

# Braintree District Council

## Local Code of Corporate Governance

### INTRODUCTION

The International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) defines governance as follows:

*“Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved”*

The International Framework also states that:

*“To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity’s objectives while acting in the public interest at all times, consistent with the requirements of legislation and government policies, avoiding self-interest and, if necessary, overriding a perceived organisational interest. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders”.*

### GOOD CORPORATE GOVERNANCE

Braintree District Council is committed to achieving good corporate governance and this Local Code describes how the Council intends to achieve this in an open and explicit way. The local code is based upon the CIPFA SOLACE framework “Delivering Good Governance in Local Government” (April 2016) which replaced the document published in 2007. As laid out in the guidance it *“is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities”*. Consequently the local Code has been written to reflect the Council’s own structure, functions, and the governance arrangements in existence.

*The local code is based on the following 7 principles, the first 2 of which underpin the remaining 5 with the overall aim of “**Achieving the intended outcomes while acting in the public interest at all times**”.*

The principles are as follows:

Acting in the public interest requires a commitment to and effective arrangements for:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:

- 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 control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Many of the requirements of the code are included in the Council's Constitution and the Council's key strategies and policies.

[Council Constitution](#)

[Key Corporate Strategy documents](#)

## **MONITORING AND REVIEW**

In order to assist with complying with the Accounts and Audit (Coronavirus) Amendment Regulations 2021 which require the annual production of an Annual Governance Statement, this Code will be reviewed as a minimum every two years or when there are changes to the Governance Standards.

Also, the Head of Governance in conjunction with the Head of Finance will take an overview of the Code on a regular basis and monitor the progress made by the Authority on compliance by reviewing that the policies, procedures and working practices reflect best practice.

The review includes an assessment as to the effectiveness of the processes contained within the Code. This includes annual assessments such as the Head of Internal Audit's Annual Report and the External Auditor's Annual Letter.

The outcome of this review is reported in the Annual Governance Statement.

The following details how the Council meets the core principles and the systems, policies and procedures it has in place to support this.

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

<p><b>Rationale:</b> Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved.</p> <p>In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Behaving with integrity</b></p> <ul style="list-style-type: none"> <li>• Developed a Code of Conduct for Members to ensure that high standards of conduct are maintained.</li> <li>• Established a procedure outlining arrangements for breaches of the Member Code of Conduct.</li> <li>• The Governance and Audit Scrutiny Committee has an overall view of conduct issues with a Standards Sub Committee established and appointments made, which is called as and when required.</li> <li>• An Officer Code of Conduct that sets down standards of behaviour and conduct the Council expects of its employees. Reference is made to the Code on the Induction Checklist.</li> <li>• Standard decision making reporting format to ensure that all those responsible for taking decisions have the necessary information on which to do so.</li> <li>• An employee policy for acceptance of gifts and hospitality.</li> <li>• Registers of Members' interests and records of gifts and hospitality are published on the Council's website.</li> <li>• Members' declarations of interests are a standing item on all agendas. Minutes show declarations of interest were sought and appropriate declarations made.</li> <li>• Members appointed to represent the Council on Outside Bodies are expected to provide a report to Council on an annual basis.</li> <li>• A Corporate Complaints Policy is published on the Council's website.</li> <li>• A Whistleblowing Policy is in place.</li> <li>• Statement of Core Values and Behaviours available to staff and Members on the Council's intranet 'The Beehive'.</li> </ul> <p><b>Demonstrating strong commitment to ethical values</b></p> <ul style="list-style-type: none"> <li>• A Constitution which sets out delegations of the Cabinet, committees and senior officers, and the decision making process to be applied. It also emphasises that the Council will act within the law.</li> <li>• Terms of Reference that exists for all committees and decision making meetings.</li> <li>• Contract Procedure Rules emphasise the expectation for partners and contractors to act with integrity and in compliance with ethical standards expected by the Council.</li> <li>• Many Council staff are also subject to the ethics of their professional body.</li> </ul> <p><b>Respecting the rule of law</b></p>
--	---

	<ul style="list-style-type: none"> <li>• The Constitution identifies the Head of Governance as the Council's Monitoring Officer and sets out the role of the Monitoring Officer.</li> <li>• An Anti-Fraud &amp; Corruption Strategy which is supported by an Anti-Money Laundering Policy, Information Security Policy &amp; Codes of Practice and Whistleblowing Policy. There is a fraud hotline for employees and customers to report irregularity and fraud.</li> </ul>
--	---

## **Core Principle B: Ensuring openness and comprehensive stakeholder engagement**

<p><b>Rationale:</b> Local government is run for the public good; organisations therefore should ensure openness in their activities.</p> <p>Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Openness</b></p> <ul style="list-style-type: none"> <li>• A Publication Scheme that describes the kinds of information available and provides guidance about how to access personal information and submit a Freedom of Information request. Publication Scheme and links are published on the website: <a href="#">Publication Scheme</a></li> <li>• Adoption of a standard reporting format in relation to committee reports.</li> <li>• Corporate Implications are included, as appropriate, in the standard report format which helps ensure that the decisions taken consider a range of potential impacts/risks. Where appropriate background papers are cited in the standard report format.</li> <li>• Agendas, reports and minutes are published on the Council's website. Meetings are open to the public unless in the case of exempt items.</li> <li>• Agendas include a set period for Public Question Time.</li> <li>• Dates for submitting, publishing and distributing timely reports are set and adhered to.</li> <li>• The Corporate Strategy sets out the priorities and strategic direction for the Council.</li> <li>• Web casts of Council and Cabinet meetings on the Council's website.</li> <li>• The Annual Statement of Accounts is published annually prior to external audit and post audit. <a href="#">Statement of Accounts</a></li> </ul> <p><b>Engaging comprehensively with institutional stakeholders</b></p> <ul style="list-style-type: none"> <li>• Adopted a Channel Strategy which sets out ways in which the Council will use a variety of channels to deliver services to, and interact with, customers.</li> <li>• The Council has signed a Local Compact for joint working with the voluntary and community sectors in the district.</li> </ul> <p><b>Engaging stakeholders effectively including individual citizens and service users</b></p> <ul style="list-style-type: none"> <li>• The Council seeks the views from individuals, organisations and businesses on a range of topics. The</li> </ul>
--	---

	<p>Council has a People's Panel. Links to current consultations are published on the website: <a href="#">Consultations</a></p> <ul style="list-style-type: none"> <li>• Consultation activity is reviewed annually to evaluate how well each consultation exercise meets its planned objectives. Consultation across the Council is increasingly managed using a calendar of planned activities.</li> <li>• The Council has arrangements to engage with all sections of the community including hard to reach groups.</li> <li>• Use of social media to increase interaction and engagement with customers: Social Media Policy and links at <a href="#">Social Media</a></li> <li>• Satisfaction surveys are undertaken regularly both centrally and by services.</li> <li>• Contact publication – communicates the Council's vision and priorities and is published once per year and is sent to all households in the District.</li> <li>• e-mail newsletters incorporating news, information and events are sent on an ad hoc basis to those residents requesting this service.</li> </ul>
--	---

### **Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefit**

<p><b>Rationale:</b> The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources.</p> <p>Input from all groups of stakeholders, including citizens, 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.</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Defining Outcomes</b></p> <ul style="list-style-type: none"> <li>• The Corporate Strategy and Annual Plan set out the Council's vision and priorities together with its aims and actions.</li> <li>• Medium-Term Financial Strategy covering a rolling four-year period is agreed annually.</li> <li>• Annual Business Plans form a key part of delivering the Council's overall vision.</li> <li>• Management Board, Cabinet and the Performance Management Scrutiny Committee receive performance monitoring reports at regular intervals.</li> </ul> <p><b>Sustainable economic, social and environmental benefits</b></p> <ul style="list-style-type: none"> <li>• Climate Local Strategy which sets out our objectives and a framework for local action on climate change and energy.</li> <li>• The Council declared, in July 2019, a "Climate Emergency" with an aim to make Braintree District Council activities, as far as practical, carbon neutral by 2030. A Climate Change working group was established to develop an action plan to ensure all Council functions and decision making is in line with the shift to carbon neutral by 2030.</li> <li>• Corporate Implications are included, as appropriate, in the standard report format which helps ensure that the decisions taken consider a range of potential impacts/risks.</li> </ul>
--	---

	<p>Where appropriate background papers are cited in the standard report format.</p> <ul style="list-style-type: none"> <li>• Asset Management Plan – the Council has a wide range of land and property assets used in the delivery of services and to support the corporate priorities.</li> <li>• A business case framework is used for projects.</li> </ul>
<b>Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>	
<p><b>Rationale:</b></p> <p>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action).</p> <p>Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved.</p> <p>They need robust decision making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Determining interventions</b></p> <ul style="list-style-type: none"> <li>• A financial planning process that determines level of resources to achieve Council priorities and outcomes and meet statutory duties.</li> <li>• The format of decision making reports to ensure that all relevant information is considered such as analysis of options, resource implications and consultation feedback. Options are clearly defined and analysed to ensure decisions are based on the best possible information.</li> </ul> <p><b>Planning interventions</b></p> <ul style="list-style-type: none"> <li>• Corporate Strategy covers four-year period. An Annual Plan (due to the impact of the Covid pandemic has been extended to cover 18 month periods of April 2020 to September 2021 and October 2021 to March 2023) details the agreed projects and initiatives to deliver each of the priorities of the Corporate Strategy in the forthcoming period, as well as details of how we plan to measure progress against these objectives</li> <li>• Business Plans for each service area, these include clear identification of objectives and targets, reflect Corporate Strategy priorities and include the identification of risks to meeting the objectives. They are updated annually (due to the impact of the Covid pandemic this frequency has been revised to 18 month periods of April 2020 to September 2021 and October 2021 to March 2023) and incorporate the financial plans for the period ahead for the service areas.</li> <li>• The Medium-Term Financial Strategy, Workforce Plan, Asset Management Plan and Capital Programme identify how resources are aligned to priorities.</li> <li>• Risks associated with partnership and joint working arrangements are identified and recorded in the risk register.</li> <li>• Financial management and reporting processes that enable regular and timely reporting to budget-holders, Management Board, Cabinet and the Performance Management Scrutiny Committee.</li> <li>• Key performance indicators and key actions are determined annually and monitored via the Pentana Performance Management system.</li> </ul>

	<ul style="list-style-type: none"> <li>• Annual work programmes developed by the Community Governance Scrutiny Committee and the Partnership Development Scrutiny Committee.</li> <li>• Flexible working arrangements to enable the Council to respond to unplanned events as evidenced throughout the Covid pandemic.</li> </ul> <p><b>Optimising achievement of intended outcomes</b></p> <ul style="list-style-type: none"> <li>• The annual budget is prepared in line with agreed priorities and the Medium-Term Financial Strategy. The Council publishes its Financial Strategy annually to set an indicative four year financial plan to fit the longer term strategic vision as well as a detailed one year budget. This is intended to include realistic estimates of revenue and capital – expenditure and income.</li> </ul>
--	--

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

<p><b>Rationale:</b> Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve intended outcomes within the specified periods.</p> <p>A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members.</p> <p>Leadership in local government is strengthened by the participation of</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Developing the entity's capacity</b></p> <ul style="list-style-type: none"> <li>• The Council has a Workforce Development Plan including an action plan.</li> <li>• Mechanisms established for staff engagement, for example, staff focus group.</li> <li>• The Council actively promotes the benefits of partnerships and collaborative working to enhance capacity. Current examples include Payroll/HR system and procurement services.</li> </ul> <p><b>Developing the capability of the entity's leadership and other individuals</b></p> <ul style="list-style-type: none"> <li>• A Protocol on Member/Officer Relations that assists both Members and officers achieve good working relationships in the conduct of Council business.</li> <li>• A Scheme of Delegation that is reviewed in light of legal and organisational changes.</li> <li>• A Constitution that sets out financial management arrangements through the Financial Regulations and Contract Procedure Rules.</li> <li>• Revisions and updates to the Constitution are agreed by Full Council having been considered by the Governance and Audit Scrutiny Committee.</li> <li>• Annual Member Development programme is managed by a member Training &amp; Development Group. Members are updated on legal and policy changes etc. as required.</li> <li>• Mandatory Induction programmes for all employees.</li> <li>• Developed a scheme of key management competencies and expected values and behaviours which support the Council's core values.</li> </ul>
--	---

people with many different types of backgrounds, reflecting the structure and diversity of communities.	<ul style="list-style-type: none"> <li>• Employee management framework which holds staff to account through performance reviews which identify training or development needs as required.</li> <li>• Apprenticeship Programme offering training, skills and experience in Local government.</li> <li>• Health and Safety policies designed to protect and enhance the welfare of staff are actively promoted and monitored.</li> </ul>
---	--



**Core Principle F: Managing risks and performance through robust internal control and strong public financial management**

<p><b>Rationale:</b> Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services.</p> <p>Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability.</p> <p>It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Managing risk</b></p> <ul style="list-style-type: none"> <li>• Risk management arrangements that are embedded across all service areas and help inform decision making.</li> <li>• The Council's Risk Management Policy requires that consideration of risk is embedded in all key management processes. These include policy and decision-making, service delivery planning, project and change management, revenue and capital budget management and partnership working.</li> <li>• Strategic risks are reviewed at least once per annum and are detailed in the Corporate Risk Register.</li> <li>• A Risk Register of operational risks is drawn together from the risks identified annually by Heads of Service as part of the business planning process in February/March.</li> <li>• The Cabinet approves the Corporate Risk Register and the Governance and Audit Scrutiny Committee oversees the effectiveness of risk management arrangements and provides assurance to the Council in this respect.</li> <li>• Management Action Plans are provided for those risks which have a high risk rating and include details of the responsible officer.</li> </ul> <p><b>Managing performance</b></p> <ul style="list-style-type: none"> <li>• Management Board, Cabinet and the Performance Management Scrutiny Committee receive performance monitoring reports at regular intervals.</li> <li>• Key performance indicators and key actions are determined annually and monitored via the Pentana Performance Management system.</li> <li>• Reports and minutes and decisions under member consideration are published on the website and are available in hard copy in a variety of formats on request.</li> <li>• The decision-making process is scrutinised by the Performance Management Scrutiny Committee which has the power to call-in decisions. Specific meetings of the Performance Management Scrutiny Committee are held in November and then January for Members (in public) to scrutinise the proposed Budget and Medium-Term Financial Strategy.</li> <li>• Some policy development work is undertaken by two Member groups: Community Governance Scrutiny and Partnership Development Scrutiny Committees.</li> <li>• Agenda, minutes of scrutiny meetings and any associated reports with recommendations to the Cabinet are published on the Council's website.</li> <li>• Contract Procedure Rules and Financial Regulations set out the Council's arrangements and ensure that processes continue to operate consistently.</li> </ul>
---	--

<p>repeated public commitment from those in authority.</p>	<ul style="list-style-type: none"> <li>• An effective internal audit service is resourced and maintained and works to the Public Sector Internal Audit Standards. Internal Audit prepares and delivers a risk based audit plan in line with international auditing standards which is kept under review to reflect changing priorities and emerging risks.</li> </ul> <p><b>Robust internal control</b></p> <ul style="list-style-type: none"> <li>• An annual report is produced by Internal Audit which provides an opinion on the Council's control environment, and a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guide to the role of the Head of Internal Audit.</li> <li>• Counter Fraud Strategy which is subject to review and is approved by the Governance and Audit Scrutiny Committee.</li> <li>• Annual Governance Statement (AGS) that provides a summary of how the Council is meeting the principles of good governance. The AGS is subject to review by the Governance and Audit Scrutiny Committee.</li> <li>• The Governance and Audit Scrutiny Committee, which is independent of Cabinet, oversees the management of governance issues, internal controls and risk management reporting. Its performance is subject to annual self-assessment.</li> <li>• The Governance and Audit Scrutiny Committee's Terms of Reference are reviewed and revised to reflect professional bodies' expectations and best practice.</li> <li>• Training is provided to Governance and Audit Scrutiny Committee Members on areas relevant to their role.</li> <li>• There are frameworks in place in relation to child and adult safeguarding.</li> <li>• The council is subject to External Audit and inspection regimes which require action plans that are assigned to officers.</li> </ul> <p><b>Managing data</b></p> <ul style="list-style-type: none"> <li>• The Council's Information Security Policy and Codes of Practice provide guidance on the arrangements that must be in place to ensure personal data is kept protected and secure.</li> <li>• The Governance and Audit Scrutiny Committee receives detail of compliance with the Information Security policy in the Audit, Insurance and Fraud Manager's annual report.</li> <li>• The Data Quality Policy sets out the Council's approach to data quality in relation to non-financial performance data to ensure that high standards are clearly set, achieved and maintained. <a href="#">Data Quality Policy</a></li> <li>• Effective information sharing is undertaken in accordance with the General Data Protection Regulation.</li> <li>• Data subjects are informed why their personal information is being collected and how it will be processed (including when shared with other bodies) through the Council's overall Privacy Notices published on our website and</li> </ul>
--	---

	<p>individual Privacy Statements on forms, in booklets etc.  <a href="#">Privacy Policy</a></p> <ul style="list-style-type: none"> <li>• Information Sharing Agreements, are reviewed on a regular basis, are in place to document the sharing of information.</li> <li>• Data verification and validation processes are integrated within systems and processes.</li> <li>• Public Services Network (PSN) Code of Connection.</li> </ul> <p><b>Strong public financial management</b></p> <ul style="list-style-type: none"> <li>• Compliance with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2015).</li> <li>• Contract Procedure Rules and Financial Regulations set out the Council's arrangements and ensure that processes continue to operate consistently.</li> <li>• Medium-Term Financial Strategy covering a four-year period reviewed and updated annually.</li> <li>• The financial position is reported quarterly to Cabinet and the Performance Management Scrutiny Committee.</li> </ul>
--	--

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

<p><b>Rationale:</b>  Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner.</p> <p>Both external and internal audit contribute to effective accountability.</p>	<p><b>Braintree District Council's commitment to achieving good governance is demonstrated below:</b></p> <p><b>Implementing good practice in transparency</b></p> <ul style="list-style-type: none"> <li>• Agendas, reports and minutes are published on the Council's website.</li> <li>• Details of Council spending with suppliers, value in excess of £250, are published monthly on the Council's website. A register of the Council's contracts is also available on the Council's website.</li> <li>• Details of senior managers' remuneration and Member's allowances and expenses are published annually in the Council's Statement of Accounts. <a href="#">Statements of Accounts</a></li> </ul> <p><b>Implementing good practices in reporting</b></p> <ul style="list-style-type: none"> <li>• Annual Financial Statements are compiled, published to timetable and included on the Council's website.</li> <li>• Annual Governance Statement produced.</li> <li>• Standard template for committee reports requires an executive summary in addition to the detailed report.</li> </ul> <p><b>Assurance and effective accountability</b></p> <ul style="list-style-type: none"> <li>• The Annual Governance Statement sets out the Council's governance framework and the results of the annual review of the effectiveness of the Council's arrangements. Areas for improvement are included, as necessary.</li> <li>• An effective internal audit service is resourced and maintained. The Service has direct access to members and provides assurance on governance arrangements via an annual report containing an opinion on the Council's internal control arrangements.</li> </ul>
--	---

	<ul style="list-style-type: none"> <li>• External Audit provides an annual opinion on the Council's financial statements and arrangements for securing Value for Money.</li> <li>• The Council actively welcomes peer challenge, reviews and inspections from regulatory bodies.</li> <li>• The respective roles of officers and associated responsibilities are set out in the Constitution.</li> </ul>
--	--