



**Armagh City
Banbridge
& Craigavon**
Borough Council

CODE OF GOVERNANCE

Version 2 Revised OCTOBER 2020

Introduction

Our Governance arrangements comprise of the systems and processes, cultures and values, by which Council is directed and controlled and through which it is accountable to, engages with and, where appropriate, leads its community.

To demonstrate compliance with the principles of good corporate governance, Armagh City, Banbridge and Craigavon Borough Council must ensure that it does the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. We must ensure that our business is conducted within the law and the highest public standard and that all public monies are properly accounted for.

As a commitment to good governance Armagh City Banbridge and Craigavon Borough Council has developed and now updated this code of governance which is produced in accordance with the principles and requirements the CIPFA Solace publication 'Delivering Good Governance in Local Government: A Framework'.

Principles of Good Governance

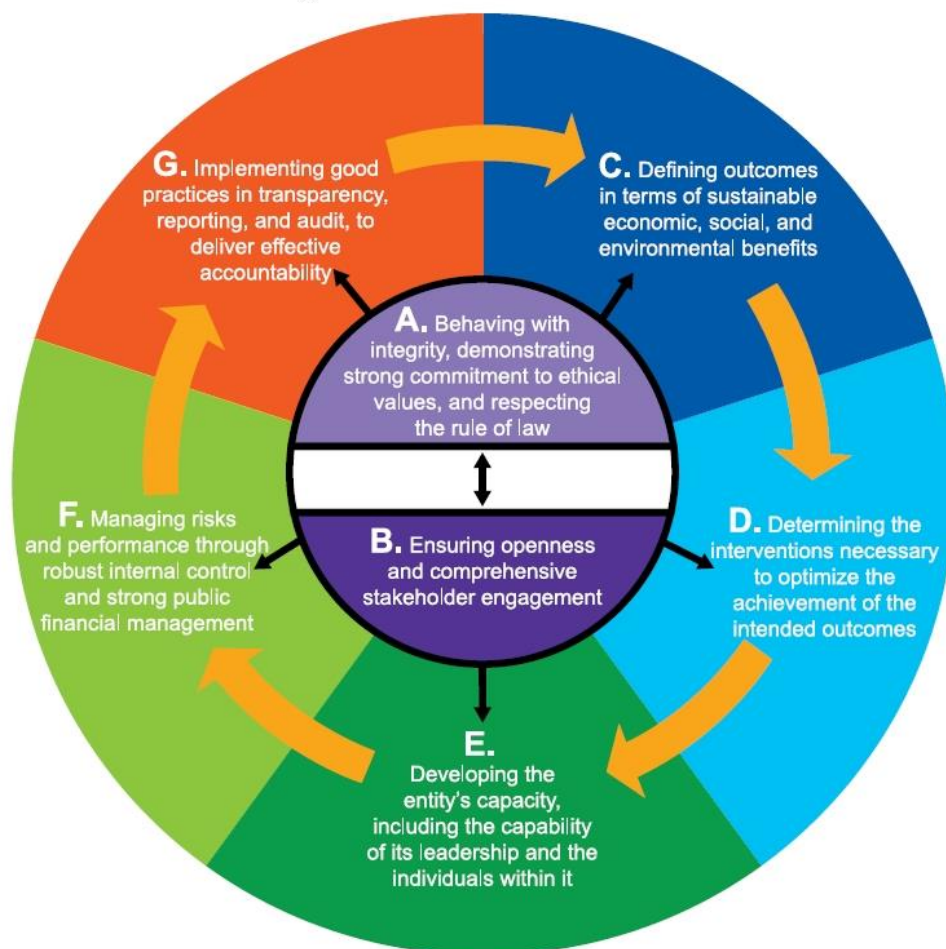
The International Framework: Good Governance in the Public Sector (2014) defines 'governance' as comprising the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their organisation's objectives whilst, at all times, acting in the public interest. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

There are seven principles of good governance as set out in the Framework, which are:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
2. Ensuring openness and comprehensive stakeholder engagement
3. Defining outcomes in terms of sustainable economic, social, and environmental benefits
4. Determining the interventions necessary to optimise the achievement of the intended outcomes
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it
6. Managing risks and performance through robust internal control and strong public financial management
7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The diagram below taken from the Framework illustrates the various principles of good governance in the public sector and how they relate to each other.

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



Compliance with the Code

This Code of Governance is supported by policies, procedures and systems that determine and control how the Council manages its affairs. **Appendix A** provides further detail, demonstrating how the Council currently complies with the Code.

Monitoring and Review

Our governance arrangements are reviewed on an annual basis to ensure that they are adequate and operating effectively in practice.

The results of these reviews will be reported to the Governance, Resources and Strategy Committee and the Performance and Audit Committee and will inform the preparation of the Annual Governance Statement, which forms part of the published financial statements.

Appendix A

Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law		
Supporting Principles	How we meet these principles	Planned Improvement Actions
A.1 Behaving with integrity	<ul style="list-style-type: none"> ➤ Mandatory Code of Conduct for Councillors – The NI Code of Local Government Conduct for Members ➤ Code of Conduct for Council staff ➤ NI Charter Plus for Elected Member Development ➤ Declarations of interest a standing agenda item for Council/Committee meetings ➤ Council minutes include whether any declarations of interests have been made ➤ Fraud and Whistleblowing Policies in place ➤ Gifts and Hospitality Policies in place ➤ Members approve the: <ul style="list-style-type: none"> ▪ Constitution ▪ Standing Orders, Officer scheme of delegation and Financial Regulations ▪ Codes of Conduct ➤ Members approval of the Community and Corporate Plans ➤ Officer Scheme of Delegation in place with decisions recorded and submitted to Council for noting. ➤ Party Group Leaders Forum ➤ Members Training and Workshops ➤ Shared values communicated through the Community Plan, Corporate Plan and the Annual Business Plans ➤ Open and transparent committee system and reporting 	<ul style="list-style-type: none"> ➤ Finalisation with trade unions of revised policies ➤ Conflict of Interest Policy to be developed
A.2 Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> ➤ Mandatory Code of Conduct for Councillors ➤ Agreed set of behaviours for members and staff ➤ Register maintained of Members' pecuniary interest ➤ Ethical requirements of Professional Standards ➤ Standing Orders ➤ Ongoing monitoring and reporting through Internal Audit and Risk Management processes ➤ Systems and processes for financial administration ➤ Partners and Contractors required to comply with relevant policies ➤ Policies in place which demonstrate our commitment to ethical values includes: <ul style="list-style-type: none"> ▪ Equality Scheme and Equality Action Plan ▪ Equality and Diversity Framework ▪ Good Relations Strategy ▪ Disability Action Plan 2020-2023 ▪ Data Protection Policy ▪ Fraud and Whistleblowing Policies ➤ Robust Equality Screening and rural needs analysis process ➤ Customer Care Strategy 	

Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law		
Supporting Principles	How we meet these principles	Planned Improvement Actions
	<ul style="list-style-type: none"> ➤ Grant Letters of Offer and monitoring arrangements ➤ Procurement guidance detailed within financial regulations. 	
A.3 Respecting the rule of law	<ul style="list-style-type: none"> ➤ Appointment of Council Senior Solicitor (strengthening internal legal function) ➤ Updated Council Constitution (November 2020) ➤ Updated Financial Regulations (March 2019) ➤ Updated Standing Orders (March 2019) ➤ Register maintained of Members' pecuniary interest ➤ Operating Protocol for Planning Committee ➤ Call-In process on decisions in operation in accordance with the Local Government Act 2014 ➤ External expert legal and other professional advice sought when necessary. ➤ Fraud and Whistleblowing investigations undertaken ➤ HR Disciplinary processes ➤ Safeguarding Policy ➤ Revised Committee Terms of References and reduction in number of committees. ➤ Corporate Complaints Policy ➤ Enforcement and regulatory Policies and procedures in place ➤ Equality screening and rural needs assessment in place in accordance with statute 	

Core Principal B: Ensuring openness and comprehensive stakeholder engagement		
Supporting Principles	How we meet these principles	Planned Improvement Actions
B1: Openness	<ul style="list-style-type: none"> ➤ Appointment of senior communications and branding manager ➤ Council meetings are open to the public and members of the media and with remote meetings now taking place they are broadcast for the public live to maintain public access. ➤ Council's web site provides up-to-date information regarding: <ul style="list-style-type: none"> ▪ Council activities ▪ Policies ▪ Reports issued ▪ Changes to service delivery , funding advice, public health advice ➤ Coordinated use of on line and social media outlets. ➤ Council Magazine – 'The Borough Link' issued to every household within the Council area ➤ Internal Communications Framework ➤ Consultation with stakeholders through the use of the consultation Hub ➤ Community Engagement Strategy ➤ Corporate Complaints Policy ➤ Customer Care Strategy ➤ Council minutes are published on the website, recordings made available of council meetings, remote meetings currently being broadcast live. ➤ Agendas and minutes available on website in advance of meetings ➤ Standard pro forma for all Committee reports (guidance on financial and equality aspects of reporting in place) ➤ Annual Report published on the web site. ➤ Categories for 'confidential business' for Committee reporting established ➤ Consultation and engagement with staff and trade unions. 	<ul style="list-style-type: none"> ➤ Finalisation of Consultation Policy
B2: Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> ➤ Community Engagement Strategy established and is a framework that enables partners to bring together their community engagement work and plans and connects Members, community and citizen engagement and partnership decision making ➤ Local Development Planning ➤ Community Planning Process ➤ Establishment of community planning forum and of themed delivery teams. ➤ Ongoing engagement with Trade Unions ➤ Engagement WITH sub regional and regional bodies including other councils, public health agencies, government departments and NILGA. 	
B3: Engaging with individual citizens and service users effectively	<ul style="list-style-type: none"> ➤ Community Plan developed following consultation with Statutory Partners, stakeholders and the public ➤ Local Development Plan ➤ Community Engagement Strategy ➤ Annual Performance Improvement Plan and consultation as required ➤ Policing and Community Safety Partnership ➤ Integration Strategy 2018-2022 ➤ Customer surveys and feedback ➤ Mystery shopping and focus group activities 	

Core Principal C: Defining outcomes in terms of sustainable economic, social and environmental benefits		
Supporting Principles	How we meet these principles	Planned Improvement Actions
C1: Defining Outcomes	<ul style="list-style-type: none"> ➤ 'Connected' the Borough's Community Plan 2017-2030 ➤ 2018/23 Corporate Plan and new Corporate Plan will be driven by priorities set out in the 'Connected' Community Plan ➤ 2019/20 Performance Improvement Plan ➤ Departmental Business Plans ➤ Corporate Planning Framework ➤ Service Review Programme ➤ Strategic Financial Management Framework ➤ Medium Term Financial Plan 2020-23 ➤ Treasury Management ➤ Capital Programme ➤ Prudential Financial Framework ➤ Draft Local Development Plan ➤ Sports Facilities Framework ➤ Tourism Development and Marketing Strategy and Action Plan 2017-2022 ➤ Draft Sports Facility Strategy 2016-2026 ➤ Performance Management Framework ➤ Customer Care Strategy 	<ul style="list-style-type: none"> ➤ Review of the Customer Care Strategy ➤ Ongoing efficiencies to be identified
C2: Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> ➤ 'Connected' the Borough's Community Plan 2017-2030 (Themed implementation teams) ➤ 2019/20 Performance Improvement Plan ➤ Draft Local Development Plan ➤ 'Connected' the Borough's Community Plan 2017-2030 ➤ New Corporate Plan will be driven by priorities set out in the Community Plan ➤ Corporate Planning Framework ➤ Local Development Plan – Preferred Options Papers and draft plan Strategy ➤ Tourism and Development and Marketing Strategy ➤ Risk Management processes ➤ Established processes for governance, management and administration of grants ➤ Equality Scheme ➤ Equality Impact Assessments ➤ ISO 14001 Environmental Management Accreditation ➤ Disability Action Plan 2020-2023 	

Core Principal D: Determining the interventions necessary to optimise the achievements of the intended outcomes		
Supporting Principles	How we meet these principles	Planned Improvement Actions
D1: Determining interventions	<ul style="list-style-type: none"> ➤ Appointment of NISRA Statistician to support the Council in the development of a data and evidence based approach to support the creation of the Community Plan, Local Development Plan and key related strategies. ➤ Community Planning Strategic Partnerships ➤ Ongoing consultation and engagement with the public, stakeholders and the community and voluntary sectors. ➤ Ongoing consultation and engagement with the public and key stakeholders ➤ Professional advice sought when required ➤ Service Review Framework ➤ Service Improvement Plans 	Transformation and Efficiency Programme approved by Council, main areas identified ,work to be undertaken on delivery
D2: Planning interventions	<ul style="list-style-type: none"> ➤ Planning processes encompassing Community, Corporate and Performance Improvement Plans ➤ Community Planning engagement framework ➤ Draft Local Development Plan ➤ Strategic Planning Framework ➤ Departmental business plans ➤ Performance Improvement Plans including KPI's ➤ Risk Management processes ➤ Budgetary Control ➤ Management accounts ➤ Financial planning ➤ Estimates process including Estimates Working Group ➤ Performance Indicators ➤ Service Review Framework ➤ Medium term financial planning ➤ Financial management of capital programme ➤ Treasury Management Strategy and Prudential Indicators 	
D3: Optimising achievement of intended outcomes	<ul style="list-style-type: none"> ➤ Financial reporting ➤ Reporting to the Governance, Resources and Strategy Committee and the Performance and Audit Committee ➤ Treasury Management ➤ Estimates Process ➤ Budgetary Reporting ➤ Minimum Reserve Provision Policy ➤ Estimates Process Council/Committee Reporting ➤ Community Plan ➤ Draft Local Development Plan 	

Core Principal E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Supporting Principles	How we meet these principles	Planned Improvement Actions
E1: Developing the entity's capacity	<ul style="list-style-type: none"> ➤ Organisational Development- training, redeployment, ➤ Learning and Development Policy ➤ NIAO Improvement Audits and Assessments of Councils 2018/19 ➤ Monitoring of the performance of the delivery of Council Improvement Objectives to ensure compliance with the performance improvement requirements of part 12 of the Local Government (NI) Act 2014 ➤ Directors 6 Monthly assurance review ➤ Community Plan Statutory Partners ➤ Service Level Agreements 	<ul style="list-style-type: none"> ➤ Finalisation of Council's People Strategy and Organisational Development Plan. ➤ Development of Council's Communication Strategies.
E2: Developing the capability of the entity's leadership and other individuals	<ul style="list-style-type: none"> ➤ Group Party Leaders Meetings ➤ Induction Training and Learning and Development Programme for Members ➤ Member Development Charter Plus ➤ Scheme of Delegation ➤ Performance & Audit Committee undertake an annual self-assessment exercise against CIPFA standards ➤ Planning Scheme of Delegation ➤ CE Job Description/Specification and Appraisal Scheme ➤ Terms and conditions of employment ➤ Capacity building around the Code of Conduct ➤ Planning Policy Statements training ➤ Performance Improvement consultation ➤ Consultation on major Council strategies ➤ Performance Improvement Plan ➤ Departmental business plans ➤ Project Plans ➤ EMT and HOD Team Meetings ➤ Continuing Professional Development ➤ Corporate Health & Safety ➤ Access to leisure facilities ➤ Two Investing for Health Officers 	

Core Principle F: Managing risks and performance through robust internal control and strong financial management		Planned Improvement Actions
Supporting Principles	How we meet these principles	
F1: Managing risk	<ul style="list-style-type: none"> ➤ Risk Management Policy ➤ Risk Management software system ➤ Quarterly risk reviews ➤ Update reporting to the Performance & Audit Committee ➤ Corporate Risk Register ➤ Departmental Risk Registers ➤ Project Risk Registers 	<ul style="list-style-type: none"> ➤ Review Risk Management Policy to ensure compliant with the recently published HM Treasury Orange Book Risk Management Guidance
F2: Managing performance	<ul style="list-style-type: none"> ➤ Annual NIAO Audit and Assessment Reports ➤ Annual Performance Improvement Plans / arrangements ➤ Departmental business plans presented for committee approval and monitoring of progress ➤ Agreed pro forma for Committee reports showing option appraisals and implications. ➤ Regular performance updates to Governance, Resources and Strategy Committee ➤ Regular reporting of financial information to the Governance, Resources and Strategy Committee ➤ Legal and professional advice obtained as necessary ➤ The Performance & Audit Committee oversees and monitors performance management, processes, systems and related arrangements. ➤ The Governance, Resources and Strategy Committee oversees and monitors structures, governance arrangements and financial information. ➤ Performance Management Framework ➤ Risk Management processes and reporting ➤ Budgetary reporting ➤ Quarterly Prompt Payment reporting 	
F3: Robust internal control	<ul style="list-style-type: none"> ➤ Departmental Business Plans ➤ Risk Management Policy and processes ➤ Departmental and corporate Risk registers in place and linked to objectives ➤ Internal Audit Section in place ➤ Independent External Review of Internal Audit every 5 years. ➤ Internal Audit planning - Internal Audit Strategy and Annual Internal Audit Plan ➤ Risk based auditing ➤ Recommendation tracker to monitor all Internal Audit recommendations ➤ Council Fraud Policies and Fraud Response Plan ➤ Council Whistleblowing Policies ➤ Gifts and Hospitality Policies ➤ 6 monthly HOD Assurance Statements ➤ Strategic Directors 6 monthly Assurance Statements 	

	<ul style="list-style-type: none"> ➤ Annual Governance Statement ➤ Performance & Audit Committee with 2 externally appointed Lay Representatives and appointed for the term of the Council 	<ul style="list-style-type: none"> ➤ Efficiency Regime to be agreed and implemented.
F4: Managing data	<ul style="list-style-type: none"> ➤ Data Protection Policy ➤ Data Protection training ➤ GDPR advice and protocols in place ➤ Information Transformation Project ➤ Access controls in place on Council network ➤ Secure physical access to Council buildings and IT server rooms ➤ Corporate strategic CCTV Policy and guidance in place. 	
F5: Strong public financial management	<ul style="list-style-type: none"> ➤ Rates Estimates process – Member officer group expanded to include capital and efficiency and transformation issues. ➤ Annual Budget setting process and Budgetary reporting systems ➤ Financial management detailed in Departmental Business Plans ➤ Prudential Framework ➤ Compliance with CIPFA's Code on a Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury Management Code ➤ Procurement Policy ➤ All Committee reports include financial implications ➤ Financial Regulations 	

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

Supporting Principles	How we meet these principles	Planned Improvement Actions
G1: Implementing good practice in transparency	<ul style="list-style-type: none"> ➤ Annual Financial Report published on the Council's website. ➤ The Financial Report and accounts are prepared in line with the Code of Practice on Local Authority Accounting the UK ➤ Standard Committee report template ➤ Annual fraud report ➤ Actual/suspected and alleged fraud reported to the NIAO ➤ Transformation and Efficiency Working Group ➤ Council minutes including the Performance and Audit Committee on the website ➤ All Financial and Performance Annual Reports published on the Council website 	<ul style="list-style-type: none"> ➤ Complete recommendations within the External Assessment Internal Audit function.
G2: Implementing good practices in reporting	<ul style="list-style-type: none"> ➤ Annual Accounts published on the Council's web site ➤ Established timescale for submission and approval of annual accounts ➤ Performance Improvement – Annual Audit and Assessment Reports published on the council website ➤ Publication of statutory performance indicators in line with the Local Government (Northern Ireland) Act 2014 as part of the annual report ➤ Annual Governance Statement reviewed by Chief Executive and published on Council's website ➤ Council Committees consider and approve reports which are ratified by full Council ➤ Annual review of Corporate Governance carried out by Internal Audit ➤ The Annual Accounts are prepared in line with the Code of Practice on Local Authority Accounting in the UK based on International Financial Reporting Standards and the Department of Communities Accounts Direction. ➤ Borough magazine 	
G3: Assurance and effective accountability	<ul style="list-style-type: none"> ➤ All NIAO recommendations are included on the recommendation tracker with updates reported to Performance & Audit Committee ➤ All NIAO (External Audit) reports presented to the Performance & Audit Committee ➤ Internal Audit Annual Report and Opinion ➤ Assurance Framework – six monthly reporting ➤ External audits completed by NIAO ➤ NIAO Proper Arrangements Audit ➤ NIAO Performance and Assessment Audit ➤ NIAO proposals for Improvement reported quarterly (as required) ➤ Internal Audit annual review of effectiveness with an external assessment every 5 years. ➤ Community Planning Partnership ➤ Service Level Agreements with key service providers ➤ Departmental Business Plans in place which contain key corporate actions linked to risk and performance measures. 	<ul style="list-style-type: none"> ➤ Review of Contract Management Policy and processes