

# Local Code of Corporate Governance

<b>Version Control:</b>	
<b>Document Name:</b>	Local Code of Corporate Governance
<b>Version:</b>	Version 1.0
<b>Author:</b>	Corporate Support Manager
<b>Approved by:</b>	Audit and Governance Committee
<b>Date Approved:</b>	March 2021
<b>Review Date</b>	February 2022

## Introduction

The Council produces a code of corporate governance which is reviewed on an annual basis. Guidance for preparing the code is provided by the Chartered Institute for Public Finance and Accountancy (CIPFA). CIPFA has developed a framework for good governance in the public sector based on the International Framework, Good Governance in the Public Sector. The framework comprises of seven principles of good governance. In the framework governance is defined as follows:

***Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.***

The framework also states that:

To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve the entity's objectives while acting in the public interest at all times.

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.

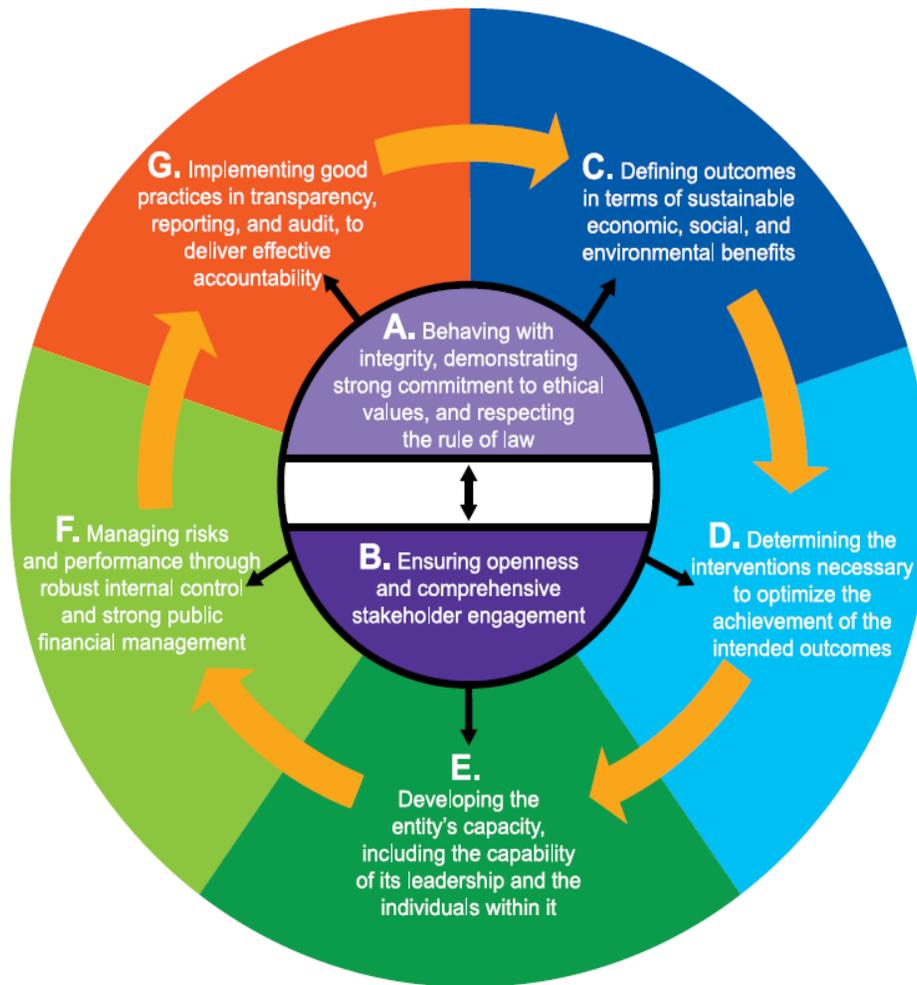
In local government the governing body is the full Council. Our Local Code of Corporate Governance is the document that sets out the framework within which the Council conducts its business and affairs; it is based on seven principles of good governance.

### **The seven principles of good governance set out in the framework are:**

- A. Behaving with integrity, demonstrating a 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 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.

## Defining the core principles and sub principles of good governance

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



The diagram from the *International Framework* above illustrates how the various principles for good governance in the public sector relate to each other.

Principles A and B permeate implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.

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

The Council is responsible for using national resources collected through taxation to provide services for our customers. We are accountable not only for how much we spend but also for the way we use the resources with which we have been entrusted. 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.

Ethical values and standards are defined in the Council's Constitution and should form the basis for all our policies, procedures and actions as well as the behaviour of our Members and staff.

It is essential that, as a whole, we can demonstrate the appropriateness of all our actions across all activities and have mechanisms in place that encourage and enforce adherence to ethical values and to respect the rule of law.

**Behaving with integrity**

Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the Council.

- We have put in place arrangements to ensure that Members and staff of the Council behave with integrity and are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. We have put in place appropriate processes to ensure that these arrangements are workable including declaration of interests and anti-corruption policies.
- We have adopted formal codes of conduct defining standards of personal behaviour for Members and officers.
- Ensuring Members take the lead in establishing specific values for the organisation and its staff and that they are communicated and understood.
- The Council maintains shared values including leadership values (openness, support and respect) both for the Council and its officers. These are defined in the constitution and reflect public expectations about the conduct and behaviour of individuals.
- All staff are expected to attend one of a number of externally facilitated workshops which highlight the importance of our values and behaviours in delivering our services to the public and working with each other. The outputs from the manager's workshop will be drawn together and an implementation plan will be produced.

Ensuring members and officers lead by example and use the above standard operating principles or values as a framework for decision making and other actions.

- We use shared values as a guide for decision making and as a basis for developing positive and trusting relationships within the Council. We demonstrate this by adherence to the constitution. Elected members will identify and agree the priorities for the Council to ensure they reflect the needs and aspirations of residents and businesses.
- We have a Council plan to communicate our priorities and values to staff, Members and the public.

Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure they operate effectively.

- We ensure that systems and processes for financial administration and control together with protection of the Council's resources and assets, comply with ethical standards; and are subject to monitoring of their effectiveness.

### **Demonstrating strong commitment to ethical values**

Seeking to establish, monitor and maintain the organisation's ethical performance.

- We maintain the Audit and Governance Committee to raise awareness and take the lead in ensuring high standards of conduct are embedded within the Council's culture.
- We are continuing to audit all departments on a rolling basis to give assurance that staff are aware of and comply with the Council's policies.

All staff are required to attend one of a number of externally facilitated workshops which highlight the importance of our values and behaviours in delivering our services to the public and working with each other. To date the majority of staff have attended Values and Behaviours workshops.

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- We will publish an Annual Governance Statement, signed by the Chief Executive and the Chair of the Audit and Governance Committee to confirm that we are satisfied that we have effective governance arrangements in place.

Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.

- We have adopted formal codes of conduct defining standards of personal behaviour for Members and officers.
- We have put in place effective systems to protect the rights of staff. We ensure that policies for whistle-blowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place.

### **Respecting the rule of law**

Ensuring Members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.

- Members and officers will observe all specific legislative requirements placed upon the Council as well as the requirements of general law, and in particular integrate the key principles of administrative law – rationality, legality and natural justice into the procedures and decision making.

Creating the conditions to ensure that the statutory officers and other key post holders are able to fulfil their responsibilities.

- We ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making if appropriate. This is a specific requirement on the reporting template for reports to decision making committees.
- The Council's Head of Legal and Governance is the Monitoring Officer and is a member of the Council's Management Team and provides a legal oversight of decision making.
- Striving to use the authority's full powers for the benefit of its customers, its communities and other stakeholders.
- Officers actively recognise the limits of lawful activity placed on them but also strive to utilise their powers to the full benefit of their communities.

Dealing with breaches of legal and regulatory provisions effectively.

- We ensure that policies for whistle-blowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place. The Council has effective disciplinary

policies in place.

Ensuring corruption and misuse of power are dealt with effectively

- Members and officers will observe all specific legislative requirements placed upon the Council as well as the requirements of general law, and in particular integrate the key principles of administrative law – rationality, legality and natural justice into the procedures and decision making.
- The Council has effective disciplinary policies in place. Non-compliance with the Members Code of Conduct can be effectively dealt with through the Council's Standards arrangements. .

## **B: Ensuring openness and comprehensive stakeholder engagement**

### **Openness**

The Council operates for the public good, and ensure openness in our activities. We strive to use clear, trusted channels of communication and consultation to engage effectively with all groups of stakeholders, such as individual customers and service users, as well as institutional stakeholders.

Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.

- We ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.

Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes.

- We maintain a culture of accountability so that Members and Officers understand to whom they are accountable and for what.
- We ensure that the Council as a whole is open and accessible to the community, service users and staff and we are committed to openness and transparency in all dealings. We will attempt to publish all committee agenda items under "part 1" unless there is the need to preserve confidentiality where it is proper and appropriate to do so.

Providing 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, that they are clear about the impact and consequences of those decisions.

- We provide clear recommendations to the decision making committees, this is by supported reasoning and evidence. We will assess the financial, legal, health and safety, equalities and other risks relating to those decisions and provide Members with the outputs from those assessments.
- We deliver effective scrutiny of the Council's business as appropriate and produce an annual report on the activities of scrutiny function.

### **Engaging comprehensively with institutional stakeholders**

Effectively engaging with stakeholders to ensure that the purpose, objectives intended outcomes are clear so that outcomes are achieved successfully and sustainably.

- We will strive to engage with stakeholders on an individual and collective basis to demonstrate that we deliver services and outcomes that meet the needs and expectations of the public. These arrangements will recognise that different sections of the community have different priorities and establish robust processes for dealing with these competing demands.

Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.

- The Council has established a Major Projects Boards which is chaired by a Member of the Senior Management Team at BAE. The board benefits from active support from Senior Officers from Cumbria County Council.
- We contribute to and support initiatives that benefit the residents and businesses in the Borough. Recently this has included successful applications for Town Deal funding, Low Carbon Barrow and Heritage Action Zone funding.
- We ensure that partnerships are based on trust, a shared commitment to change and a culture that promotes and accepts challenge among partners.
- When supporting stakeholder relationships we will be clear about the Terms of Reference and clearly define our role. Our arrangements will recognise that different sections of the community have different priorities and establish robust processes for dealing with these competing demands.

### **Engaging with individual customers and service users effectively**

Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual customers, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.

Encourage collecting and evaluating the views and experiences of communities, customers, service users and organisations of different backgrounds including reference to future needs.

The recent recruitment of an additional Director post with responsibility for “People and Place”

- We are currently revising the customer service strategy which will define how we will engage with customers and other stakeholders and involve them in improving our services.

Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account.

- We publish information on the Council’s Plan, financial statements as well as information about outcomes, achievements and how they relate to stakeholders input. These are reported to Management Team and the Executive Committee on a regular basis.

Considering the feedback received from more active stakeholder groups and that from other stakeholder groups to ensure inclusivity.

- We assess the feedback from all groups and develop a balanced approach to delivering improvements.

Considering the interests of future generations of service users to ensure that service delivery is sustainable and meets the changing needs of our residents.

- We will strive to engage with customers and service users of all ages to understand their expectation for future service delivery.
- External communications support has been brought in and we are continuing to develop our internal communications support

- We have recruited a Policy and Engagement Officer to strengthen our relationship with local partners.
- We have developed a community engagement plan to ensure we have a continued productive dialogue with our residents.

### **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

The Council has prepared and published a plan which sets out the Council's priorities; a Medium Term Financial Plan which is a financial representation of the Council's Vision and supports the priorities and a Workforce Strategy which demonstrates how we will develop the capability and capacity to deliver the priorities. We will review these documents on a regular basis to ensure they reflect the vision of the Council.

#### **Defining outcomes**

We have a clear vision and an agreed formal statement of the Council's purpose and intended outcomes, which contains appropriate performance indicators, to provide the basis for the Council's overall strategy, planning and other decisions.

- We make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning. The Council's Plan will inform Service Delivery Plans to ensure all departments are working towards delivering the Council's objectives.
- We identify and monitor service performance indicators which demonstrate how the quality of service for users is to be measured. This will include a phased introduction of an effective data collection system for all priority services.

We specify the intended impact on, or changes for, stakeholders including individual customers and service users. It could be immediately or over the course of a year or longer.

We aim to deliver defined outcomes on a sustainable basis within the resources that will be available.

- We ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.
- We maintain a prudential financial framework, balance commitments with

available resources; and monitor income and expenditure levels to ensure this balance is achieved.

Identifying and managing risks to the achievement of outcomes.

- The Council has an effective risk management system which is regularly reviewed by senior managers and the Executive Committee and monitored by the Audit and Governance Committee.

Managing service user's expectations effectively with regard to determining priorities and making the best use of the resources available.

- We clearly define the level of service that we provide in the Customer Services Strategy.
- We carry out a biennial survey of staff to understand their views on how we deliver services and how the Council functions.

### **Sustainable economic, social and environmental benefits**

Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.

- One of the Key drivers in the Customer Service Strategy is ensuring all customers are treated consistently and fairly.
- We will assess the equalities risks relating to those decisions and provide Members with the outputs from those assessments.

Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the authority's intended outcomes and short-term factors such as the political cycle or financial constraints.

- The Council takes longer term view and publishes these so the Public are aware of our intended outcomes. This information can also be found published documents including the Budget Strategy, the Council's Priorities and the Council Plan.

Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate tradeoffs.

- The Council consults the public on significant financial choices including the Budget Strategy, the Council Plan and the Annual Budget.
- The Council has successfully bid for external funding including working with a number of regional organisations to get funding to deliver a Low Carbon Barrow project.

### **D: Determining the interventions necessary to optimise the achievement of intended outcomes.**

The Council clearly defines its priorities and plans which are aimed at delivering the outcomes that the Council intends. These will focus on delivering effective and efficient services for the residents. We assess the risks of not achieving those outcomes and ensure that there are mitigating actions in place to support the achievement of intended outcomes. The Council's financial management arrangements ensure that there is adequate resource available to deliver those outcomes. The Council reviews progress against delivering those outcomes through its performance management arrangements.

#### **Determining interventions**

- Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided

We make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.

We have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes.

We ensure that budget calculations are robust and reserves are adequate.

During the Covid pandemic the Council has made a number of key interventions including:

- Supporting homeless people.
- Undertaking contact tracing.
- Increasing enforcement activities to reduce the number of lockdown breaches.
- Providing additional waste collections to reduce incidents of fly-tipping.
- Providing a location for a Covid testing station at the rear of the Town Hall.
- Administering a range of business grants to support the local economy

We consider feedback from customers and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people,

skills, land and assets and bearing in mind future impacts.

We strive to engage with customers and service users of all ages to understand their expectation for future service delivery.

We ensure that there are effective arrangements in place to monitor service delivery.

We put in place effective arrangements to deal with a failure in service delivery and explore options for improving service delivery and outcomes for our residents.

### **Planning interventions**

We make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.

We provide senior managers and Members with timely financial and performance information.

We align financial and performance data to provide an overall understanding of performance.

- Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.
- We have established a Town Deal Board, a Major Projects Board, a Corporate Procurement Board and an IT Users Board to provide direction and support the delivery of our priorities.

We have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes. We work with our contractors to understand our shared risks.

- Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances.

We have prepared contingency arrangements including a disaster recovery plan, business continuity plan and arrangements for delivering services during adverse weather conditions.

- Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.

We provide senior managers and Members with timely financial and performance information.

We align financial and performance data to provide an overall understanding of performance.

- Ensuring capacity exists to generate the information required to review service quality regularly.

Individual departments are responsible for reviewing service delivery on a regular basis and there is a process for increasing capacity via Management Team.

- Preparing budgets in accordance with objectives, strategies and the medium term financial plan.
- We will prepare Service Delivery Plans so that staff and residents are clear about what each service is providing.

We ensure that budget calculations are robust and reserves are adequate.

We ensure compliance with the CIPFA codes regarding a Prudential Framework for Capital Finance and Treasury Management.

- Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.

We produce a Medium Term Financial Plan and a budget strategy which articulates our projected expenditure.

### **Optimising achievement of intended outcomes**

- Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints.

We produce a Medium Term Financial Plan and a budget strategy which articulates our projected expenditure.

- Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.

We maintain a prudential financial framework, balance commitments with available resources; and monitor income and expenditure levels to ensure this balance is achieved.

- Ensuring the medium term financial strategy sets the context for

ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.

The Medium Term Financial Strategy is developed to support the Council's plan and priorities.

- Ensuring the achievement of 'social value' through service planning and commissioning.

The Council strives to achieve social values by specifying its inclusion in the contract tendering process.

### **E: Developing the capacity of the Council including the capability of its leadership and the individuals within it.**

The Council has developed and retained a management structure that provides leadership and creates the opportunity for staff to work effectively and efficiently to achieve the Council objectives. We will provide training and support to enable staff to develop their skills so they can achieve their full potential.

#### **Developing the entity's capacity**

Barrow has recently been awarded Government funds including Towns Deal and Heritage Action Zone.

A full proposal to create a new unitary authority around Morecambe Bay has been submitted to Government and is currently being consulted on by Government...

The proposal was agreed by extraordinary meetings of the Full Councils of Barrow Borough Council, Lancaster City Council and South Lakeland District Council on December 8.

We work in partnership with the private sector to deliver major infrastructure projects. The strengths and opportunities enjoyed by our economy are clear and partners are now working to harness and coordinate to ensure inclusive growth can be achieved. Central to this is the promotion and deepening of partnership working; with the Council engaging proactively with Cumbria LEP to secure implementation of the Local Industrial Strategy, Cumbria County to align the development and delivery of services. This focus on partnerships is also reflected locally with a Town Deal Board, containing a range of public, private

and third sector stakeholders, established to oversee development the Barrow Town Deal.

As well as strengthening our economic prospectus we are working with our partners and the Police Crime Commissioner to strengthen arrangements for addressing community safety issues and reshaping the role of the South Cumbria Community Safety Partnership. We are also talking a more proactive role in shaping governance and prioritisation around health and wellbeing. This has added complexity in Barrow as the Clinical Commissioning Group boundary is co-terminus with the Morecambe Bay area and therefore cuts across two county councils.

We have also increased our focus on working with and supporting our voluntary and community sector.

- Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.

We review the requirements of the roles and assess the skills required by officers through the appraisal process and address any training gaps, to enable roles to be carried out effectively.

We develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.

We ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council.

- Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently.
- Recognising the benefits of partnerships and collaborative working where added value can be achieved.
- Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.

The Council has produced a Workforce Strategy which supports fostering a culture of continuous improvement by embedding transformation and service redesign within the performance management framework of the Council.

## **Developing the capability of the entity's leadership and other individuals**

- The Local Government Association was recently invited by the Council to offer an external perspective of the Council's governance arrangements. A number of recommendations came out of this review and an improvement plan has recently been agreed by Council.
- The Local Government Association has also recently completed a Peer Challenge and we have produced an action plan to implement the recommendations from this review.

We have developed protocols to ensure effective communication between Council Members and officers in their respective roles.

- Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.

Through the constitution we have set out a clear statement of the respective roles and responsibilities of the Council's Executive Committee and the Members individually.

We have determined a scheme of delegated and reserved powers within the constitution and ensure that the scheme is monitored and updated when required.

We have set out a clear statement of the respective roles and responsibilities of the Council's other committees and senior officers.

- Ensuring the Leader of the Council and the Chief Executive have clearly defined and distinctive leadership roles within a structure whereby the Chief Executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority

We have established a Leadership Group of Senior Members who meet weekly with the Chief Executive to develop their understanding of roles and objectives.

We will ensure that effective management arrangements are in place at the top of the organisation.

The Chief Executive is responsible and accountable to the Council for all aspects of operational management.

- Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:
  - We ensure Members and staff have access to appropriate induction

tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.

- We ensure Members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.
- We ensure personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.

We assess the skills required by Members including the understanding of financial systems. We will agree a personal development plan to develop skills and address any training gaps, to enable roles to be carried out effectively.

We will develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed. Member Training arrangements have recently been the subject of a scrutiny and a number of the recommendations from the review have been implemented.

The revised Member Development Strategy was agreed by the Executive Committee in February 2020 and by Council in June 2020.

We will ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council.

- Ensuring that there are structures in place to encourage public participation.

All Council meetings are open to the public and agendas are published and made available 5 days in advance of the meeting.

Due to the Covid -19 situation Council meetings are being held virtually and the Part 1 items on the agenda are streamed live on the Council's YouTube channel. We will ensure that the Council as a whole is open and accessible to the community, service users and staff and we are committed to openness and transparency in all dealings. We attempt to publish all committee agenda items under "part 1" unless there is the need to preserve confidentiality where it is proper and appropriate to do so.

- Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from the governance and peer reviews.

We maintain an effective Audit and Governance Committee which is independent

of the executive and scrutiny functions. The Committee was renamed Audit and Governance in June 2020 and its terms of reference reviewed to further reflect the standards and governance arrangements.

- Holding staff to account through regular performance reviews which take account of training or development needs.

We will review the performance and assess the skills required by officers through the appraisal process and address any training gaps, to enable roles to be carried out effectively.

- Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.

We have a number of health and well-being policies in place and provide a number of support packages in place which staff can access.

### **F: Managing risks and performance through robust internal control and strong public financial management.**

The Council recognises the need to implement an effective performance management system that will allow us to deliver services effectively and efficiently. We understand that risk management, internal control and strong financial management are essential for us to achieve our objectives and we have put appropriate arrangements in place.

We ensure our arrangements for financial and internal control and management of risk are formally addressed within the annual governance reports.

#### **Managing risk**

- Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.

We have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes. We work with our contractors to understand our shared risks.

We ensure that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job.

- Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.

The Council's risk register is agreed annually by the Executive Committee. The register is reviewed on a quarterly basis by Management Team and the output is reported to the Audit and Governance Committee.

- Ensuring that responsibilities for managing individual risks are clearly allocated.

The responsibilities for managing risk are defined in the Council's risk policy.

### **Managing performance**

- Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.
- Making 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.

We ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.

The Council is currently reviewing its performance framework to align it to service planning.

- Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible.

We maintain an effective Audit and Governance Committee and scrutiny function, which, provides constructive challenge.

- Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.

The Council's update performance management framework will be presented to Management Team and the Executive Committee.

- Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements).

We will ensure effective internal control arrangements exist for sound financial management systems and processes.

### **Robust internal control**

- Aligning the risk management strategy and policies on internal control with achieving objectives.

We will ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.

We ensure that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job.

- Evaluating and monitoring risk management and internal control on a regular basis.

We have an effective Internal Audit function which assess internal control and report to the Audit Committee on a quarterly basis.

- Ensuring effective counter fraud and anti-corruption arrangements are in place.

We ensure that policies for whistle-blowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place. We have effective counter fraud policies in place.

- Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.

We maintain an effective Audit and Governance Committee and scrutiny functions which provide constructive challenge.

### **Managing data**

- Ensuring effective arrangements are in place for the safe collection, storage, and use and sharing of data, including processes to safeguard personal data.

We have effective Data protection and data management arrangements in place.

- Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.

We have effective data sharing agreements in place

- Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.

The quality and accuracy of the data is audited by the Internal Audit function on an annual basis.

### **Strong public financial management**

- Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance.

The Council takes longer term views and publishes these so the public are aware of our intended outcomes. This information can be found published documents including the Budget Strategy, the Council's Priorities and the Council Plan.

The Council has prepared and published a plan which sets out the Council's priorities; a Medium Term Financial Plan which is a financial representation of the Council's Vision and supports the priorities.

We will enable the Chief Financial Officer to bring influence to bear on all material decisions and provide advice on the levels of reserves and balances to be retained.

- Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

The Section 151 Officer is responsible to the Council for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.

We have appointed a professionally qualified and experienced Chief Financial Officer, who will lead the promotion and delivery of good financial management, safeguarding public money and ensuring appropriate, economic, efficient and effective use of funds; together with professional accountability for finance staff throughout the Council.

We provide the Chief Financial Officer with the resources, expertise and systems necessary to perform the role effectively within the Council.

### **G: Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

The Council recognises that effective accountability is concerned not only with reporting on actions completed but ensuring stakeholders are able to understand and respond as the Council plans and carries out its activities in an open manner.

### **Implementing good practice in transparency**

- Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.

We aim to comply with the local government transparency code and publish all required information in a timely manner.

- Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.

We have put in place effective transparent and accessible arrangements for dealing with complaints. We monitor complaints and would review our transparency arrangements if the public indicated that they are too onerous.

### **Implementing good practices in reporting**

- Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way.

At the end of each financial year, the Council formally reviews the governance arrangements in place and produces an Annual Governance Statement.

- Ensuring members and senior management own the results reported.
- Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement)

At the end of each financial year, the Council formally reviews the governance arrangements in place and produces an Annual Governance Statement.

The Annual Governance Statement is signed by the Chair of the Audit and Governance Committee and by the Chief Executive, and is published with the Council's annual Statement of Accounts.

- Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate.

The Council shares its values with partners through the contract tendering process.

- Ensuring 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.

We produce clear, timely, complete and accurate information for budget holders and senior officers relating to the budgetary and financial performance of the Council.

### **Assurance and effective accountability**

- Ensuring that recommendations for corrective action made by external audit are acted upon.

All recommendations from external audit are considered by senior managers and the Audit and Governance Committee.

- Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon.

The internal audit function reports to the Audit and Governance Committee on a quarterly basis and produces an annual report which states progress against previous recommendations.

- Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.

The Council welcomes recommendations from external regulatory bodies.

- Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.

The risks associated with delivering services through third parties and managed as part of our risk management arrangements.

- Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.

The Council ensures that accountability is clear when working in partnership.

### **Annual Review of Corporate Governance**

At the end of each financial year, the Council formally reviews the governance

arrangements in place and produces an Annual Governance Statement.

The Annual Governance Statement includes:

- Scope of responsibility
- The purpose of the governance statement
- The Council's governance framework
- Review of effectiveness
- A review of assurance by the Governance Group
- Internal Audit's opinion of the system of internal controls
- Financial management
- Significant governance and internal control issues
- Action plan
- Certification statement

The Annual Governance Statement addresses any actions arising from the previous years' Annual Governance Statement and highlights any actions arising from the year being reviewed.

The Annual Governance Statement also assesses the effectiveness and application of the Local Code of Governance and identifies any necessary changes and makes any relevant recommendations to the Council.

As part of the Audit Committee's governance role, the formal annual review will be undertaken by the Audit and Governance Committee on behalf of the Council.

The Annual Governance Statement is signed by the Chair of the Audit and Governance Committee and by the Chief Executive, and is published with the Council's annual Statement of Accounts.