

**APPENDIX B**



**LOCAL CODE  
OF  
CORPORATE GOVERNANCE**

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## FOREWORD

The local code of corporate governance provides a public statement that sets out the way in which the council will meet and demonstrate the commitment to ensuring good governance principles and management practices are adopted in all decision making and business activities to ensure public trust.

The council's Annual Governance Statement provides the assurance that the governance arrangements, set out in this local code of corporate governance, are actively in place. It identifies those areas where we can, and will, do more to ensure that we have effective governance arrangements and identifying areas of future focus and improvement.

Peterborough is a thriving, regional centre for commerce, transport and leisure. It is home to over 188,000 people and a significant number of local businesses. We are a council central to the success of Peterborough, welcoming hundreds of commuters and visitors each day. It is our job not only to meet but also exceed, the needs of different communities within the city.

Good governance underpins the way in which Peterborough City Council delivers its services. It involves collaborating and balancing current financial challenges with longer term planning and is defined as “The system by which local authorities direct and control their functions and relate to communities”.

Peterborough City Council supports the two overarching core principles contained within the Delivering Good Governance in Local Government Guide 2016, published by The Chartered Institute of Public Finance and Accountancy along with the specified five areas that support the overarching principles. This is to demonstrate that the organisation is committed to delivering and having effective government arrangements in place. These seven core principles underpin the governance of the council and provide a structure to help the council with its approach to governance, the comprise:

- 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*

Diagrammatically this can be demonstrated as:



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Through various forums, the Council has developed an all-inclusive vision for the city and a set of strategic priorities and core values to assist in achieving these principles as follows:



### Our Vision

Other activities included the strategic vision and corporate priorities were approved by Full Council in October 2022 and published in the **Corporate Strategy** and **Corporate Priorities** to produce a dynamic overview of the future for PCC. Consultation has taken place externally and internally to take the organisation and the community forward alongside one another.

Priority boards have been established to oversee the development of plans and delivery of these against the priorities set out within the strategy.

### Our Values

Good governance cannot be achieved by rules and procedures alone, the organisation needs to take its employees together on the same improvement journey. Shared values that are integrated into the culture of the organisation, and are reflected in both behaviour and policy, are hallmarks of good governance. These were refreshed and launched successfully during 2023.



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The Council first adopted a Code of Corporate Governance in 2008 and governance arrangements have continued to be reviewed and evolve to meet the changing economic and social climate that is faced by Peterborough City Council (PCC). This has resulted in reviews as to how services can be delivered smarter, whilst still meeting stakeholders needs and the governance required to enable this to be achieved.

The council is part of the Cambridgeshire and Peterborough Combined Authority (CPCA) with neighbouring authorities which has facilitated more localised delegation and decision-making powers from central government. Governance arrangements with the CPCA have been developed but this will ultimately relate to the Combined Authority.

Governance arrangements in PCC are shaped and developed to take account of the environment in which the council operates. The ultimate aim, however, is to ensure it is in line with the principles of delivery good governance in local government: that the resources are directed in accordance with the agreed policy of the council, there is sound and inclusive decision making and clear accountability for the use of those resources to achieve the desired outcomes for services users and our community. How the council meets the principles of delivering good governance is detailed in the following pages of this policy. This underpins the compilation of the Annual Governance Statement, which is an essential component in demonstrating the fulfilment of the statutory requirements to conduct a review of the effectiveness of the system of internal control. and our ongoing review of governance arrangements. It is essential that the code and the AGS demonstrate that good governance operates effectively in practice. The AGS is a key document, and it can be used to identify failings of governance and provide an opportunity internally to improve and thereby reduce risk. The policy will be reviewed annually in conjunction with the Annual Governance Statement reporting cycle to ensure it remains relevant.

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**CORE PRINCIPLES: ACTING IN THE PUBLIC INTEREST**

**PRINCIPLE A:**

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

**SUPPORTING PRINCIPLES:**

The Council is accountable not only for how much it spends, but also for how it uses the resources under its stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, we 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, we can demonstrate the appropriateness of all our actions and have mechanisms in place to encourage and enforce adherence to ethical values and respect the rule of law.

The Council supports the above principle by:

Supporting principles	To achieve this the organisation:	This is evidenced and supported by:
Behaving with integrity.	<ul style="list-style-type: none"> <li>Ensures members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated,</li> <li>Leads by example, ensuring members take the lead in establishing specific standard operating principles and values (building on the Seven Principles for Public Life) for the Council and its staff and that they are communicated and understood.</li> <li>Utilise the operating principles and values above as a framework for decision making and other actions.</li> <li>Demonstrate, communicate and embed the standard operating principles or values through</li> </ul>	<ul style="list-style-type: none"> <li>PCC's Constitution.</li> <li>Members and Officers Codes of Conduct policies are in place and Members interests are detailed on the Council website.</li> <li>Declaration of interests at meetings. Policies are available on PCC website.</li> <li>Constitution and Ethics committee for overseeing the conduct of members.</li> <li>Induction programmes for new members and staff incorporate the required standard of behaviour expected.</li> <li>Council Meeting Agendas, reports and minutes are published which include reference to policies used for decision making purposes.</li> <li>Standard decision-making report format to ensure that all those responsible for taking</li> </ul>

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	<p>appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</p>	<p>decisions have the necessary information on which to do so.</p> <ul style="list-style-type: none"> <li>• Meeting agendas allow for conflicts of interests to be declared prior to agenda items being discussed.</li> <li>• Policies have a review cycle which is monitored.</li> <li>• A Whistleblowing Policy is in place to enable individuals to raise concerns about malpractice or wrongdoing and includes protection for individuals raising concerns.</li> <li>• Council Improvement Plan, monitored by an independent improvement and assurance panel, with three key themes:             <ul style="list-style-type: none"> <li>○ Financial Sustainability</li> <li>○ Service Reviews</li> <li>○ Governance and Culture</li> </ul> </li> </ul> <p><b>Key documents include</b> Constitution, Member and Staff Code of Conduct, Equal Opportunities Policy, Statement of Accounts, Whistleblowing Policy, Declarations of Interests.</p>
<p>Demonstrating strong commitment to ethical values.</p>	<ul style="list-style-type: none"> <li>• Has established and monitors the Council’s ethical standards and performance.</li> <li>• Has robust policies and procedures which place emphasis on agreed ethical values which underpin behaviour and all aspects of the Council’s culture and operation.</li> </ul>	<ul style="list-style-type: none"> <li>• The council adopted six values which underpin the council’s commitment to putting people first, everyone matters. The values cover transparency, integrity, respect, innovation, collaboration and inclusivity. These are publicised and visible to all residents and associates and form a framework for performance discussions, recruitment and promotions.</li> </ul>



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	<ul style="list-style-type: none"> <li>• Ensures that external providers of services are required to act with integrity and in compliance with the same ethical standards expected of the Council in respect of various matters including modern slavery requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Terms of reference for all committees and decision-making meetings.</li> <li>• The procurement process overseen by the Procurement Working Group requires partners and contractors to operate within our core values and demonstrates transparency with regards to any potential conflicts (i.e. where a partner may wish to tender for work who may also be responsible for procurement activities).</li> <li>• Annual staff conversations have been re-introduced, in addition to monthly (supervision) conversations.</li> <li>• An anti-fraud and corruption policy that is reviewed with associated action plans where required. This was last refreshed in 2021 and will be updated in 2025.</li> <li>• A register of gifts and hospitality which is reviewed by the Monitoring Officer and the Chief Internal Auditor. Reminders are issued at key times during the year.</li> <li>• Annual reports are published regarding complaints, investigations, an Internal Audit Opinion and other corporate governance activities such as Insurance. To comply with newly adopted Audit Committee Terms of Reference, additional reports will be produced to cover Information Governance and Procurement activity.</li> </ul> <p><b>Key documents include</b> Corporate Strategy, Council Values, Whistleblowing Policy, Corporate Complaints Policy, Annual Complaints Report, Annual Investigation Report, Contract Rules,</p>
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		<p>Annual Governance Statement, Fraud and Corruption Policy. Annual Staff Conversation, Gifts and Hospitality Policy, Register of interests</p>
<ul style="list-style-type: none"> <li>• Respecting the rule of the law:</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures members and staff demonstrate a strong commitment and adheres to relevant laws and regulations.</li> <li>• Creates the environment to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.</li> <li>• Optimising the use of full powers available to the benefit of communities, citizens and other stakeholders.</li> <li>• Deals with breaches of legal and regulatory provisions promptly and effectively.</li> <li>• Ensures corruption and misuse of powers are dealt with effectively.</li> </ul>	<ul style="list-style-type: none"> <li>• Statutory roles for Good Governance are in place, Head of Paid Services, Chief Financial Officer and Monitoring Officer.</li> <li>• The Chief Executive Officer is the Head of Paid Service.</li> <li>• The council has a Director of Legal and Governance who acts as the organisation's Monitoring Officer ensuring that policies, procedures, laws and regulations are followed.</li> <li>• The Executive Director of Corporate Services and Section 151 Officer is responsible for ensuring a balanced budget. A scheme of delegation identifies responsibilities and authorisation levels.</li> <li>• Internal Audit reports annual activity and outcomes to the Audit Committee based on assurances gained and issues identified where appropriate.</li> <li>• External Audit provide an Annual Audit Letter which is presented to the Audit Committee and published on the council's website.</li> <li>• Contract rules designed to delivery robust and fair procurement processes.</li> <li>• The council maintains records of complaints made to the Local Government Ombudsman and actions taken to improve.</li> <li>• The council maintains records of any reported personal data breaches to ensure</li> </ul>

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		<p>compliance with data protection requirements. This will include and referrals to the Information Commissioner where it has been considered a high-risk personal data breach. All reports are considered to ensure that processes are reviewed to ensure no repetition and that we seek to rectify any concerns.</p> <ul style="list-style-type: none"><li>• Data Protection Officer and Senior Information Risk Owners roles are allocated within the council.</li><li>• A review to ensure compliance with CIPFA's Code of Financial Management (2019)</li></ul> <p><b>Key documents include:</b> Financial Regulations, Contract Rules, Constitution, Terms of Reference, Job descriptions for the Director of Legal and Governance and the Monitoring Officer, Executive Director of Corporate Services and Section 151 Officer and Chief Internal Auditor, , Information rights policies including Data Protection and Freedom of Information, HoIA Annual Opinion, Annual Complaints Report, Annual Investigations Report.</p>
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**CORE PRINCIPLES: OPENNESS AND STAKEHOLDER ENGAGEMENT**

**PRINCIPLE B:**

Ensuring openness and comprehensive stakeholder engagement.

**SUPPORTING PRINCIPLES:**

Local government is run for the public good. The Council should ensure openness in its activities. 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.

The Council supports the above principle by:

Supporting principles	To achieve this the organisation:	This is evidenced and supported by:
Openness	<ul style="list-style-type: none"> <li>• Supports an open culture through demonstrating, documenting and communicating the Council’s commitment to openness.</li> <li>• Makes decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. Where a decision is considered confidential, reasons for this are provided.</li> <li>• Provides clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and</li> </ul>	<ul style="list-style-type: none"> <li>• The Councils committee meetings timetable is published, and the public are able to attend unless there is a good reason for not doing so such as on the grounds of confidentiality (exempt reports). The public are able ask questions at all council meetings.</li> <li>• Committee meetings are minutes made detailing decisions/deliberations and are published along with associated reports and agendas. Meetings are also streamed on YouTube to increase public awareness of the activities of the Council.</li> <li>• Annual Statement of Accounts is published annually.</li> <li>• A publication scheme that describes the kinds of information available and provides guidance</li> </ul>

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	<p>consequences of those decisions are clear.</p> <ul style="list-style-type: none"> <li>• Uses formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.</li> </ul>	<p>about how to access information and submit a Freedom of information request.</p> <ul style="list-style-type: none"> <li>• Various forms of consultation are undertaken from surveys to formal consultations. Details of all consultations undertaken are published on the council's website.</li> <li>• The council publishes data in compliance with the Local Government Transparency Code 2015.</li> </ul> <p><b>Key documents include</b> Constitution, Committee meeting timetable, agenda and minutes, YouTube recordings, record of consultations.</p>
<ul style="list-style-type: none"> <li>• Engaging comprehensively with Institutional stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Effectively engages with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</li> <li>• Utilises formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</li> <li>• Ensure that partnerships are based on:             <ul style="list-style-type: none"> <li>○ trust</li> <li>○ a shared commitment to change</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The council has historically operated extensively with institutional stakeholders and partners in identifying the best way to deliver services. Over the last few years, some services which were previously outsourced have been brought back in house with the most recent being services provided by Serco. Further reviews will be undertaken on remaining shared services and whether further uncoupling of services is required.</li> <li>• Partnership agreements are in place which determine the roles and responsibilities for each partnership arrangement where it is expected that the council's values are adhered to.</li> </ul> <p><b>Key documents include</b> Medium Term Financial Strategy, Partnership Boards Terms of Reference, meeting minutes, partnership terms and agreements.</p>

	<ul style="list-style-type: none"> <li>○ a culture that promotes and accepts challenge among partners; and</li> <li>○ that the added value of partnership working is explicit.</li> </ul>	
<ul style="list-style-type: none"> <li>● Engaging stakeholders effectively, including citizens and service users</li> </ul>	<ul style="list-style-type: none"> <li>● Consults with or involve individual citizens, service users and other stakeholders to ensure that service provision is contributing towards the achievement of intended outcomes.</li> <li>● Ensures communication methods are effective and that members and officers are clear about their roles with regard to community engagement.</li> <li>● Encourages, collects and evaluates the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.</li> <li>● Implements effective feedback mechanisms in order to demonstrate how their views have been taken into account.</li> <li>● Balances feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.</li> </ul>	<ul style="list-style-type: none"> <li>● The council engages in many ways to ensure that stakeholders have the opportunity to contribute views to the organisations performance and intended outcomes by:             <ul style="list-style-type: none"> <li>○ Fortnightly Peterborough Conversations session for staff</li> <li>○ Staff surveys</li> <li>○ Voluntary and Community sector networking</li> <li>○ Various focus groups</li> </ul> </li> <li>● All public consultations undertaken are recorded on the council's website and staff information is published on the intranet.</li> <li>● Councillors ensure they are accessible to the community and contact details are held on the council's website.</li> <li>● Examples include Staff Survey Action Plan regarding stakeholder comments have resulted in 'you said, we did' which will be monitored and will detail the actions undertaken to implement suggestions made by staff.</li> <li>● Community Assets where Officers and Councillors have attended forum meetings and individual community centre committee meetings providing feedback and updates on present strategy and assistance that can be</li> </ul>

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	<ul style="list-style-type: none"><li>• Takes account of the impact of decisions on future generations of taxpayers and service users.</li></ul>	<p>given which has fed into the wider discussions and recommendation on community sales.</p> <ul style="list-style-type: none"><li>• Petitioning process for the public to bring concerns to the council's attention.</li><li>• The council uses social media to provide information about council services, along with promoting campaigns and events.</li></ul> <p><b>Key documents include</b> Consultations, survey results, Annual Statement, Council Website</p>
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**PRINCIPLE C: ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS****PRINCIPLE C:**

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

**SUPPORTING PRINCIPLES:**

The long-term nature and impact of many of the Council's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the Authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. 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.

The Council supports the above principle by:

<b>Supporting principle</b>	<b>To achieve this the organisation:</b>	<b>This is evidenced and supported by:</b>
<ul style="list-style-type: none"> <li>Defining outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Maintains a statement of the Council's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions.</li> <li>Specifies the intended impact on, or changes for, stakeholders including citizens and service users, both in the short and long term.</li> <li>Delivers defined outcomes on a sustainable basis within the resources that will be available.</li> </ul>	<ul style="list-style-type: none"> <li>A council plan, corporate strategy, which sets out the council's ambitions and defines the outcomes, goals and values for people and places.</li> <li>Delivery of the plan is monitored through a performance framework.</li> <li>The customer services strategy identifies how the organisation can work with partners and customers whilst transforming services within finite resources.</li> <li>The councils risk management strategy as documented in the Risk Management Framework and Policy document along with the strategic risk register, directorate risk registers and other associated risk registers (e.g. project risk register)</li> </ul>



	<ul style="list-style-type: none"> <li>• Identifies and manages risks to the achievement of outcomes.</li> <li>• Manages service user's expectations effectively with regard to determining priorities and making the best use of the resources available.</li> </ul>	<p>identify, address and treat areas that may impact on the achievement of service delivery.</p> <ul style="list-style-type: none"> <li>• Effective budget reporting and budget management by budget holders ensure sustainability is appropriately managed.</li> <li>• The increased use of technology including AI to deliver services more effectively.</li> <li>• Include decoupling of services from CCC?</li> </ul> <p><b>Key documentation includes</b> Corporate Vision, Annual Report, Medium Term Financial Strategy, Risk Management Strategy, Risk Registers, Customer Service Strategy, Efficiency Strategy, Technology strategy, Digital Strategy, data strategy, cyber security strategy, Budgetary Control Reports</p>
<ul style="list-style-type: none"> <li>• Sustainable economic, social and environmental benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Considers and balances the economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.</li> <li>• Takes a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between intended outcomes and short-term factors such as the political cycle or financial constraints.</li> <li>• Determines the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through</li> </ul>	<ul style="list-style-type: none"> <li>• Medium Term Financial Planning for the delivery of services.</li> <li>• The Council has three Portfolio Boards to plan and oversee the delivery of transformational benefits to service delivery across the Council to meet the cities priorities.</li> <li>• Committee reports include and assessment of environment implications and equality implications.</li> <li>• The organisation has also introduced innovative ways of sustainability with environmental benefits such as:             <ul style="list-style-type: none"> <li>○ The energy recovery facility where energy is produced to power households whilst reducing carbon emissions.</li> <li>○ Peterborough Energy, where the organisation was the first council to receive</li> </ul> </li> </ul>

	<p>consultation where possible, in order to ensure appropriate trade-offs.</p> <ul style="list-style-type: none"><li>• Ensures fair access to services.</li></ul>	<p>The Community Award at the British Renewable Energy Awards.</p> <p><b>Key documentation includes</b> Corporate Vision, Medium Term Financial Strategy, Environment Action Plans, Efficiency Strategy, Information Technology and Digital Strategy, Customer Services Strategy</p>
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**PRINCIPLE D: ACHIEVEMENT OF INTENDED OUTCOMES**

**PRINCIPLE D:**

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

**SUPPORTING PRINCIPLES:**

The Council achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that the Council has to make to ensure intended outcomes are achieved. It needs robust decision-making mechanisms to ensure that 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 continually to ensure that achievement of outcomes is optimised.

The Council supports the above principle by:

<b>Supporting principle</b>	<b>To achieve this the organisation:</b>	<b>This is evidenced and supported by:</b>
<ul style="list-style-type: none"> <li>Determining interventions</li> </ul>	<ul style="list-style-type: none"> <li>Ensures decision makers receive objective information and rigorous analysis covering of a variety of options indicating how intended outcomes would be achieved along with the associated risks and value achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive Financial Planning process determines the level of resources to achieve council priorities, outcomes and meet statutory duties,</li> <li>Published narrative in the Statement of Accounts, which communicates the Councils' activities, achievements, financial position and performance.</li> <li>The Medium-Term Financial Strategy highlights key issues, risks and how services will be delivered in the medium term.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Consults and considers feedback from citizens and service users when making decisions about service improvements or closures in order to prioritise competing demands within limited resources, whilst considering future impacts.</li> </ul>	<ul style="list-style-type: none"> <li>• Standards decision report format to ensure relevant information is captured to support effective decision making.</li> <li>• Committee reports and business cases considering alternative options and costs along with the associated impact and risk.</li> <li>• Having a transparent regular committee reporting process to ensure that performance and outcomes are regularly monitored.</li> <li>• Partnership and shared service arrangements where external expertise or different ways of working are required to achieve the best outcomes.</li> <li>• A transparent and published committee meeting timetable where members of the public are able to attend (excluding exempt issues)</li> <li>• An embedded process for public and stakeholder consultation where there may be impact on service delivery or community impact. Examples include the Mid Term Financial Strategy, community Liaison Scheme for Fletton Quays and the Local Offer</li> <li>• An interactive budget consultation process is run each year so residents can see the impacts on services of budget cuts and suggest ways to balance the budget.</li> </ul> <p><b>Key documents include</b> Annual Report, Medium Term Financial Strategy, Committee Timetables, Agendas and Reports, Budget Consultation</p>
<ul style="list-style-type: none"> <li>• Planning interventions</li> </ul>	<ul style="list-style-type: none"> <li>• Establishes and implements robust planning and control cycles that</li> </ul>	<ul style="list-style-type: none"> <li>• The council's plans, priorities and desired outcomes are set out in its Medium-Term Financial Strategy along with its vision for</li> </ul>

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	<p>cover strategic and operational plans priorities and targets.</p> <ul style="list-style-type: none"> <li>• Ensures that those making decisions, whether for the authority or any partnerships, are provided with information that is fit for purpose, relevant and timely.</li> <li>• Ensures that proper professional advice on matters that have legal or financial implications is available, recorded and used appropriately</li> </ul>	<p>Peterborough in the Corporate Plan and Forward Plan which allows members and officers to be clear where resources should be prioritised.</p> <ul style="list-style-type: none"> <li>• Financial reporting processes which include budget setting processes and budget monitoring are clearly defined to highlight budget pressures where intervention may be required, and to agree on action to be taken.</li> <li>• The S151 Officer's annual section 25 report, demonstrates the financial position of the Council, including the adequacy of reserves.</li> <li>• The Financial Sustainability Working Group meets regularly to discuss the financial pressures and appropriate action.</li> <li>• Performance monitoring against key performance indicators and benchmarking is undertaken as appropriate.</li> <li>• Work programmes developed by scrutiny committees to consider policy, delivery and impact of decisions.</li> <li>• Committee report framework requiring legal and financial authorisation prior to issue.</li> <li>• Financial and legal representation at committee meetings.</li> </ul> <p><b>Key documents include</b> Medium Term Financial Strategy, Budget Reports, Committee Reports and minutes.</p>
<ul style="list-style-type: none"> <li>• Optimising achievement of intended outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures that risk management is embedded into the culture of the authority, with members and managers at all levels.</li> </ul>	<ul style="list-style-type: none"> <li>• A risk management Policy and Framework that is regularly reviewed by senior management and the Audit Committee.</li> <li>• Regular review of the strategic risk register by the Corporate Leadership Team and Audit Committee.</li> </ul>

	<ul style="list-style-type: none"><li>• Ensures that effective arrangements for whistleblowing are in place and accessible to officers, staff and all those contracting with or appointed by the authority.</li></ul>	<ul style="list-style-type: none"><li>• Ongoing review of departmental risk registers.</li><li>• Bimonthly meetings held by the risk management working group, which has authority wide representation.</li><li>• Projects / Programmes and contracts include consideration for risk both in terms of the project process and Cabinet Member Decisions.</li><li>• A whistleblowing policy which is accessible to all, detailing key officers and feedback processes.</li></ul> <p><b>Key documents include</b> Risk Management Strategy, risk registers, risk working group agendas and minutes, Verto project system, Cabinet Member Decision Notices (CMDNs), whistleblowing policy.</p>
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**PRINCIPLE E: CAPACITY AND CAPABILITY**

**PRINCIPLE E:**

Developing the organisations capacity, including the capability of its leadership and the individuals within it.

**SUPPORTING PRINCIPLES:**

The Council 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 their intended outcomes within the specified periods. It 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 operating environment will change over time, there will be a continuous need to develop capacity as well as the skills and experience of the leadership and of individual staff members. Leadership is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

The Council supports the above principle by:

<b>Supporting principle</b>	<b>To achieve this the organisation:</b>	<b>This is evidenced and supported by:</b>
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<ul style="list-style-type: none"> <li>Developing the Council's capacity</li> </ul>	<ul style="list-style-type: none"> <li>Reviews operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.</li> <li>Improving resource use through appropriate application of techniques to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.</li> <li>Recognises the benefits of partnerships and collaborative working where added value can be achieved and continually keep this under review.</li> <li>Is developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.</li> </ul>	<p>The council has a Digital Strategy which sets the overall vision for digital services that are secure, modern and customer focussed to help create a sustainable 21<sup>st</sup> century council which themes of community, partners, inclusion, sustainability and workforce.</p> <p><b>Key documents include</b> digital strategy, data strategy, cyber security strategy.</p>
<ul style="list-style-type: none"> <li>Developing the capability of the Council's leadership and other individuals</li> </ul>	<ul style="list-style-type: none"> <li>Has protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.</li> <li>Publishes a statement that specifies the types of decisions that are delegated and those</li> </ul>	<ul style="list-style-type: none"> <li>The council has a robust framework via the constitution of the roles and responsibilities of members and officers that encompass the cabinet, scrutiny and regulatory committees.</li> <li>The scheme of delegation specifies which decisions are required by full cabinet.</li> <li>The role of the Leader is defined within the constitution and a job description defines the Chief Executive's responsibilities.</li> </ul>



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	<p>reserved for collective decision making.</p> <ul style="list-style-type: none"> <li>• Ensures the leader and the chief executive have clearly defined and distinctive leadership roles.</li> <li>• Develops the capabilities of members and senior management to achieve effective shared leadership and to enable the Council to respond successfully to changing legal and policy.</li> <li>• Has structures in place to encourage public participation.</li> <li>• Holds staff to account through regular our conversations which take account of training or development needs.</li> <li>• Ensures arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>• A member training programme is in place which includes induction for all new members and clarifies their roles and responsibilities.</li> <li>• Guidance and advice on how to become a councillor is published on the council’s website to actively encourage public participation.</li> <li>• Training development programmes are available to officers and needs are discussed through regular Our Conversations</li> <li>• Annual Conversations are linked to the council’s core values.</li> <li>• Various HR policies exist to support the performance of staff including Recruitment and Retention, Capability, Attendance Management.</li> <li>• The council supports staff wellbeing by having access to an occupational health service, an independent employee assistance service covering a variety of needs, a chaplaincy service and regular wellbeing ‘Boost’ weeks which is accessible to all staff.</li> <li>• Apprenticeship programme which offers training, skills and experience in local government in general and focus on specific skills,</li> <li>• Participation in the LGA national graduate scheme</li> <li>• The three statutory posts of Chief Executive, Monitoring Officer and S151 Officer work together. In the year the Monitoring Officer left and was replaced by an interim. This change did not detrimentally affect the performance of the Council.</li> </ul>
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		<b>Key documents include</b> Constitution, Chief Executive job description, HR policies, Workforce Development Training Programme, Staff Appraisal Process (PDR), Core Values and Priorities, Employee Assistance Programme.
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**PRINCIPLE F: MANAGING RISKS AND PERFORMANCE**

**PRINCIPLE F:**

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

**SUPPORTING PRINCIPLES:**

The Council needs to ensure that the governance structures it has implemented can sustain an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision-making activities.

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.

It is also essential that a culture and structure for scrutiny is 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 delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

The Council supports the above principle by:

Supporting principle	To achieve this the organisation:	This is evidenced and supported by:
<ul style="list-style-type: none"> <li>Managing risk</li> </ul>	<ul style="list-style-type: none"> <li>Implements robust and integrated risk management arrangements to inform decision making processes and ensure that they are working effectively.</li> </ul>	<ul style="list-style-type: none"> <li>The Councils Risk Management Strategy as documented in the Risk Management Framework and Policy document sets out the approach to Risk Management. This is overseen by Corporate Leadership Team and the Audit Committee who receive regular updates regarding business risk.</li> <li>The risk management working group is represented by all directorates where meetings to discuss risk issues are held on a Bimonthly basis, supported by a Terms of Reference, Agenda and</li> </ul>

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	<ul style="list-style-type: none"> <li>• Ensures ownership for managing individual risks is clearly identified.</li> </ul>	<p>Action log, chaired by the Corporate Risk Manager</p> <ul style="list-style-type: none"> <li>• Regular reviews of risk and associated registers both operationally and strategically are conducted which identifies who is managing the risks and timescales for any required actions.</li> </ul> <p><b>Key documents include</b> Risk management strategy, meeting minutes, risk registers.</p>
<ul style="list-style-type: none"> <li>• Managing performance</li> </ul>	<ul style="list-style-type: none"> <li>• Monitors service delivery effectively including planning, specification, execution and independent post implementation review.</li> <li>• Makes decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation’s financial, social and environmental position and outlook.</li> <li>• Ensures an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing performance.</li> <li>• Provides members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.</li> </ul>	<ul style="list-style-type: none"> <li>• The Executive Director of Corporate Services is the authority’s S151 Chief Finance Officer and is responsible for ensuring that effective financial management is in place.</li> <li>• The council has an established approach to financial governance involving members, senior officers and budget holders in the budget setting process and on-going monitoring arrangements by way of forecast outturn against budget, with correcting actions taken.</li> <li>• A scrutiny framework of four main committees exists to both support and call to account the cabinet and allow the community, via their ward councillors or by completing a form on the website to suggest a topic for discussion, to have a say in council matters of local concern. These are Adults and Health; Children and Education; Climate Change and Environment; Growth, Resources and Communities.</li> <li>• Members of all four committees also meet as a joint committee throughout the year to examine the council’s budget proposals.</li> </ul>

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	<ul style="list-style-type: none"> <li>Ensures there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements).</li> </ul>	<ul style="list-style-type: none"> <li>The constitution allows for scrutiny committees to 'call in' cabinet decisions to enable additional challenge and discussion.</li> </ul> <p><b>Key documents include:</b> Job Description for the Executive Director of Corporate Services and S151 Officer, Service Director- Financial Management and Deputy S151 Officer, &amp; Service Director- Corporate Finance and deputy s151 Officer, Terms of Reference for Scrutiny Committees (Constitution), Medium Term Financial Strategy, Budget monitoring reports to Executive and Budget Managers, Constitution call in mechanism. Forward Plan of Executive (including Key Decisions)</p>
<ul style="list-style-type: none"> <li>Robust Internal Control</li> </ul>	<ul style="list-style-type: none"> <li>Aligns the risk management strategy and policies on internal control with achieving the objectives.</li> <li>Evaluates and monitor the authority's risk management and internal control on a regular basis.</li> <li>Ensures effective counter fraud and anti-corruption arrangements are in place.</li> <li>Ensures that additional assurance is provided by the Chief internal Auditor regarding the governance, risk and control environment.</li> <li>Has an audit committee that receives assurance regarding arrangements for managing risk</li> </ul>	<ul style="list-style-type: none"> <li>Annual Governance Statement that provides a high-level summary of how the council is meeting the principles of good governance (this document).</li> <li>Audit Committee oversee the management of governance issues, internal controls, risk management and statutory financial reporting.</li> <li>Internal audit prepares and delivers a risk-based audit plan which is kept under review by the audit committee to reflect changing priorities and emerging risks.</li> <li>The Council has a Risk Management Strategy documented in the Risk Management Framework and Policy document which is agreed by senior management, the Leader and deputy Leader of the Council and the audit committee.</li> </ul>

	<p>and maintaining an effective control environment and recommendations are listened to and acted upon.</p>	<ul style="list-style-type: none"> <li>• A strategic risk register containing high level strategic risks is regularly reviewed and reported to the audit committee at least six monthly.</li> <li>• Risk management effectiveness is reviewed as part of the Annual Governance Statement and Head of Internal Audit annual reporting process.</li> <li>• The Chief Internal Auditor is responsible for fraud and investigation activities. A strategy has been developed and annual investigation activity is reported to the audit committee.</li> <li>• The Head of Internal Audit provides an opinion on the robustness of the council’s control environment based on audit work undertaken.</li> <li>• Scrutiny committees are empowered to challenge and debate policy and objectives before, during and after decisions are made.</li> </ul> <p><b>Key documents include</b> Risk management strategy, corporate risk register, annual governance statement, Fraud and Corruption Strategy, HoIA annual report.</p>
<ul style="list-style-type: none"> <li>• Managing Data</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.</li> <li>• Ensures effective arrangements are in place and operating effectively when sharing data with other bodies.</li> <li>• Reviews and audits regularly the quality and accuracy of data used in decision making and performance monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Information governance policies are in place to ensure that there is clear directive on the handling of information and data.</li> <li>• The council’s procurement process and project management approach ensure that a data protection impact assessment is considered and agreed with the Data Protection Officer.</li> <li>• Information and cyber security policies in place</li> <li>• Privacy notices are published to explain the processing of personal data.</li> <li>• Procedures are in place for reporting any suspected personal data breaches which are</li> </ul>

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		<p>recorded and reviewed to identify any remedial activities or change in process actions required.</p> <ul style="list-style-type: none"> <li>• Details of data breaches are reported to senior management with self-referral to the ICO if considered appropriate.</li> <li>• Annual mandatory data protection and cyber security training is undertaken by all staff.</li> <li>• Information governance updates are provided to senior managers and directorate management teams, An Information Management Board chaired by the SIRO will meet quarterly to discuss and deliver actions required within departments.</li> <li>• Internal audits that encompass data quality.</li> </ul> <p><b>Key documents include</b> corporate data strategy, Information governance strategy and associated policies, information asset register, internal audit reports, data protection training.</p>
<ul style="list-style-type: none"> <li>• Strong public financial management</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures financial management supports both long term achievement of outcomes and short-term financial and operational performance.</li> <li>• Ensures well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• The Medium-Term Financial Strategy, Forward Plan and Constitution makes a realistic assessment of both short- and long-term financial outcomes and processes required in achieving delivery of council priorities and outcomes. The MTFS is updated quarterly to ensure the Council is fully sighted on the medium-term outlook.</li> <li>• Effective finance and performance reporting to senior management and cabinet ensures pressures and risks are discussed and treated as appropriate.</li> <li>• Monthly budgetary control reports using a system of devolved budget management.</li> <li>• Self-assessment and improvement plan against CIPFAs financial management standards.</li> </ul>

		<p><b>Key documents include</b> Medium Term Financial Strategy, Forward Plan, Budgetary control reports, financial management self-assessment and improvement plan.</p>
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**PRINCIPLE G: TRANSPARENCY, AUDIT AND ACCOUNTABILITY**

**PRINCIPLE G:**

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

**SUPPORTING PRINCIPLES:**

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. Both external and internal audit contribute to effective accountability.

The Council supports the above principle by:

<b>Supporting principles</b>	<b>To achieve this the organisation:</b>	<b>This is evidenced and supported by:</b>
<ul style="list-style-type: none"> <li>Implementing good practice in transparency</li> </ul>	<ul style="list-style-type: none"> <li>Produces reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience, ensuring that they are easy to access and interrogate.</li> <li>Strikes a balance between providing the right amount of information to satisfy transparency requirements to enhance public scrutiny and not being too onerous to provide and can be understood by users to encourage public scrutiny.</li> </ul>	<ul style="list-style-type: none"> <li>Committee reports have a standard format and are published along with agendas (excluding exempt items) to strict committee guidelines.</li> <li>Freedom of information requests and responses are published on the website.</li> <li>Information Governance Policies set out how data is handled within the organisation.</li> <li>Compliance with the Local Government Transparency Code 2015 which requires the publication of certain data sets including senior salaries, expenditure over £500, parking account, contracts register, grants, fraud investigations and property assets. The council also publishes other open data which the public</li> </ul>

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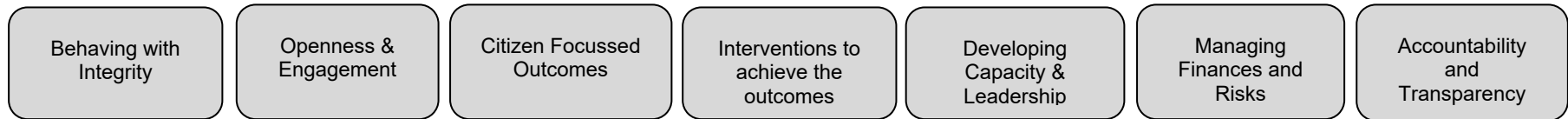
		<p>may have an interest in. These are made available on the council’s website.</p> <ul style="list-style-type: none"> <li>• Expenditure over £500 and Senior Management Salaries are published on the website.</li> </ul> <p><b>Key documents include</b> Committee report and agendas, Freedom of Information Policy and reports, Information Governance Strategy, Data Protection Policy, Information Risk Register, Data Retention Policy</p>
<ul style="list-style-type: none"> <li>• Implementing good practices in reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Reports at least annually on performance, value for money and the stewardship of its resources.</li> <li>• Ensures members and senior management own the results that are reported.</li> <li>• Has robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement).</li> <li>• Ensures the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.</li> </ul>	<ul style="list-style-type: none"> <li>• The council publishes its Statement of Accounts, which summarises its achievements in the year, is available on the website. It includes information on performance along with financial statements.</li> <li>• An Annual Governance Statement is produced each year which fully encompasses all of the organisation’s operations and includes any shared service and partnership arrangements. Directors undertake a self-assessment of governance arrangements which is verified by the Chief Internal Auditor and an improvement action plan produced where appropriate. This is approved by the Audit Committee and Cabinet.</li> </ul> <p><b>Key documents include</b> Annual Audit Letter, Statement of Accounts, Annual Governance Statement.</p>

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<ul style="list-style-type: none"> <li>Assurance and effective accountability</li> </ul>	<ul style="list-style-type: none"> <li>Ensures that recommendations for corrective action made by External Audit are acted upon.</li> <li>Provides an effective Internal Audit service with direct access to members which provides assurance with regard to governance arrangements and recommendations are acted upon.</li> <li>Encourages peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.</li> <li>Obtains assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.</li> <li>Ensures that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.</li> </ul>	<ul style="list-style-type: none"> <li>External Audit agree an annual audit programme of works.</li> <li>External Audit provides an annual opinion on the council's financial statements and arrangements for securing value for money.</li> <li>External audit formally responded to and reported to Audit Committee all its findings. Regular meetings are held with senior management and External Audit to review progress.</li> <li>An independent and effective in-house internal audit service which conforms to Public Sector Internal Audit Standards (PSIAS). Its Annual Plan and outcomes are reported to the Audit Committee via Annual Audit Opinion as part of the committee cycle. Follow up action is undertaken to monitor recommendation implementation.</li> <li>Annual Governance Statement is produced and approved by Members. Ownership of the document is via Corporate Leadership Team and routinely monitored for progress against actions requiring attention.</li> <li>The Chief Internal Auditor has direct access to the Chair of the Audit Committee, the Chief Executive and reports to the Executive Director of Corporate Services and s.151 Officer.</li> <li>Governance arrangements for partnerships and shared services are defined.</li> <li>An independent panel is utilised for setting member allowances.</li> </ul>
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		<ul style="list-style-type: none"><li>• Independent Improvement and Assurance Panel established in December 2021, and ongoing, its purpose is to provide:<ul style="list-style-type: none"><li>○ External advice challenge and expertise to PCC in driving forward the development and delivery of their Improvement Plan</li><li>○ Assurance to the Secretary of State of PCCs progress on delivery of their improvement plan</li><li>○ Six monthly reports to the council on the progress of the delivery of the improvement plan</li></ul></li></ul> <p><b>Key documents include</b> External Audit Annual Report and Letter, Annual Audit Plan, HoIA Annual Report, Internal Audit Charter, Internal Audit Effectiveness Report, Annual Governance Statement, Internal Audit Reports</p>
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**Key Documents: Annual Review/Production**

**Key Documents: Ad-hoc Reviews/Production**

**Processes / Regulatory Monitoring**

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Medium Term Financial Strategy  
 Statement of Accounts, including performance narrative  
 Prudential Code and Treasury Management Reports  
 Annual Governance Statement  
 Head of Internal Audit Opinion  
 Investigations Annual Report  
 External Audit Letter  
 Risk Management Strategy as documented in the Risk Management Framework and Policy document.  
 Strategic Risk Register  
 Directorate Operational Risk Registers  
 Project risk registers??  
 Core Values  
 Corporate Priorities  
 Local Code of Corporate Governance  
 Internal Audit Annual Plan  
 Annual Budget, including section 25 report  
 Capital Strategy

Financial Regulations  
 Contract Rules  
 Constitutions  
 Code of Conduct for Members  
 Code of Conduct for Officers  
 People and Communities Strategy  
 Digital Strategy  
 Data Strategy  
 Cyber Security Strategy  
 Peterborough Corporate Strategy  
 Procurement Strategy 2016-2020  
 Peterborough Culture Strategy 2015-20  
 Environment Action Plan (PCC & City Wide)  
 Service Improvement and Delivery Plans  
 Anti-Fraud and Corruption Strategy  
 Business Continuity Plans  
 Complaints Policy  
 Health and Safety Policy  
 HR Policies  
 Whistleblowing Policy  
 Information Governance Policy

Internal Audit Committee  
 Section 151 Officer  
 Cabinet  
 Scrutiny Framework  
 Strategic Governance Board  
 Information Governance Working Group  
 Data Protection  
 Stakeholder Forums  
 Financial Reporting  
 Member Independent Remuneration  
 Member Training Programme  
 Member Induction  
 Staff Appraisal Process (Our Conversations)  
 Job Descriptions  
 Staff Induction  
 Workforce Development and Training  
 Staff Surveys  
 Employment Assistance Programme  
 External Website, social media & Insite (intranet app)

Chief Executive  
 Monitoring Officer  
 Corporate Management Team  
 Scheme of delegation  
 Risk Working Group  
 Internal Audit  
 External Audit  
 Freedom of Information Consultations  
 Declarations of Interests  
 Appointments to outside organisations and groups  
 Gifts and Hospitality  
 Partnership and contract monitoring  
 Senior Manager Salaries  
 Expenditure in excess £500

**Copy of the code:** [delivering-good-governance-in-local-government-framework-2016 \(harrow.gov.uk\)](http://delivering-good-governance-in-local-government-framework-2016(harrow.gov.uk))

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