

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

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Sub Principles

- A1 – Behaving with Integrity
- A2 – Demonstrating strong commitment to ethical values
- A3 – Respecting the rule of law

Pendle Councils commitments to achieving good governance in practice include:

The Council maintains a Constitution that is updated as needed and reviewed at least annually. It includes the following documents:

- “The Role of a Councillor”
- “Code of Conduct” (Staff and Councillor)
- “Scheme of Delegation”
- “Committee Terms of Reference”
- “Statutory Provisions”
- “Monitoring Officer Provisions”
- “Councillor / Officer Protocol”
- “Ethical Framework”

Executive model adopted from May 2023 and updated Constitution developed which reflects this. Approved by Council 18th May 2023.

New Scheme of Delegation developed and agreed by Council 18th May 2023.

Suite of Anti-Fraud, Theft and Corruption policies published on Council website which are reviewed regularly and approved by Accounts & Audit Committee.

Whistleblowing Policy in place and published on the council’s website. This is reviewed regularly and approved by Accounts & Audit Committee.

All members of Pendle Council made the declaration to abide by the Code of Conduct.

Standards Hearing Panel in place (including an independent persons) to hear any alleged breaches of the Code of Conduct.

Annual inductions and Members training offered which includes Ethical Awareness Training

Internal Audit to regularly conduct checks on key controls as a part of routine systems audits.

Employee Handbook in place, setting out the standards expected of staff and the disciplinary procedure.

Personal Development Review process in place for all employees.

Corporate Complaints Policy established and published online. Complaints KPI reported to Policy & Resources Committee.

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Enhanced centralised complaints recording and reporting system launched to all services delivered by and on behalf of the Council – training conducted 22th June 2023 and launched 3rd July 2023.
 Equality, Diversity and Sustainability implications to be included in all reports.
 Information provided to businesses and published on the website on ‘Supplying the council’ which outlines the Council’s commitment to environmental, equalities and sustainability considerations.
 Register of Interests maintained and published online for all Members.
 Compliance with CIPFA’s Statement on the ‘Role of the Chief Financial Officer in Local Government’ and the ‘Financial Management Code’.
 Financial & Contract Procedure Rules in place which are reviewed regularly.
 Internal control framework in place and annual Review of Effectiveness undertaken.
 Review off Gifts & Hospitality Register, processes and monitoring arrangements undertaken and new electronic register launched June 2023.

Actions planned / needed	By who	By when
<ul style="list-style-type: none"> Consider the need to provide Contract Tendering training to staff. 	Financial Service Manager	December 2023
<ul style="list-style-type: none"> Review of contract procedures and processes to be undertaken. 	Financial Services Manager	July 2023
<ul style="list-style-type: none"> Review of Gifts & Hospitality Register processes and monitoring to be undertaken. 	Monitoring Officer	June 2023
<ul style="list-style-type: none"> Executive model to be adopted from April 2023 which requires an updated Constitution to be developed and agreed. 	Monitoring Officer	May 2023
<ul style="list-style-type: none"> New Scheme of Delegation to be agreed or a new planning process determined. 	Monitoring Officer	May 2023
<ul style="list-style-type: none"> Enhanced Complaints recording system to be launched to all services delivered by and on behalf of the Council 	Monitoring Officer	June 2023

Principle B: Ensuring openness and comprehensive stakeholder engagement

Local government is run for the public good; organisations therefore should ensure openness in their 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.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
<p>B1 – Openness</p> <p>B2 – Engaging comprehensively with institutional stakeholders</p> <p>B3 – Engaging with individual citizens and service users effectively</p>	<p>Statement of Accounts</p> <p>Compliance with GDPR regulations</p> <p>Record of business and public consultations</p> <p>Council’s Values demonstrate our approach to openness and transparency</p> <p>Complaints Strategy and Procedure and feedback processes in place – enhanced centralised recording and logging system launched 3rd July 2023.</p> <p>Reviews of Effectiveness</p> <p>Call-In process is followed as required</p> <p>Timely provision of the Transparency Code datasets which are kept under regular review by the Corporate Governance Steering Group and are published in an Open Data format where possible</p> <p>Rights of inspection / questions to the Auditor</p> <p>Corporate report templates with defined sections on various implications (e.g. legal, financial, equalities)</p> <p>Strategic needs assessment (e.g. Housing, Planning, and Transport)</p> <p>Subject specific consultations – e.g. Local Plan, Council Tax Support, Covid-19 Impact Survey, etc. undertaken as required</p> <p>Membership of other key regional and sub-regional bodies – represented at Lancashire Leaders</p> <p>Approval to multiple partnership arrangements in place e.g. with town and parish councils and Joint Venture arrangements</p> <p>Performance Management system in place to enable effective corporate reporting. Reports are published on the website as is key performance information.</p> <p>Sustainability considerations form part of the Council’s strategic objectives and core values</p> <p>Fostering a culture for all staff to deal directly with members of the public as per the Community Engagement Framework</p> <p>Variety of communication methods such as surveys, user groups and forums, that are appraised regularly</p> <p>Area Committees - a valuable tool in promoting community engagement</p> <p>Use of social media and Friends’ Groups for collecting feedback</p> <p>Consideration of hard to reach groups e.g. disabled and dementia groups in the development and delivery of engagement plans</p> <p>Freedom of Information Act requests responded to in a timely manner and Council Publication Scheme made available on the Council’s website</p> <p>Record of decision-making and Minutes made publicly available with a Public participation section at meetings</p> <p>Biennial Life in Pendle Surveys undertaken</p> <p>Variety of resources made available to public via website/ social media: calendars of dates for publishing of reports, corporate/strategy documents</p>

Comprehensive stakeholder engagement and consultation sessions undertaken in the development of the Corporate Plan 2023-2027, which included elements of budget consultation.

Actions planned / needed	By who	By when
<ul style="list-style-type: none"> The council will put in place appropriate forms of consultation and engagement aligned to the development of the Corporate Plan 2023-2027. This will include elements of budget consultation with the local community and stakeholders 	Director of Resources	February 2023

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the 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.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
C1 – Defining Outcomes	Various plans covering defined periods of time ahead:
C2 - Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> Corporate Plan Service Plans Subject specific action plans, e.g. Corporate Peer Challenge Action Plan Strategic Risk Register (SRR)

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- Emergency Plan
- Business Continuity Plan
- Local Plan
- Neighbourhood Plans

Community Engagement Framework

Management Team Horizon Scanning (on informal basis)

Monitoring and reporting arrangements for delivery of defined outcomes

Established risk management arrangements including bi-monthly meetings of the Corporate Governance Steering Group and quarterly meetings of the Accounts & Audit Committee Budget process / resource allocation linked to corporate priorities

Vision Boards

Policies and action plans developed covering defined period of time ahead

Discussion between members and officers on the information needs of members to support decision making

Record of decision making and supporting materials

Arrangements for public consultation

Customer Access Strategy in place

Equality Objectives and Service Equality Impact Assessments

Annual external audit and Value for Money review

Capital investment strategy linked to corporate objectives and Capital Programme resource allocation

Access to translation services

MTFP takes account for sensitivity testing across variation factors such as pay inflation, general inflation, cost of borrowing, collection rates.

Actions planned / needed	By who	By when
<ul style="list-style-type: none"> • The council will put in place appropriate forms of consultation and engagement aligned to the development of the Corporate Plan 2023-2027. This will include elements of budget consultation with the local community and stakeholders 	Director of Resources	February 2023
<ul style="list-style-type: none"> • The MTFP will take account for sensitivity testing across variation factors such as pay inflation, general inflation, cost of borrowing, collection rates. 	Director of Resources	February 2023
<ul style="list-style-type: none"> • Customer Access Strategy to be reviewed and updated, building on the work and outcomes from the Council's Transformation Programme 	Digital Customer Journey Lead	September 2023



Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

Local government 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 local government has to make to ensure intended outcomes are achieved They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
D1 - Determining interventions D2 - Planning interventions D3 - Optimising achievement of intended outcomes	Established basket of Key Performance Indicators which are subject to regular review Quarterly performance reporting to Performance Clinic Panel and Committees Option appraisals – reports setting out information and recommended course of action Life in Pendle Survey undertaken alongside Public consultations as part of a community engagement framework (both ad-hoc and needs lead) Transfer of services and facilities Established reporting cycles and timescales Reports to Committees Staff team meetings and surveys Established monitoring arrangements Decision-making protocols with parameters for delegated action Decision making protocols and the Scheme of Delegation found in the council Constitution Risk management and Service planning framework including regular reviews and reporting Performance Team established to coordinate corporate activity Corporate performance and financial monitoring framework Use of Pentana (Council’s performance management system) to track progress on service plan actions and performance indicators Performance clinics discuss in detail performance results and issues of concern are reported to CMT and Members by exception. Medium Term Financial Plan (MTFP) developed and maintained showing position over 3 year rolling period Discussion between members and officers on the information needs of members to support decision making and the timescales at which the information will be provided Social value in Corporate Procurement arrangements and Contract Procedure Rules Comprehensive stakeholder engagement and consultation sessions undertaken in the development of the Corporate Plan 2023-2027, which included elements of budget consultation

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<ul style="list-style-type: none"> To review the future approach to budget engagement / consultation as part of the development of the Corporate Plan 2023-27 The Council will put in place appropriate forms of consultation and engagement aligned to the development of the Corporate Plan 2023-2027. This will include elements of budget consultation with the local community and stakeholders. 	Director of Resources	September 2022
<ul style="list-style-type: none"> Social value needs to be addressed more thoroughly in our service planning and commissioning arrangements. This will be undertaken as part of a review of the Council’s Constitution and Procurement arrangements. Continue to review and adapt the Council’s performance management framework to ensure it is an inclusive process for all services and enables timely and effective decision-making. 	Financial Services Manager	August 2023
<ul style="list-style-type: none"> Continue to review and adapt the Council’s performance management framework to ensure it is an inclusive process for all services and enables timely and effective decision-making. 	Corporate Client & Governance Manager	September 2023

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

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and

experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
<p>E1 – Developing the entities capacity</p> <p>E2 - Developing the capability of the entity’s leadership and other individuals</p>	<p>Capital strategy</p> <p>Route optimisation software for Councils fleet</p> <p>Adjusting resource levels in response to information that becomes available, i.e. react to seasonal changes in service needs</p> <p>Adapt IT infrastructure, systems and equipment to enable effective and efficient home working arrangements</p> <p>Suite of HR policies - subject to periodic review – which includes an annual Health and Well-being programme, management of stress and sickness policies</p> <p>Induction programme for new staff and members</p> <p>Agile Working Policy approved and published</p> <p>Workforce Strategy / planning approved by Management Team and launched to staff in March 2022</p> <p>LG Futures Reports and Utilisation of PSAA Value for Money profiles provides insight to resource allocation</p> <p>Limited use of benchmarking</p> <p>Significant use of partnerships and collaborative working e.g. Joint Ventures, PLACE, Growth Lancashire, Parish and Town Councils, Nelson & Colne College, Vision Board.</p> <p>Organisational Development / Learning and development Strategy</p> <p>Council Constitution – containing guidance on the Role of a Councillor, Scheme of Delegation, Protocol on Councillor / Officer Relationships, Role of Leader/ CEO (as Head of Paid Service)</p> <p>Financial and Contract Procedure Rules & Budget policy framework</p> <p>Access to training and development - Training and development plans for councillors and officers produced and schedule of training provided. Subject to annual review.</p> <p>Attendance at courses, seminars, conferences encouraged for both councillors and officers</p> <p>Access to LGA Briefings and other sources of information on new legislation etc.</p> <p>External/Internal Audit reviews and feedback</p> <p>Accounts and Audit Committee</p> <p>Annual Emergency Planning desktop exercise</p> <p>Annual Health & Safety Audit</p> <p>Investment in shared learning, training and development of senior and middle management e.g. 360 appraisals, participation in leadership development programmes, etc.</p> <p>New Performance Development Process for staff launched October 2022</p> <p>Public participation encouraged via published calendar of meetings, Life in Pendle survey, service specific public consultations, adoption of a Community Engagement Framework</p> <p>Corporate & service planning framework</p> <p>Performance & financial monitoring and service reviews undertaken as required</p>

Effectiveness of leadership considered via participation in Peer Reviews (LGA Peer Review conducted in February 2022) and inspections.

Work/Life balance policy

Employee Assistance Programme (EAP)

Actions planned / needed	By who	By when
<ul style="list-style-type: none">More consistent and corporate approach to benchmarking required – options to be considered	Director of Resources	September 2023

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

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. 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.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
F1 – Managing Risk	Risk management framework including Risk implications sections in reports, Risk Management Strategy and Policy Statement
F2 – Managing Performance	Corporate Risk Management Working Group & Corporate Governance Steering Group in place and meet regularly
F3 – Robust Internal Controls	Corporate Risk Management Strategy and Policy Statement adopted which is subject to reviewed and updates as required and at least every 3yrs.
F4 – Managing Data	Basket of KPIs established and formally reported on / published externally
F5 – Strong public financial Management	Quarterly Performance Clinics introduced with quarterly reporting on performance to the Performance Clinic Panel and Policy & Resources Committee / Executive
	Annual review of full PI set, including KPIs, to ensure they remain meaningful and appropriate
	Council Constitution – this is a live document which gets updated as required and is subject to annual review (including terms of reference) – this has most recently been reviewed and updated to reflect the move to an Executive system and approved by Council 18 th May 2023
	Audit plan (Strategic and Annual)
	Annual review of effectiveness of internal control and assurance statements prepared by service management.
	Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014) – all published on council website
	Policies subject to periodic monitoring, review and reporting to Accounts and Audit Committee for approval
	Annual Governance Statement (AGS) and Action Plan reviewed regularly with progress reported quarterly to Accounts & Audit Committee
	Effective internal audit service is resourced and maintained via outsourcing of the Council’s Internal Audit provision
	Report to each Council meeting on work of P&R Committee / Executive
	Discussion between members and officers on the information needs of members to support decision-making
	Publication of agendas and minutes of committee meetings

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Calendar of meetings published – timescales defined for publication of reports in advance of meetings
 Corporate report templates include consideration of financial, policy, risk implications amongst others
 Data management framework and procedures including a designated data protection officer
 PCI/DSS compliance for processing payments data
 GDPR Action Plan being delivered with regular monitoring via the Corporate Governance Steering Group
 Data sharing agreement/ protocols (e.g. DWP/VOA)
 Data processing agreements with Liberata including data validation checks / procedures
 Audit committee appointed by the Council and established with reference to requirements of CIPFA guidance: Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)
 Membership of the Accounts & Audit Committee includes 2 independent members appointed for their audit / financial management expertise
 Financial standards and guidance including monitoring / reporting arrangements including regulations and standing orders and assurance statements (submitted to external audit)
 Contract Procedure Rules – Review of exemptions granted in respect of tendering requirements undertaken
 Financial support linked to service structure as part of budget development and monitoring framework
 Capital spending plans/ investment analysis
 Project support budget development and monitoring framework
 All reports must consider financial implications
 Internal Audit Recommendations Progress Tracker developed and reported regularly to Corporate Governance Steering Group and Accounts & Audit Committee
 Comprehensive stakeholder engagement and consultation sessions undertaken in the development of the Corporate Plan 2023-2027, which included elements of budget consultation

Actions planned / needed	By who	By when
<ul style="list-style-type: none"> Consider providing a regular report to Accounts and Audit Committee members to show the progress made on recommendations raised through the audit process and the mechanism for doing so 	Director of Resources	November 2022
<ul style="list-style-type: none"> The budget setting process will be aligned with the development of the Corporate Plan 2023 – 2027 	Director of Resources	February 2023
<ul style="list-style-type: none"> A review of the capital programme for 2022/23 and beyond will be carried out to ensure that the level of borrowing is set at an appropriate level and in line with the capital financing requirement. 	Director of Resources	February 2023
<ul style="list-style-type: none"> Undertake Accounts & Audit Committee Self-Assessment and compile Annual Report 	Director of Resources	July 2023
<ul style="list-style-type: none"> Revised Strategic Risk Register developed and approved by Accounts & Audit Committee 	Corporate Client & Governance	July 2023
<ul style="list-style-type: none"> Risk Management Strategy updated to reflect amalgamation of CGWG and IGWG 	Manager	July 2023

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

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.

Sub Principles	Pendle Councils commitments to achieving good governance in practice include:
G1 - Implementing good practice in transparency	Emphasis on 'plain English' in all reports and public documents
G2 - Implementing good practices in reporting	Internal audit work undertaken by 3 rd party
G3 - Assurance and effective accountability	Working to comply with the accessibility standards that we have to meet, namely the Website Content Accessibility Guidelines (WCAG) 2.1 Level AA.
	Publication of Audit Findings report from external auditor on Council Website
	Report writing training for staff
	Defined standards for council publications
	Responded to and continuing to implement improvements highlighted by Government Digital Service monitoring exercise
	Use of glossary or executive summary in public documents
	Publication of Annual Statement of Accounts and Annual Governance Statement on Council Website
	Financial procedures and framework include accountability arrangements
	Key decisions reported to Councillors for approval (e.g. budget outturns, use of reserves, budget development)
	Process for completion of the accounts is well-established and subject to annual review
	Feedback from councillors used to ensure we provide the right amount of information to satisfy transparency demands and enhance public scrutiny.
	Reports, agendas and minutes are published on council website
	Performance information features more now as part of the Narrative Report that forms part of the annual Statement of Accounts
	Various forms of assurance involving Councillors and senior management
	Annual Governance Statement approved by senior management presented to the Policy and Resources Committee prior to formal submission for approval by the Accounts and Audit

Committee each year ~~Forms part of annual AGS process to determine the extent to which this is applicable~~
 Report and recommendations presented to Accounts and Audit Committee each year – follow up actions progressed in subsequent year
 Compliance with CIPFA’s statement on the role of the head of internal audit (2010) – Mersey internal audit agency (MIAA) procured to discharge responsibility for 2020/21
 Recommendations have informed positive improvement – status monitored & reported to the Accounts & Audit Committee
 Compliance with Public Sector Internal Audit Standards
 Agreement to outsource the Internal Audit Service gained from Policy & Resources Committee in March 2020.
 External Audit to provide assurance to the Council
 Considerations form part of financial procedure rules and monitoring arrangements
 Approval required for Council to take on accountable body status
 CPC Action Plan delivered and final progress report reported to Executive In June 2023

Actions planned / needed	By who	By when
<ul style="list-style-type: none"> CPC action plan to be delivered on a timely basis with progress reviewed on a regular basis by Corporate Management Team and Members. 	Director of Resources	June 2023
<ul style="list-style-type: none"> Statement of Accounts 2021/22 delayed so not yet published 	Director of Resources	August 2023
<ul style="list-style-type: none"> Consider requirement for refreshing the report writing training for staff 	Director of Resources	December 2023