Democracy/Council Open data and Information/Our Policies &amp; Procedures</p>
	<p>All meeting agendas, content and key decision requirements are published in advance.</p>	<p>See HDC website - Council &amp; Democracy/View Upcoming Committee Meetings</p>
	<p>The calendar of upcoming meetings is publicly available.</p>	<p>See HDC website - Council &amp; Democracy/View Upcoming Committee Meetings</p>
	<p>All committee meetings are streamed and can be viewed by the public (except for limited exceptions)</p>	<p>Streaming links available on the website</p>
	<p>Formal External Engagement and Communications Strategy</p>	<p>Reporting of Engagement and Communication activities and outcomes</p>
	<p>Formal Internal Engagement and Communications Strategy</p>	<p>Evidence of internal activities</p>
	<p>The Council promotes the formation of an Employee Representative Group for engagement regarding employee matter</p>	<p>Monthly meeting agendas and notes</p>
	<p>Data required by the Local Government Transparency code is published on the Council's website, and the Council has adopted a Publication Scheme setting out which information is published without requiring a Freedom of Information request.</p>	<p>See HDC website - Council &amp; Democracy/Council Open Data and Information/Freedom of Information</p>

Principles	Council Arrangements	Supporting Examples
<p><b>Principle C:</b> Defining outcomes in terms of sustainable economic, social and environmental benefits</p>	<p>Details of Council's priority outcomes are included in the Corporate Plan</p>	<p>Agreed through Council and published on website</p>
	<p>A Medium Term Financial Strategy (MTFS) is prepared on an annual basis to demonstrate to the affordability of plans and expected outcomes</p>	<p>Agreed through Council and published on website</p>
	<p>Service plans are prepared on an annual basis, demonstrating links to the Council's Corporate plan and delivery of key services, and performance indicators to measure their effectiveness.</p>	<p>Annual service plans</p>
	<p>A Treasury strategy is produced on an annual basis, demonstrating compliance with the Prudential code and effective use of the Council's resources</p>	<p>Treasury Strategy presented to Council and available on the website</p>
	<p>A Commercial Investment Strategy (CIS) is in place to reduce the Council's reliance on central government funding</p>	<p>CIS approved by Council and available on the website</p>
	<p>Budget and operational performance monitoring reports are generated on a monthly basis to show achievement against published plans</p>	<p>Reports presented at monthly Corporate SLT meetings</p>
	<p>Risk registers are maintained to identify potential/known threats to the organisation or service, and mitigating actions put in place to reduce these.</p>	<p>Risk registers maintained within the 4Risk system, and Corporate Risk Register reported on the website.</p>



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	A Climate Strategy policy is being produced to define the Council's approach to minimising its environmental impact and operating in a more sustainable manner.	
	The Council has commenced a review of its Local Plan, considering the needs of the district over the longer term and the plans that need to be put in place to deliver the necessary infrastructure to support this.	Public consultation and preparation of plans
	The Council has an Economic Development team to attract new businesses and investment to the district. It also hosts the "Invest in Huntingdonshire", further promoting the benefits of the district.	
	Working alongside other local government organisations, major regeneration projects are being developed the district creating sustainable social, economic and environmental benefits.	External funding receipts

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<p><b>Principle D:</b> Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<p>The Corporate plan is prepared in conjunction with the MTFS to ensure delivery plans are affordable and achievable within the funding available.</p>	<p>Plans are published on the Council's website and as part of meeting agendas</p>
	<p>Budget and operational performance monitoring reports are generated on a monthly basis to show achievement against published plans and identify where corrective actions may be needed.</p>	<p>Reports presented at monthly Corporate SLT meetings</p>
	<p>Risk registers are maintained at Service and Corporate levels to identify potential/known threats to the organisation or service, and mitigating actions put in place to reduce these.</p>	<p>Risk registers maintained within the 4Risk system, and Corporate Risk Register reported on the website.</p>
	<p>Programme boards are put in place for major activities, to monitor progress and ensure delivery plans will achieve the intended outcome.</p>	<p>Agendas and meeting notes from board meetings</p>
	<p>Significant projects are monitored through the Major Change board, with actions raised to mitigate risks of non-performance.</p>	<p>Agendas and meeting notes from board meetings</p>
	<p>The Overview and Scrutiny panels review progress on Council deliverables and are able to challenge decisions if they are not content with what is being achieved.</p>	<p>Agendas and meeting notes from committee meetings</p>
	<p>Internal Audit review of services and reporting developed through a risk based strategy, with remedial action plans recommended.</p>	<p>Internal Audit plan</p>

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<p><b>Principle E:</b> Developing the Council's capacity, including the capability of its leadership and the individuals within it</p>	<p>Review of the Council's assets and resources on a regular basis to ensure these remain fit for purpose and are being utilised effectively.</p>	<p>Asset inspections, proactive maintenance records</p>
	<p>Clear rules for delegation of authorities enabling decisions to be taken at the appropriate level and by individuals with the necessary knowledge.</p>	<p>The Constitution</p>
	<p>Definition of roles and responsibilities for Councillors and Offices</p>	<p>The Constitution</p>
	<p>Self assessment of skills for Committee members, with training plans for covering any deficits.</p>	<p>Skills self assessment records</p>
	<p>Use of operational and budget monitoring reports including, where effective, bench marking data so that performance trends can be noted and acted upon.</p>	<p>Reports generated and presented to Corporate SLT/committee.</p>
	<p>Developing shared services with neighbouring District Councils, allowing sharing of best practices and driving financial efficiencies.</p>	<p>Shared services for ICT, Legal and Building Control.</p>
	<p>Developing the capability of staff and improving their skills through training and online coaching tools.</p>	<p>Learning and Development team</p>
	<p>Encourage transformation work to improve service delivery or the effectiveness of the Council through the "New Ideas" process and the availability of funding.</p>	<p>New Ideas process and achievements</p>
	<p>Availability of Project Management skills and decision making to lead on work to improve the Council's capacity</p>	<p>Output of the Major Change Board</p>

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<b>Principle F:</b> Managing risks and performance through robust internal control and strong public financial management	Development of a Risk Management strategy, including indications of acceptable risk appetites.	Risk Management strategy
	The Council is a member of the Cambridge & Peterborough Resilience Forum, sharing knowledge and resources on Emergency Planning.	Regular reviews of Emergency Response plans and actions, testing of these and communication of updates.
	Business Continuity plans in case of disruption to services	Review and update of Business Continuity plans.
	Regular review and update of risk registers, including risk scoring and mitigating actions.	Risk registers maintained on 4Risk system
	Quarterly review and update of the Corporate risk register and mitigating actions	Risk register reviewed at Corporate SLT and reported on intranet
	Annual external audit of the Council's financials, including a review of value for money achieved.	Annual audit report to Council
	MTFS produced on an annual basis and presented to Council	See HDC website - Council & Democracy/Meetings/Council
	Quarterly Financial reporting against the approved budget presented to Council	See HDC website - Council & Democracy/Meetings/Council
	Reporting of Treasury Prudential measures to Council	See HDC website - Council & Democracy/Meetings/Council
	Use of operational and budget monitoring reports including, where effective, benchmarking data so that performance trends can be noted and acted upon.	Reports generated and presented to Corporate SLT/committee.

<b>Principles</b>	<b>Council Arrangements</b>	<b>Supporting Examples</b>
	CIPFA Code of Financial Management implemented and maintained	Annual update of code
	Code of Procurement published	Constitution
	Internal Audit review of services and reporting developed through a risk based strategy with remedial action plans recommended	Internal Audit plan

Principles	Council Arrangements	Supporting Examples
<p><b>Principle G:</b> Implementing good practices in transparency, reporting and audit to delivery effective accountability</p>	<p>Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.</p>	<p>Report templates and guidance</p>
	<p>Data required by the Local Government Transparency code is published on the Council's website, and the Council has adoption a Publication Scheme setting out which information is published without requiring a Freedom of Information request.</p>	<p>See HDC website - Council &amp; Democracy/Council Open Data and Information/Freedom of Information</p>
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