

Local Code of Corporate Governance

Good governance is about how the council ensures that it is doing the right things, in the right way, for the communities it serves, in a timely, inclusive, open, honest and accountable manner.

A council's Code of Corporate Governance is: "*The system by which local authorities direct and control their functions and relate to their communities*"

Our commitment

Canterbury City Council is committed to upholding the highest possible standards of good corporate governance, believing that it leads to high standards of management, strong performance, effective use of resources, increased public involvement and trust in the council and ultimately good outcomes.

The Governance framework comprises the systems and processes, and cultures and values, by which the council is directed and controlled and through which it engages with its residents, businesses, partners and other stakeholders. This Code of Corporate Governance is a public statement that sets out the framework through which the council meets its commitment to good corporate governance. This local code of governance has been developed in accordance with and is consistent with the Delivering Good Governance in Local Government framework, which builds on the seven Principles for the Conduct of Individuals in Public Life.

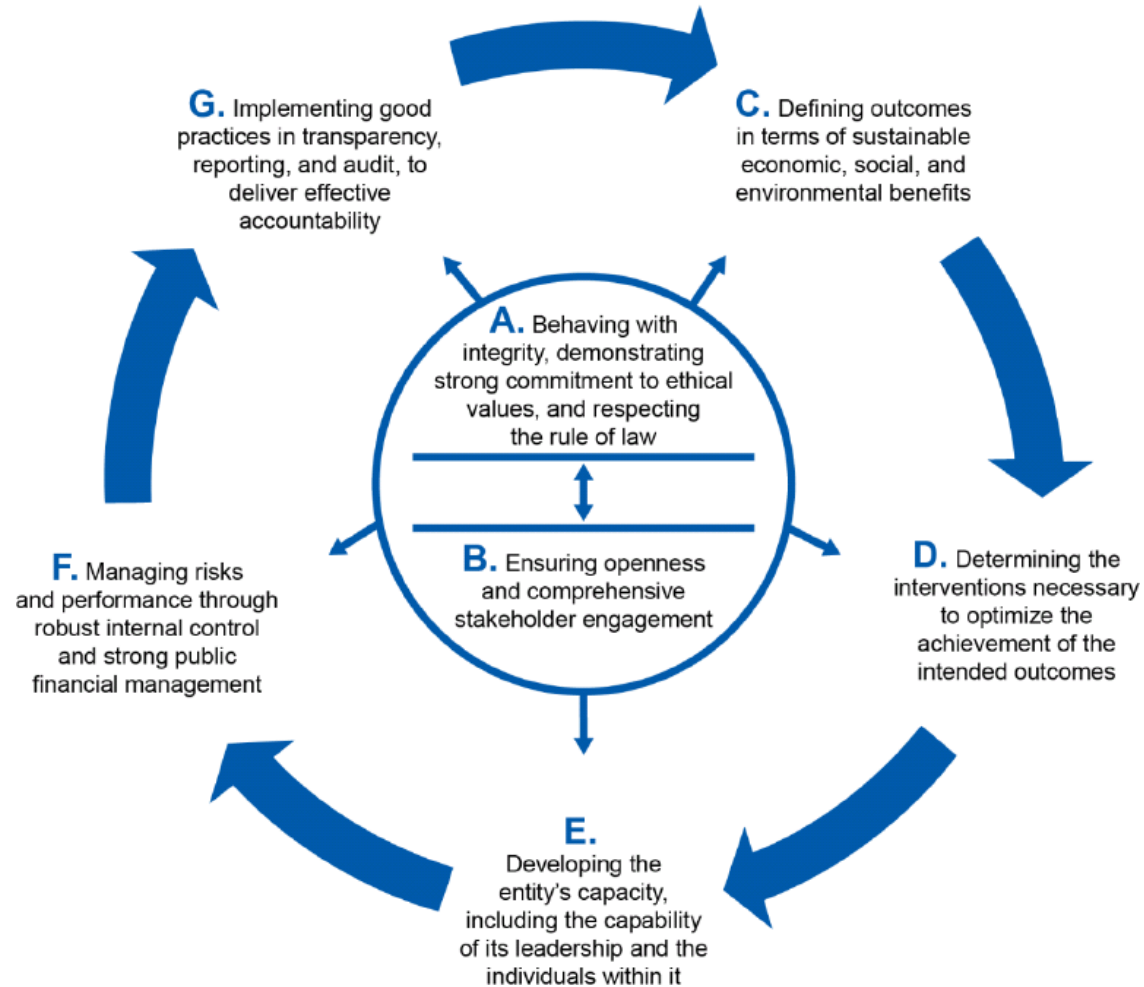
Core principles of good governance

The core governance principles of the council 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 optimize 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.

The attached document describes how the council achieves the seven principles of good governance and how the council's corporate governance arrangements will be monitored and reviewed.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



Source: International framework: good governance in the public sector, CIPFA, 2014

This Code takes each of the principles and sets out the systems, processes and principles the council has put in place to ensure good corporate governance. The Code will be reviewed annually through the Annual Governance Statement process, which will identify the actions to be taken to enhance the code or address any limitations within it.

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Behaving with integrity ● Demonstrating strong commitment to ethical values ● Respecting the rule of law 	<ol style="list-style-type: none"> 1. The council expects the authority's political and managerial leadership to create a climate of openness, support and respect and to uphold the Council's values. 2. Standards of conduct and personal behaviour are set out in the Employee Code of Conduct, the Member Code of Conduct (based upon the seven Nolan Principles) and in the Protocol on Councillor/Officer relations. 3. An up to date register of councillor and senior officer Interests is maintained. 4. The council has put in place procedures for considering complaints so that members of the public can express dissatisfaction with council services and their concerns can be monitored and addressed. The Council has separate complaints processes for District and Parish Councillors managed by the Monitoring Officer. 5. The council has appointed three separate "Independent Persons" to support this, in accordance with the requirements of the Localism Act, 2011 and our Standards Committee. 6. We publish an annual report of complaints submitted to the Local Government Ombudsman. Details of those where fault is found are summarised in the report. The number of complaints received by the council is compared against other councils in Kent. 7. The council's Governance Committee is responsible for constitutional issues and ensures that the constitution is monitored and updated when required. 8. The terms of reference of the Standards Committee includes responsibility for advising on the council's ethical framework and the promotion of openness, accountability and probity to ensure the highest standards of conduct. 9. The council maintains a Whistleblowing Policy to enable confidential reporting of suspected breaches of the Employee Code of Conduct or unethical behaviour. It also maintains a Prevention of Fraud and Corruption Policy. Both policies are reviewed periodically by the Audit Committee. 10. The council's standing orders and financial regulations put in place processes designed to ensure that councillors and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. They form part of the council's constitution which is reviewed annually. 11. The council operates within the legal framework, complying with its statutory 	<p>Constitution - including:</p> <ul style="list-style-type: none"> ● Member/Officer Protocol ● Member Code of Conduct ● Financial Regulations/ ● Contract Standard Orders ● Register of Interests for Councillors and officers ● Register of declarations at meetings <p>Other documents:</p> <ul style="list-style-type: none"> ● Gifts and Hospitality register ● Employee Code of Conduct ● Complaints procedure ● Annual Ombudsman report ● Whistleblowing Policy ● Prevention of Fraud & Corruption Policy ● Annual Report on the Prevention of Fraud and Corruption ● Procurement Strategy ● Equalities Policy ● Complaints Policy

	<p>duties and making the most of its powers to meet the needs of the district and its residents.</p> <p>12. The Head of Legal Services is the council's Monitoring Officer, responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p> <p>13. The council ensures that statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the council.</p> <p>14. The Council has a clear Procurement Strategy designed to meet the council's wider objectives and contract procedure rules designed to deliver robust and fair procurement processes.</p> <p>15. The council undertakes Equality Impact Assessments of all major decisions and takes action to implement changes required to ensure that council services and policies consider the diverse needs of its service users and citizens.</p> <p>16. We also host a Disability Advisory Panel who advise council officers on matters of policy, service delivery and design.</p>	
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B. Ensuring openness and comprehensive stakeholder engagement

Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Openness ● Engaging comprehensively with Institutional stakeholders ● Engaging stakeholders effectively, including citizens and service users 	<ol style="list-style-type: none"> 1. The council holds committee meetings in public unless there are good reasons for confidentiality based on the legislation. There is a presumption towards openness and transparency in the publication of reports. 2. The council permits public speaking at most of its public meetings, based on the rules set out in the constitution. 3. Other methods of public participation at meetings include submission of petitions and questions at Council. 4. Officers use standard report templates for committee and reports to help ensure that readers are provided with information that is accurate, complete and unbiased. Reports make clear the options available and the reasons for the recommendations so that the implications of all decisions and strategic risks can be assessed before those decisions are made. 5. The council's consultation programme ensures that the council proactively seeks the views of a wide range of people on a range of policies and services, engaging with all sections of the community through workshops, surveys, stakeholder events and witness sessions. The council seeks to ensure all views are actively considered when making decisions, recognising that it is not always possible to reconcile conflicting viewpoints. 6. The council undertakes regular customer satisfaction surveys of residents to ensure that it has up to date information about their priorities and levels of satisfaction with the council and its services. 	<ul style="list-style-type: none"> ● Committee agendas & minutes ● Constitution ● Questions and petitions received by Full Council ● Local representation on partnership bodies ● Consultation programme ● Petition scheme ● Council website ● Annual performance report ● FOI/data protection requests ● District Life magazine ● Social media engagement ● Budget consultation ● Equalities Policy ● Residents survey ● Service based analysis ● Employment policies and procedures ● Staff and Safety Joint Advisory Committee

	<ol style="list-style-type: none"> 7. We run services that are digital by design and allow our customers to serve themselves wherever possible. 8. The council puts resources into community grants for voluntary sector organisations who are delivering services that complement the council's objectives. 9. The Disability Advisory Panel helps the council evaluate its success in promoting diversity and meeting a broad range of needs. The council also has a councillor champion for equality and diversity who sits on the panel. 10. We work with our local Tenant Consultative Group to ensure we deliver the best housing service to our tenants. 11. We work closely with the local business community, including the Canterbury Business Improvement District and the Chambers of Commerce in Herne Bay and Whitstable. 12. The council sets out in its collective agreements, employment policies and procedures, and terms of reference for forums and meetings involving trade unions, and how it consults with staff and Trade Unions. 	<ul style="list-style-type: none"> ● Trade Union Facilities Agreement
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C. Defining outcomes in terms of sustainable economic, social and environmental benefits

Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Defining outcomes ● Sustainable economic, social and environmental benefits 	<ol style="list-style-type: none"> 1. The Corporate Plan sets out the key priorities of the council and how they will be delivered. 2. The Local Plan sets out plans to develop the Canterbury district. 3. Longer-term corporate plan and local plan objectives will be informed by the 'futures' study work currently being undertaken by Experian 4. The council has declared a climate change emergency with an objective of being carbon neutral by 2030. 5. The council actively considers the environmental impact of decisions before those decisions are made. 6. A Climate Change Action Plan sets out how the council will deliver on its climate change objectives. 	<ul style="list-style-type: none"> ● Corporate Plan ● Local Plan ● Future study evidence gathering ● Climate Change Impact Assessments ● Climate Change Action Plan ● Air Quality Action Plan ● Annual performance statement ● Budget setting report ● Economic Plans

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

Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Determining Interventions ● Planning Interventions 	<ol style="list-style-type: none"> 1. The council has a Medium Term Financial Strategy to resource its aspirations and assess and plan for any financial risks. The strategy is reviewed annually. 	<ul style="list-style-type: none"> ● Budget report/Medium Term Financial Strategy

<ul style="list-style-type: none"> ● Optimising achievement of intended outcomes 	<ol style="list-style-type: none"> 2. The Corporate Plan expresses the strategic objectives for the Council. 3. The annual report enables councillors and services to measure performance against targets and assist in decisions about where resources should be focused. 4. Services will prepare operational plans indicating setting out their priorities and work programmes for the year ahead. Performance against objectives is reviewed by senior management. 5. There are arrangements in place for regular budget monitoring and the reporting of significant variances to senior management. 6. The council seeks to maximise its resources by delivering services as efficiently as possible, working in partnership with others and using other providers where these are the best options. 7. Periodic internal audit reviews consider the effectiveness of controls and efficiency of processes 8. The council engages expertise from outside the authority when it does not have the necessary capacity or skills in-house. 	<ul style="list-style-type: none"> ● Corporate Plan ● Annual performance report to Policy Committee ● Operational Plans ● Budget monitoring reports ● Performance reports ● Annual Audit Plan ● Quarterly audit review
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E. Developing the council's capacity, including the capability of its leadership and the individuals within it

Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Developing the council's capacity ● Developing the capability of the entity's leadership and other individuals 	<ol style="list-style-type: none"> 1. The council sets out a clear statement of the roles and responsibilities of councillors and officers in its Constitution. The scheme of delegation within the Constitution makes clear what matters are reserved for collective decision-making by full Council or committees. 2. A Protocol on councillor/officer relations is used to aid effective communication between councillors and officers and to clarify their respective roles and appropriate ways of working. 3. The council's Chief Executive is the Head of Paid Service responsible and accountable to the authority for its operational management and delivery of council policies. 4. When working in partnerships, the council ensures that councillors are clear about their roles and responsibilities, both individually and collectively, in relation to the partnerships and to the council. 5. Employee behaviours are clearly defined in a framework document. 6. All employees joining the council are offered an induction programme and regular reviews with their manager. 7. All councillors are provided with an induction programme and regular briefing and training offers to meet their needs. Attendance is recorded. 8. Councillor training is mandatory in order to sit on Planning, Licensing and Audit Committees. All councillors receive Code of Conduct awareness training. 9. Councillors receive regular briefings on a range of topics to ensure they are 	<ul style="list-style-type: none"> ● Constitution ● Transformation programme ● Record of training activity ● Staff Behaviours framework ● Grievance and disciplinary procedures ● Councillor induction and briefing programme ● Staff induction programme ● Training opportunities

	kept informed and updated.	
F. Managing risks and performance through robust internal control and strong public financial management		
Commitment	Procedures	Examples of evidence
<ul style="list-style-type: none"> ● Managing Risk ● Managing Performance ● Robust Internal Control ● Managing data ● Strong public financial management 	<ol style="list-style-type: none"> 1. The council has a Risk Management Strategy, supplemented by procedures and guidance. 2. The council ensures that risk management is embedded into the culture of the authority; with managers at all levels recognising that risk management is part of their job. 3. The council undertakes risk assessments in all areas of activity where it is necessary to do so, including those covered by Health and Safety legislation. 4. A corporate risk register is reported to the Audit Committee on a quarterly basis detailing the council's strategic and service risks and mitigation. 5. The council respects the personal data it holds and complies with the data protection principles in all of its business activities. 6. The council respects the privacy of members of the public when carrying out investigations and ensures that privacy is only interfered with when the law permits and there is clear public interest justification. 7. The Council's Chief Financial Officer and S151 Officer is responsible for ensuring the lawfulness and financial prudence of decision making. They are responsible for the financial affairs of the council and ensuring that appropriate advice is given on all financial matters. 	<ul style="list-style-type: none"> ● Risk Management Strategy and procedures ● Risk register ● Data Protection Policy and Information Security policy framework ● Regulation of Investigatory Powers Act Policy ● Compliance with the CIPFA Role of the S151 Officer in Local Government ● Internal audit plan ● Annual review by external financial auditors ● Member/Officer Protocol
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability		
Commitment	Procedures	Examples of evidence

<ul style="list-style-type: none"> ● Implementing good practice in transparency ● Implementing good practices in reporting ● Assurance and effective accountability 	<ol style="list-style-type: none"> 1. The council makes sure members of the public have access to information about the workings of the council. It makes clear what information is routinely published through its website and publication scheme and responds promptly to requests for information. 2. Shared services arrangements with other local authorities or partners document their governance arrangements, which are clear, open and accountable. We have client management arrangements in place to manage the relationship with shared service partners. 3. The council maintains an independent Internal Audit function, with a risk-based annual plan, designed to test regularly that the council's policies and processes operate in practice and that the council complies with legislation and good practice. 4. The Head of Internal Audit produces an annual opinion on the council's internal control environment and the risk management framework to meet the requirements of the Public Sector Internal Audit Standards. 5. The Head of Internal Audit Opinion is used to inform an Annual Governance Statement, which is signed by the Chief Executive and Leader of the Council, and approved by the Audit Committee. 6. The council also agrees an annual work plan with its external auditors to test the council's response to major legislation and the soundness of its financial and governance processes. 7. Recommendations arising from internal and external audit and inspection processes are used to inform future decision-making. 8. The council uses an Independent Remuneration Panel to give advice on payments for Members and considers their advice when setting the Members' Allowance Scheme. 9. The Panel operates in an open and transparent manner, making their agendas, reports and minutes available to the public. 10. The Members' Allowance Scheme is published in the constitution. Payments made to councillors under the scheme are published annually. The scheme is reviewed every four years, with annual increases in allowances aligned to staff pay awards. 	<ul style="list-style-type: none"> ● Council website ● Publication Scheme ● FOI requests ● Monitoring reports to Audit Committee ● Annual Governance Statement ● Shared Service collaboration agreements ● Corporate risk register ● Annual audit letter ● Internal audit programme ● Councillor remuneration reports
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Monitoring and reporting

The council will undertake an annual review of its corporate governance arrangements to ensure continuing compliance with best practice to provide assurance that they 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.

The council will prepare an Annual Governance Statement which will be submitted to the Audit Committee for consideration and will form part of the council's annual Statement of Accounts.

The Governance Statement will include:

- an acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control) and reference to the authority's code of governance;
- a reference to and assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment;
- an opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework;
- a reference to how issues raised in the previous year's annual governance statement have been resolved; and
- a conclusion including a commitment to monitoring implementation as part of the next annual review.

The Annual Governance Statement will be signed by the Leader of the Council and the Chief Executive on behalf of the council.

In reviewing and approving the Annual Governance Statement, members will be provided with detailed information regarding the effectiveness of the governance arrangements and system of internal control and how these address the key risks faced by the council. Those Assurances will be available from a wide range of sources, including internal and external audit, a range of external inspectors and managers from across the council.

The council will continually strive to operate an assurance framework, embedded into its business processes, that maps corporate objectives to risks, controls and assurances. This framework and regular reports on its application and effectiveness will provide members with assurances to support the Annual Governance Statement and will help members to identify whether corporate objectives and significant business risks are being properly managed.

Seven principles for the conduct of individuals in public life

The governance framework is supported by the seven Principles of Public Life, which set the standards of conduct and behaviour to which Councillors and employees should aspire in their day-to-day dealings.

1. Selflessness	Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.
2. Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.
3. Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
4. Accountability	Holders of public office are accountable to the public for their decisions and actions and must submit themselves to whatever scrutiny is appropriate to their office
5. Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
6. Honesty	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
7. Leadership	Holders of public office should promote and support these principles by leadership and example.