<u>**BEDFORD BOROUGH COUNCIL**</u>

<u>**LOCAL CODE OF CORPORATE GOVERNANCE**</u>

1.   <u>**What we mean by Corporate Governance**</u>

1.1   Corporate Governance is about how the Council ensures that we are doing the right things in the right way for the right people in a timely, inclusive, honest and accountable manner. It comprises the systems and processes, and the culture and values by which the Council is directed and controlled and through which it accounts to, engage with, and lead the community. Bedford Borough Council (the Council) is committed to upholding the highest possible standards of good corporate governance through a strong governance framework, which brings together legislative requirements, governance principles and management processes. Good governance means that the way in which the Council operates is based on sound decision-making with an effective system to support it.

1.2   Our Local Code of Corporate Governance has been developed in accordance with and is consistent with the seven core principles of good governance set out in the document "Delivering Good Governance in Local Government (Framework 2016 Edition) developed by CIPFA and SOLACE.
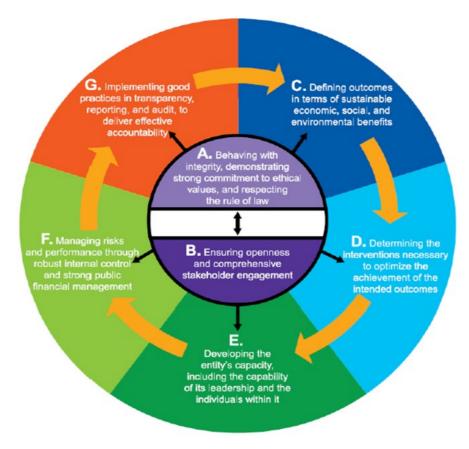
2.   <u>**The Core Principles of Good Governance**</u>

2.1   The core governance principles of the Council as required by the CIPFA/SOLACE framework 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 control and strong public financial management;

(g)   Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Local Code of Corporate Governance – March 2024

3.   Applying the Core Principles of Good Governance

3.1   The seven core principles each have a number of supporting principles, which in turn have a range of specific requirements that apply across the Council's business.

3.2   Appendix 1 sets out the above core principles, the supporting principles that underpin them (column 1) and the Council's commitments to delivering those principles (column 2). These form the Council's Local Code of Corporate Governance. Column 3 sets out the key elements of the Council's governance framework, which provide evidence/assurance that the Council is operating in compliance with the code.

3.3   Appendix 2 shows an overview of the Council's Governance Framework.

PRINCIPLE ONE – BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES AND RESPECTING THE RULE OF LAW

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
- Behaving with integrity - Demonstrating strong commitment to ethical values - Respecting the rule of law	- To ensure that the Council's leadership sets a tone for the organisation by creating a climate of openness, support and respect - To ensure that standards of conduct and personal behaviour expected of Councillors and employees, of work between Councillors and employees and between the Authority, its partners and the community are defined and communicated through Codes of Conduct and Protocols - To put in place arrangements to ensure that Councillors and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice - To develop and maintain an effective Standards Committee	- Council Constitution - Contract & Financial Procedure Rules - Ethical Governance Manual including: - Bedford Borough Council – Code of Conduct for Members - Arrangements for registering and declaring Members' interests - Guidance for Members on disclosing interests at meetings - Guidance for Members dealing with planning matters - Guidance for Members dealing with Licensing matters - Guidance for Members on property transactions and commercial property management - Guidance for Members on gifts and hospitality - Protocol for Member/Officer relations - Code of Practice on Local Authority publicity - Standards of Conduct – Guidance for Officers - Standards Committee - Confidential Reporting Policy - Anti-Money Laundering Policy - Bribery Act Policy - Anti-Fraud & Corruption Strategy

	➢ To put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice ➢ To actively recognise the limits of lawful activity placed on the Council by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities ➢ To observe all specific legislative requirements placed upon the Council, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into the Council's procedures and decision-making processes	➢ Corporate Fraud Risk Register ➢ Member Induction and Development Programme including mandatory training ➢ Staff Induction ➢ Monitoring Officer provisions ➢ Requirement for all reports to Members to include legal implications of proposals and be vetted by the Chief Officer for Legal, Performance and Democratic Services or his/her Nominated Officer ➢ Corporate Report Template ➢ Protocol for Executive Decision-making ➢ Schemes of Delegation to Officers

PRINCIPLE TWO – ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➢ Openness ➢ Engaging comprehensively with institutional stakeholders ➢ Engaging with individual citizens and service users effectively	➢ To review on a regular basis its vision for the local area and its impact on the governance arrangements. ➢ To coordinate the delivery of public services in Bedford Borough to enable the Borough's key needs to be met and its priorities achieved. ➢ To ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners. ➢ To ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated. ➢ To develop and maintain shared values including leadership values for both the organisation and employees reflecting public expectations and communicate these	➢ Transparency Code ➢ Communications Strategy ➢ Consultation Strategy 2021- 2025 ➢ Joint Strategic Needs Assessment ➢ Corporate Plan 2022 - 2026 ➢ Bedford Borough Values ➢ Annual Governance Statement ➢ Citizens Survey ➢ Budget Consultations ➢ Service Level Consultations ➢ Executive Decision-making protocol ➢ Customer Feedback Procedures ➢ Equality Analysis Templates and Procedures

| | with Councillors, employees, the community and partners.

➢ In pursuing the vision of a partnership, to agree a set of values against which decision-making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively

➢ To ensure that arrangements are in place to enable engagement with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities, and establish explicit processes for dealing with these competing demands. | |

PRINCIPLE THREE – DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➤ Defining outcomes ➤ Defining sustainable economic, social and environmental outcomes benefits	➤ To develop and promote its purpose and vision ➤ To review on a regular basis its vision for the local area and its impact on the governance arrangements ➤ To measure the quality of service for users and make sure that the information needed to review service quality effectively and regularly is available ➤ To ensure that the Council's operating model is both efficient and effective in supporting the delivery of Council services ➤ To publish its Annual Accounts in line with statutory requirements and provide performance information ➤ To measure the environmental impact of policies, plans and decisions ➤ To meet Climate Change requirements set nationally and locally	➤ Consultation Strategy 2021- 2025 ➤ Corporate Plan 2022- 2026 ➤ Medium Term Financial Strategy ➤ Capital Strategy ➤ Efficiency Plan ➤ Risk Management Strategy & Strategic Risk Register ➤ All reports are required to include an assessment of the environmental implications of the proposals they put forward ➤ All reports are required to include an assessment of the impact on families; impact on community safety and resilience and impact on health and wellbeing ➤ Climate Change Committee

PRINCIPLE FOUR – DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➤ Determining interventions. ➤ Planning interventions ➤ Optimising achievement of intended outcomes	➤ To develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall and that of organisations for which it is responsible. ➤ To ensure that risk management is embedded into the culture of the Authority, with Members and managers at all levels recognising that risk management is part of their jobs ➤ To ensure that arrangements are in place for whistleblowing to which employees and all those contracting with the Authority have access	➤ Council Constitution incl. procedures for overview and scrutiny committees. ➤ Maintain Scrutiny Function ➤ Medium Term Financial Strategy ➤ Capital Strategy ➤ Risk Management Strategy ➤ Strategic Risk Register ➤ Performance Management Framework ➤ Data Management Strategy ➤ Business Continuity Planning ➤ Emergency and Resilience Planning ➤ Public Question Time ➤ Petitions Scheme ➤ Planning Committee Right to Speak Scheme ➤ Confidential Reporting Policy ➤ Anti-Money Laundering Policy

PRINCIPLE FIVE – Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➢ Developing the Council's capacity ➢ Developing the capability of the Borough Council's leadership and other individuals	➢ To provide induction programmes tailored to individual needs and opportunities for Councillors and Officers to update their knowledge on a regular basis ➢ To ensure that the statutory Officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Authority ➢ To assess the skills required by Members and Officers and make a commitment to develop those skills to enable roles to be carried out effectively ➢ To develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed ➢ To ensure that effective arrangements designed to encourage individuals from all sections of the community to engage,	➢ Induction and Development Programme for new Members of the Council ➢ Induction Programme for new staff including mandatory training ➢ Ongoing training available during the year for Members and officers to reflect corporate and individual requirement ➢ Head of Paid Service Responsibilities ➢ Section 151 Officer Responsibilities ➢ Monitoring Officer Responsibilities ➢ Scrutiny Officer Responsibilities ➢ Workforce strategy and Recruitment Policy ➢ Specialist Training provision for Pension Fund, Planning, Licensing and Audit Committee Members and Corporate Parenting. ➢ Identification of staff training and development needs through the Personal Development and Review Process ➢ Performance Development Review Process ➢ Consultation Strategy 2021-2025 ➢ Service Specific Consultations ➢ Service User Panels e.g. Citizens Survey ➢ Community Engagement Team supporting Community and Parish and Town Council networks

	contribute to and participate in the work of the Authority are in place.	➢ Friends Groups, Governor opportunities and training
	➢ To ensure that career structures are in place for Officers and to encourage participation and development of both Officers and Members	➢ Agreed staffing structure in place ➢ Customer Feedback Procedures ➢ Compulsory Professional Development requirements for Officers ➢ Senior Leadership Development Programme for Officers ➢ National Graduate Development Programme ➢ Apprenticeships

PRINCIPLE SIX – MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➢ Managing risk ➢ Managing performance ➢ Robust internal control ➢ Managing data ➢ Strong public financial management	➢ To develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall and that of organisations for which it is responsible ➢ To put in place arrangements to safeguard Members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice ➢ To develop and maintain an effective Audit Committee which is independent of the Executive and Scrutiny functions ➢ To ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision-making and used appropriately ➢ To ensure that risk management is embedded into the culture of the Authority, with Members and managers at	➢ Council Constitution ➢ Section151 Officer ➢ Risk Management Strategy ➢ Strategic Risk Register ➢ Corporate Risk Management Group ➢ Internal Audit Function ➢ Effective Audit Committee ➢ Business Continuity Programme ➢ Information Governance Strategy (KIM) ➢ Financial Procedure Rules ➢ Contract Procedure Rules ➢ IT Computer User Security Policy ➢ Data Sharing Agreements ➢ Treasury Management Strategy ➢ Overview & Scrutiny Committee ➢ RIPA SRO ➢ Senior Information Risk Owner (SIRO) ➢ Designated Statutory Data Protection Officer ➢ Confidential Reporting Policy ➢ Anti-Money Laundering Policy ➢ Performance Management Framework ➢ Data Management Strategy ➢ Confidential Reporting Policy ➢ Equality Analysis Templates and Procedures ➢ Capital Strategy (Prudential indicators)

	all levels recognising that risk management is part of their jobs ➢ To ensure that arrangements are in place for whistleblowing to which employees and all those contracting with the Authority have access ➢ To ensure there is an effective performance management system operating the results of which are reported to senior Management and Members.	➢ CIPFA Financial Management Code ➢ Information Governance Board

PRINCIPLE SEVEN – IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

Supporting Principles	Bedford Borough Council's Commitment	Key elements of the governance framework
➢ Implementing good practice in transparency ➢ Implementing good practices in reporting ➢ Assurance and effective accountability	➢ The Council will ensure that in relation to key roles such as the Section 151 Officer, the Chief Officer for Internal Audit, the Internal Audit Service and the Audit Committee there is compliance with the appropriate best practice standards and guidance ➢ Appropriate consultations are recorded on reports considered by members. ➢ The Council will undertake/participate in appropriate peer reviews and external inspections ➢ Partnerships will be supported by appropriate governance arrangements. ➢ To ensure that effective, transparent and accessible arrangements are in place for dealing with complaints	➢ Transparency Code ➢ Chief Officer for Internal Audit Annual Report ➢ Compliance with the Public Sector Internal Audit Standards ➢ Overview & Scrutiny Committees ➢ Annual Financial Statements ➢ Medium Term Financial Strategy ➢ Capital Strategy (Prudential Indicators) ➢ Customer Feedback Procedures ➢ Audit & Standards Committees ➢ Monthly Budget Monitoring & Reporting ➢ Confidential Reporting Policy ➢ Consultations Strategy 2021- 2025 ➢ Corporate Report Template ➢ Protocol for Executive Decision-making ➢ CIPFA Financial Management Code ➢ Performance Reporting Framework for: Corporate Plan, Key Corporate Indicators, Business Support Reports and monthly dashboards etc. ➢ Annual Target Setting ➢ Data Management Strategy

Governance Framework

Annual Governance Statement
(Meets Accounts and Audit Regulations and is published with Annual Accounts)

Audit Committee
(Challenge the draft AGS and supporting evidence. Approve AGS)

Chief Executive and Corporate Leadership Team

Chief Officer for Internal Audit
(Challenge Governance Statement etc.)

Section 151 Officer (CFO)
(Promote and Deliver Good Financial Management)

Monitoring Officer
(Legal and Ethical Assurance)

Code of Corporate Governance
(The Council's commitment to good governance based on the principles of the CIPFA/SOLACE framework)

- Constitution
- Code of Conduct
- Scheme of Delegation
- Complaints/Feedback Process
- Equality and Diversity
- Standards Committee
- Complaint Summary Reports
- Public Consultations
- Local Government Ombudsman Report

- Corporate Plan
- Policies and Procedures
- Business/Service Planning
- Performance Results
- Manager's Assurance Statements
- Monthly/Quarterly Performance Reports
- Committee Reports
- Annual Internal Audit Opinion
- Scrutiny Committee

- Financial Management Framework
- Budget Monitoring Process
- Compliance with CIPFA Guidelines
- Medium Term Financial Strategy
- Treasury and Investment Strategy
- Capital Strategy/Strategic Asset Group
- Statement of Accounts
- Annual External Audit Report
- Financial/Contract Procedure Rules
- Procurement Board

- HR Policies Pay Policy
- Risk Management
- Corporate Risk Register
- Service Risk Register
- Staff Performance, Development and Review process
- Anti-Fraud and Corruption Policy
- Confidential Reporting Policy