LOCAL CODE OF CORPORATE GOVERNANCE

November 2022

BOROUGH OF BROXBOURNE
www.broxbourne.gov.uk

SP1705131

FOREWORD

The Borough of Broxbourne covers 20 square miles in south east Hertfordshire and has a population of about 99,000 (March 2021 census). The Borough is a balance between urban, industrial and commercial areas, four town centres: (Broxbourne, Cheshunt, Hoddesdon and Waltham Cross) and rural green belt land. It is a gateway to London, forming part of the commuter belt.

There are 30 elected members of Broxbourne Borough Council in ten wards. The Council has had a Leader and Cabinet form of executive governance since 2011.

The Council recognises the importance of good governance and in order to fulfil its purpose and deliver the intended outcomes for its residents and service users, it has in place comprehensive arrangements for corporate governance and accountability designed to ensure that it operates in an effective, efficient and ethical manner.

This Local Code is consistent with the principles identified in The Chartered Institute of Public Finance and Accountancy (CIPFA)/ Society of Local Authority Chief Executives and Senior Managers (SOLACE) Framework 2016 'Delivering Good Governance in Local Government'.

CONTENTS

Defining Corporate Governance 4

Principle A: Behaving with Integrity 7

Principle B: Openness and Stakeholder Engagement 9

Principle C: Sustainable Economic, Social and Environmental Benefits 11

Principle D: Achieving Intended Outcomes 12

Principle E: Developing the Council's Capacity 13

Principle F: Managing Risk and Performance 14

Principle G: Transparency and Accountability 15

BROXBOURNE BOROUGH COUNCIL

The Council believes that effective corporate governance is achieved by:

- putting in place sound control systems and processes;
- regular checking to make sure those systems and processes are working in practice; and
- reviewing those control systems and processes at least annually.

This Local Code of Corporate Governance has been developed to demonstrate how the Council does this in practice and how it complies with each of the seven principles.

The Code brings together in one document the governance and accountability arrangements which the Council currently has in place. The Code will be reviewed, at least once every two years, updated as required.

The Accounts and Audit Regulations 2015 require the Council to review at least once a year the effectiveness of its system of internal control and to approve and publish an Annual Governance Statement (AGS). This Code will facilitate the Council's review of its corporate governance arrangements for the purposes of the AGS. The AGS is monitored and reviewed by the Audit and Standards Committee after presentation to the committee with the annual Statement of Accounts.

This Local Code of Corporate Governance was last reviewed in November 2020 and was_reviewed in light of the COVID-19 pandemic. It is important to maintain robust governance arrangements especially as the work of the Council is carried out in a more virtual environment.

DEFINING CORPORATE GOVERNANCE

Corporate governance can be defined as "the systems by which organisations are directed and controlled".

There are three fundamental principles of corporate governance:

Openness: This ensures that all interested parties are confident in the organisation itself. It leads to effective and timely action and lends itself to necessary scrutiny.

Integrity: This is described as both straightforward dealing and completeness. It should be reflected in the honesty of an organisation's annual report and its portrayal of a balanced view. The integrity of reports depends on the integrity of those who prepare and present them which, in turn, is a reflection of the professional standards within the organisation.

Accountability: This is the process whereby individuals are responsible for their actions. It is achieved by all parties having a clear understanding of those responsibilities, and having clearly defined roles through a robust structure.

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines corporate governance for local authorities as "the systems and processes, the cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities".

The Localism Act 2011 requires councils to have a code of conduct for members.

In 2007, CIPFA/SOLACE published a Framework for Delivering Corporate Governance in Local Government to assist councils to review their governance arrangements and to highlight any gaps. The Framework, which was updated in 2012 and 2016, adapts the core principles of good governance for the local government sector and recommends that all councils should comply with them.

The seven principles identified in the Framework for Delivering Corporate Governance in Local Government (CIPFA 2016) are:

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

B. Ensuring openness and comprehensive stakeholder engagement.

C. Defining outcomes in terms of sustainable economic, social and environmental benefits.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.

F. Managing risks and performance through robust internal controls and strong public financial management.

G. Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

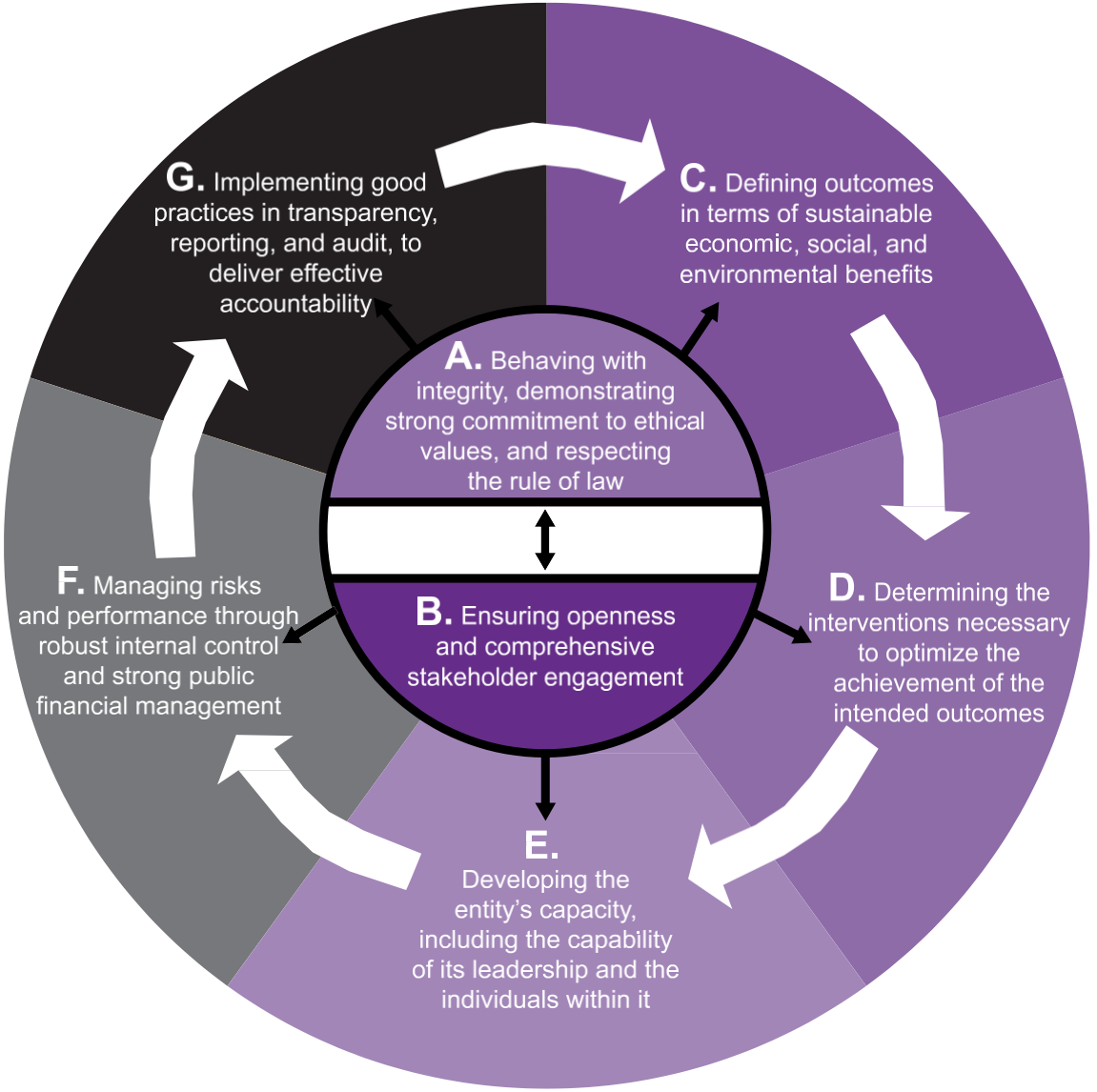
CODE OF CORPORATE GOVERNANCE

The Code of Corporate Governance is a statement of the systems by which the Council directs and controls the exercise of its functions and relates to the local community. It is intended to:

- stimulate confidence in the activities of the Council and how it goes about its business;
- focus the minds of those involved in decision making on making those decisions in a proper way and engaging local stakeholders;
- assist with the constant improvement of service delivery and minimisation of risk.

PRINCIPLES OF GOOD GOVERNANCE

The diagram below illustrates the seven core principles of corporate governance as identified by CIPFA / SOLACE



Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The Council recognises that good governance is underpinned by behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law. The standards of conduct and behaviour the Council expects of members and officers are clearly set out in the constitution, in particular the codes and protocols in part 5 and in the Officer Code of Conduct. This is supported by training programmes for both members and staff.

		Supporting documentation and evidence of compliance with 1(a)	
1(a)	**Behaving with Integrity** The Council does this by: • Having in place an agreed Code of Conduct for members and staff. • Having in place well-structured and transparent decision making processes and delegation arrangements. • Corporate Governance Group meeting on a monthly basis to consider governance and integrity issues. • Regularly reviewing its policies to ensure that they remain effective. • Regular meetings of the Corporate Management Team and Cabinet Councillors to ensure coherent political direction. • Established staff procedures through personnel and annual objective setting meetings for all staff.	• The Corporate Plan • Constitution, Part 3A – Responsibility for Non-Executive Council Functions, Part 5 Codes and Protocols • Cabinet and Committee reports and minutes circulated to staff • Officer Code of Conduct • Member Code of Conduct • Member and staff training programmes • Contract standing orders and procurement guidance • Contracts register • Corporate complaints procedure • Anti-fraud and corruption strategy and fraud response plan • Computer use policies • Data Transfer Policy • Data Security Policy • Data Retention Policy • Social Media Guidance document • Register of interests and register of gifts and hospitality for both members and officers • Corporate values	• Whistleblowing Policy • Personnel policies and training programmes such as corporate induction, customer care, managing diversity • Investors in People • Internal Audit plan, annual report and review of effectiveness • Partnership Protocol, Partnership governance documents • Register of concurrences • Financial regulation • Governance group • Corporate Management Team (CMT) minutes • Staff and member briefings on the corporate values introduced November 2022

		Supporting documentation and evidence of compliance with 1(b) & (c)
1(b)	**Demonstrating Strong Commitment to Ethical Values** The Council does this by: • Appointing experienced Section 151 and Monitoring Officers with appropriate qualifications and seniority within the Council to promote ethical values. • Appointing an Audit and Standards Committee with an Independent Person. • Established processes for quickly investigating complaints/ethical standards issues. • A supported and effective whistleblowing policy. • Promoting ethical values through open tendering and standard contract documentation.	• Regular reporting of standards issues to Audit and Standards Committee • Corporate Equalities Scheme • Financial Regulations, Contract Standing Orders and procurement guidance • Complaints procedure • Whistleblowing Policy • Constitution • Cabinet and committee reports
1(c)	**Respecting the Rule of Law** The Council does this by: • A modern, up-to-date constitution. • Ensuring all decision making reports contain relevant legal constraints. • Ensuring decisions are only taken after advice from appropriate officers. • Section 151/Monitoring Officers being part of the report clearing process.	

Principle B: Ensuring openness and comprehensive stakeholder engagement

The Constitution sets out how the Council makes decisions and the rights of its residents in relation to the Council's work. The Corporate Communication Strategy sets out how the Council engages with all of its stakeholders to improve its accountability. It is supported by customer care standards and the Corporate Equalities Scheme.

		Supporting documentation and evidence of compliance with 2(a)
2(a)	**Openness** The Council does this by: • The Scrutiny Committee providing an annual report to the Council. In addition, committee meeting minutes are reported to the following Council meeting. • Holding Cabinet, committee and Council meetings in public, unless confidential items are being considered. Reports are available, free of charge, on the website or from the Council offices. This includes the use of publicly accessible virtual platforms. • Providing effective 'critical friend' challenge through the Council's scrutiny processes. Scrutiny to review reports and to give comments and recommendations to Cabinet. • Responding to FOI (Freedom of Information) and Subject Access Requests (SARs) in accordance with legal provision. • Publishing online and properly documenting all decisions taken by the executive. • Maintaining a list of decisions due to be taken by the Cabinet. • Maintaining an effective website. • Making publicly available agendas and clear minuting of all meetings in accordance with statutory regulations. • Ensuring that any emergency decisions made by the Chief Executive (Head of the Paid Service) follow constitutional arrangements	• Corporate Plan • Service Plans • Corporate Communications Strategy • Constitution • Scrutiny Committee reports to Council • Customer care standards • Corporate Equalities Scheme and Equalities Monitoring report • Website • Our_Broxbourne ~~Life~~ magazine for residents • Publication of agendas and minutes of meetings • Borough Consultation Panel • Citizen Panel • Environmental Panel/Community Safety consultation forum • Annual Statement of Accounts • Medium Term Financial Strategy • Annual estimates • Service area monitors • Compliance with Freedom of Information Act • Cabinet workplan • Staff training

		Supporting documentation and evidence of compliance with 2(b) & (c)
2(b)	**Engaging with individual citizens and service users effectively** The Council does this by: • Ensuring meaningful consultation is undertaken during key service changes. • Ensuring statutory consultation processes are followed and consistently applied. • Using a combination of communication methods to engage with citizens. • Having a clear complaints procedure. • Ensuring the Council and its Members take account of consultation in the context of its decision making and financial impact on tax payers.	• Broxbourne Local Strategic Partnership terms of reference • Our_Broxbourne magazine for residents • Council website • Corporate complaints procedure • Residents' surveys • Citizen Panel • Partnership protocol • Various Service Level Agreements (SLAs) • Consultation outcomes • Constitution • Cabinet reports

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

The Council recognises the long term nature and impact of many of its decisions in the community and that it therefore must ensure that these are sustainable, further the Council's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including residents, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

		Supporting documentation and evidence of compliance with 3
3	**Defining outcomes in terms of sustainable economic, social and environmental benefits** The Council does this by: • A Corporate Plan that sets out the Council's vision and priorities based on consultations with local community and other key stakeholders. Supported by strategies and action plans around sustainability and community safety • An economic development strategy that is approved by the Council and partners on the Ambition Broxbourne Board. • Broxbourne Community Partnership which is a network of community groups with engagement from the Council, JobCente Plus and NHS social prescribers. Carries out joint efforts to support wellbeing of vulnerable people, particularly people who are struggling with poverty and mental health problems • The Community Safety Partnership agrees the Council's community safety priorities based on emerging risk threats and crime trends • Ensuring that decision making takes account of these and the effects on residents and paying due regard to the public sector equality duty. • Ensuring that the Council provides fair access to the services it provides. • Policies in the Local Plan that actively protect the Green Belt and countryside.	• Corporate Plan • Citizen Panel • Our_Broxbourne ~~Life~~ magazine for residents • Service plans • Medium Term Financial Strategy • Broxbourne Community Partnership. • Ambition Broxbourne Economic Development Strategy • Council's website • Local Plan • Equalities Impact Assessments • Annual Equalities Action Plan • Environmental Sustainability Strategy and Action Plan • Annual Community Safety Plan (being drafted)

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

Elected members are collectively responsible for the governance of the Council. The role of officers is to advise members to assist with their role and to implement policy and deliver services in accordance with the law and policies of the Council. There are statutory requirements and responsibilities for the Chief Executive, Monitoring Officer and Section 151 Officer. The Local Government Act 2000 also gives councils the power to promote the economic, social and environmental well-being of their area and to work in partnership with other bodies to develop community strategies. Finally, the Localism Act 2011 provides councils with a general power to do all things a normal person could do; the 'power of general competence'. This is, however, restricted by prevention of revenue raising powers and other specific statutory restrictions already in place. The Council's Constitution ensures that there is clarity about policy and regulatory functions and the roles and responsibilities of the scrutiny function. These features contribute to the openness, probity and accountability of the actions of the Council and of its members and officers.

		Supporting documentation and evidence of compliance with 4	
4	**Determining the interventions necessary to optimise the achievement of intended outcomes** The Council does this by: • Decision making processes that receive objective and rigorous analysis including involvement of the Monitoring Officer and the Section 151 Officer. • Processes that take account of service users when making decisions • Retaining control over preparation of strategic and operational plans. • A demonstrable corporate approach to project management. • A Corporate Plan with measurable objectives. • Key Performance Indicators that are measurable/SMART and take account of the Council's objectives. • A robust budget preparation process that reflects the Council's objectives and the Medium Term Financial Strategy.	• Constitution • Councillors' Code of Conduct • Officer Code of Conduct • Member Officer Protocol • Reports to and minutes of Audit and Standards Committee • Committee training records • Corporate Plan • Residents' surveys • Citizen Panel • Our Broxbourne ~~Life~~ magazine for residents • Service Plans • Medium Term Financial Strategy • Ambition Broxbourne Economic Development Strategy • Cabinet reports (financial, legal, risk, equalities and sustainability implications)	• Council website • Annual Governance Statement • Risk Register • Internal Audit Plans • Annual Community Safety Plan • Customer feedback questionnaires • Quarterly performance indicators reports • Corporate and service specific customer service standards • Corporate complaints procedure • Complaints monitoring reports • Performance indicator reports • Project management ~~toolkit~~ • Annual estimates • Equality Impact Assessments

Principle E: Developing the entity's capacity including the capability of its leadership and the individuals within it

The Council needs people with the right skills to direct and manage it. The Council prides itself on its training programme for officers and members. The Council has developed 'The Learning Zone' incorporating further education training programmes and actively supports officers to undertake personal development training. The Council runs an extensive in-house training programme and holds lunchtime briefings to provide officers with the up to date knowledge to be effective in their roles. Members also receive specialised training on key issues on a regular basis.

		Supporting documentation and evidence of compliance with 5
5	**Developing the Council's Capacity** The Council does this by: • Induction programmes and opportunities to update staff knowledge on a regular basis. Training needs are identified and discussed during the annual Objective Setting Meetings. • Statutory officers having the qualifications, skills, resources and support necessary to perform effectively in their roles. • Job descriptions with candidate specifications, and using interviews and tests during the recruitment process to assess the ability of candidates to carry out the duties set out in the job description. • Measuring staff performance against individual objectives and training requirements identified. • A comprehensive Member development programme of training sessions. • Having clear systems of decision making and effective delegation schemes • Participation in partnerships where there is a sound business case that it will add value.	• Officers' Personal Development Plans • Corporate Induction Programme (officers) • Members' Induction Training • Members' training records • Mentoring scheme • Job descriptions • Officer annual Objective Setting Meeting • Continuing Professional Development for professional officers • Corporate Training Programme • Budgetary provision for post-entry training • Outline training and development programme • Reports to CMT, Cabinet and Scrutiny Committee • Monitoring reports • Annual reports of committees

Principle F: Managing risks and performance through robust internal controls and strong public financial management

The Council recognises the importance of managing risks and performance through robust internal controls and strong public financial management ensuring that decisions are accountable and legally sound. All decisions must be based on accurate information, including consideration of legal, financial and risk management implications.

		Supporting documentation and evidence of compliance with 6
6	**Managing Risk and Performance** The Council does this by: • Ensuring that risk management is an integral part of the Council's activities and decision making. • Ensuring that the risk register is reviewed by all heads of service at least twice a year and quarterly by the Corporate Management Team. • Carrying out risk management training as part of the core training programme. • Requiring that all reports for decision making outline risk implications of the recommendations made within the report. • Requiring that all reports for decision making report on the alignment with corporate priorities. • Maintaining an effective overview and scrutiny function to provide constructive challenge on policy and performance. • Members receiving quarterly performance reports • Having counter fraud and anti-corruption arrangements in place and participation in the Hertfordshire Shared Anti-Fraud Service and whistleblowing policy. • Maintaining an effective internal audit function to provide assurance on governance, risk management and control.	• Constitution • Register of interests and register of gifts and hospitality for both members and officers • Requirement to disclose interests at Cabinet and committee meetings. • Officer Code of Conduct • Council Functions (Audit and Standards Committee) • Complaints Procedure • Quarterly service performance report to Cabinet • Regular reports to Audit and Standards Committee on any complaints received against members of the Council • Part 1 and Part 3(a) reports to Cabinet and committees • Risk Management Policy and Strategy • Business Continuity Plans • Strategic and operational risk registers • Cabinet and committee report template (risk implications section) • Regular risk management reports to Audit and Standards Committee • Role of Head of Legal Services • Internal Audit recommendations • External auditor reports on recommendations • Internal audit tracker

Principle G: Implementing good practices in transparency reporting and audit to deliver effective accountability

The Council as a whole is open and accessible to the community, service users and its staff and it endeavours to be open and transparent in all its dealings, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.

		Supporting documentation and evidence of compliance with 7
7	**Transparency, reporting and auditing** The Council does this by: • Having a defined process to ensure that reports for the public/ stakeholders are fair, balanced and easy to access and understandable for the audience. • Reporting regularly on performance and on use of resources. • Requiring managers to produce annual assurance statements. • Preparing an annual governance statement on the robustness of this framework. • Having processes to ensure that external/internal audit feedback is acted upon/responded to by managers and members. • Having effective internal audit and annual audit programmes that are accessible for member security and tracked subsequently. • The Scrutiny Committee undertaking constructive challenge and enhancing the Council's performance overall. • Ensuring that arrangements are in place for confidential reporting or 'whistleblowing' which are published to staff. • The Council has a Benefit Fraud confidential reporting line and a confidential reporting line to the Hertfordshire Shared Anti-Fraud Service for all other types of fraud.	• Agendas and minutes of Scrutiny Committee • Scrutiny Committee Annual Work Programme • Scrutiny Committee reports to Council • Constitution • Agendas and minutes of Cabinet and committee meetings • Decision making transparency records • Transparency Code • Members' induction scheme • Officer training on report writing • Review by Corporate Management Team • Whistleblowing policy within 'Working for Broxbourne' • Training on Financial Regulations • Compliance with Freedom of Information Act – information requests are monitored to ensure that requests are responded to within the statutory time scales • Corporate Equalities Scheme • Publication of statutory transparency information • Annual governance statement • Internal audit plan