

## **Chapter 5**

### **Codes and Protocols**

#### **LOCAL CODE OF CORPORATE GOVERNANCE**

##### **1. Introduction**

Governance is about how an organisation such as a local authority ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It is made up of the systems, processes, cultures and values, by which the organisation is directed and controlled and through which it accounts to, engages with and, in the case of a local authority, leads the community.

Good governance leads to good management, good performance and good stewardship of public money. It therefore enables the Council to effectively implement its vision in accordance with its values and to engage effectively with its citizens and service users and ensure good outcomes for them.

Halton Borough Council is committed to meeting best practice standards for good governance. This Code provides a public statement that sets out the way in which the Council will meet and demonstrate that commitment.

##### **2. Principles of Corporate Governance**

2.1 The Council operates through a governance framework which brings together and reflects legal requirements, governance principles and good management processes.

2.2 The Council's Code of Corporate Governance is aligned to the best practice guidance 'Delivering Good Governance in Local Government: Framework 2016' and is based on the following core principles:

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

2.3 Supporting each of the core principles is a series of sub-principles. Examples of how the Council has translated these principles into its governance framework are provided in the appendix to this Code.

### **3. Monitoring and Review**

3.1 The Council has two Committees that are jointly responsible for monitoring and reviewing the Council's corporate governance arrangements:

(1) The Audit and Governance Board acts as the Council's Audit Committee. One of its powers and duties is to consider the Council's arrangements for corporate governance and agree necessary actions to ensure compliance with best practice.

(2) The Audit and Governance Committee is responsible for promoting and maintaining high standards of conduct by the Members and Co-opted Members of the authority.

3.2 The Corporate Governance Group is responsible for monitoring and providing assurance on the Council's governance processes and for reporting to the Audit and Governance Board appropriate. Its membership comprises:

- The Strategic Director – Enterprise, Community and Resources
- The Operational Director – Legal and Democratic Services
- The Operational Director – Finance (s 151 Officer)
- The Divisional Manager – Audit, Procurement and Operational Finance

3.3 Assurance that the Council's corporate governance framework is operating as intended comes from a range of sources that include:

- Self-assessment against regulatory frameworks;
- External inspections;
- External Audit;
- Internal Audit;
- Audit and Governance Committee;
- Policy and Performance Boards;
- Performance management framework;
- Risk management framework;
- Budgetary control and financial management processes.

### **4. Annual Governance Statement**

4.1 Each year the Council reviews its corporate governance arrangements and publishes an Annual Governance Statement. This public document describes the arrangements that have been in place during the year and highlights any areas where improvement is required.

4.2 The Annual Governance Statement is published as part of the Council's Statement of Accounts and is reviewed by the Council's external auditor.

## How Halton Borough Council applies the Principles of Good Governance

### **Core Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

**Rationale:** 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 across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Sub-Principle	Examples of how the Council achieves good governance in practice
1.1: Behaving with integrity	<ul style="list-style-type: none"><li>• The Council has a Constitution that sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, proportionate, transparent and accountable.</li><li>• Elected members follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Monitoring Officer provides training to new elected members on the Code of Conduct.</li><li>• The Council has an Audit and Governance Board with co-opted independent members. Part of the role of the Audit and Governance Board Committee is to promote high standards of member conduct. The Members' Code of Conduct and associated complaints form are published on the Council website.</li><li>• Arrangements exist to ensure that members and officers are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. These include:<ul style="list-style-type: none"><li>○ Registers of disclosable pecuniary interests;</li><li>○ Registers of gifts and hospitality;</li><li>○ Opportunities to declare disclosable pecuniary interests and disclosable other interests are provided at the start of meetings. Meeting minutes evidence that declarations are sought and those declarations made.</li></ul></li><li>• Officer behavior is governed by the Employees' Code of Conduct. All new employees attending the corporate induction process are made aware of the Code. This includes confidentiality and fraud prevention.</li></ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
	<ul style="list-style-type: none"> <li>• A Member / officer relations protocol provides guidance on how the working relationships between Members and officers should be conducted.</li> <li>• The Council operates a whistleblowing procedure and has well-publicised arrangements for employees and the wider community to raise any concerns and report any wrongdoing.</li> <li>• The Council has in place a two-stage corporate complaints procedure to deal with complaints concerning service delivery and officer behaviour which is supported by statutory procedures for Adult and Children's Social Care. Details of all procedures and associated documentation are published on the Council website.</li> <li>• The Council takes fraud, corruption and maladministration seriously and has established a suite of policies and processes which aim to prevent or deal with such occurrences.</li> <li>• There are regular bulletins for Members and Officers, which include updates to policy and procedures.</li> </ul>
1.2: Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> <li>• The Member Code of Conduct is based on the following core principles of public life - selflessness, integrity, objectivity, accountability, openness, honesty and leadership.</li> <li>• The promotion of high standards of conduct is one of the key areas of responsibility for the Audit and Governance Board.</li> <li>• Roles and responsibilities relating to the Council's executive and non-executive functions are defined in the Council's Constitution. The decision-making process provides clear accountability.</li> <li>• The Council's contract tender documentation outlines the expectation that suppliers (in relation to their employees and others working under their direction or under contract) will comply with the Council's Whistleblowing (Confidential Reporting) Policy as if they were the Council.</li> <li>• The Council has developed and maintains shared values, including leadership values, for both the organisation and employees that reflect public expectations. These values are communicated to the community and our partners by publication of an Annual Governance Statement.</li> </ul>
1.3: Respecting the rule of law	<ul style="list-style-type: none"> <li>• When appropriate, reports to Executive Board consider the legal implications of decisions.</li> <li>• The Council's legal advisors are involved in all major issues.</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
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	<ul style="list-style-type: none"> <li>• The Operational Director – Legal and Democratic Services provides legal advice to the Council as the Council’s Monitoring Officer. One of the key functions of that role is to ensure the lawfulness and fairness of decision-making. Should any proposal, decision or omission give rise to unlawfulness or maladministration, the Monitoring Officer is required to report to Members.</li> <li>• The Council recognises the limits of lawful action and observes both the specific requirements of legislation and the general responsibilities placed on local authorities by public law.</li> <li>• The Council appoints statutory officers that have the skills, resources and support necessary to perform effectively in their roles. These statutory officers include: <ul style="list-style-type: none"> <li>○ Head of Paid Service (Chief Executive)</li> <li>○ Monitoring Officer (Operational Director – Legal and Democratic Services)</li> <li>○ Chief Finance Officer (s151 Officer) (Operational Director – Finance)</li> <li>○ Director of Children’s Services (Strategic Director – People)</li> <li>○ Director of Adult Services</li> <li>○ Director of Public Health</li> <li>○ Scrutiny Officer (s31 Officer) (Strategic Director – Enterprise, Community and Resources)</li> </ul> </li> <li>• The Council’s political structure is available on the Council’s website and includes roles and committee membership details.</li> <li>• The Council has appointed a Panel of Independent Persons. The role of the Independent Panel includes providing advice, views or recommendations to the Council in deciding whether or not to approve the dismissal of a Statutory Officer.</li> <li>• Statutory safeguarding boards are in place for Adults and Children’s services.</li> <li>• The Council has agreed an Anti-fraud, Bribery &amp; Corruption Policy, Fraud Response Plan, Fraud Sanction and Prosecution Policy and a Whistleblowing Policy.</li> <li>• In accordance with the Employee Code of Conduct, officers must declare any links or personal interests that they have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decisions on behalf of the Council.</li> </ul>
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## Core Principle 2: Ensuring openness and comprehensive stakeholder engagement

**Rationale:** 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-Principle

### Examples of how the Council achieves good governance in practice

#### 2.1: Openness

- Information on the Council's performance, finances and the democratic running of the Council is routinely published on the Council's website. The Council also fully complies with the reporting requirements of the Local Government Transparency Code 2015.
- Agendas, reports and minutes are published on the Council's website in advance of committee meetings. All meetings are open and can be attended by members of the public with the exception of those where confidential or personal matters may be disclosed.
- Records of decisions made and supporting documentation are available to the public within the 'Browse meetings' section of the Council's website.
- The Council ensures that its most significant decisions (or 'key decisions') are clearly recorded on the external website. The Council publishes notification of proposed key decisions in advance of committee meetings with details of the consultation process.
- Regular meetings are held with relevant lead members to brief them on developments in their service area and of issues of concern.
- The Council uses popular social media platforms, such as Twitter and Facebook, to reach a growing number of residents and stakeholders. It also publishes a Council magazine that is distributed to all households in the borough.
- An annual guide to Council Tax and Business Rates is published on the Council's website showing how the Council's money is spent.

Sub-Principle	Examples of how the Council achieves good governance in practice
	<ul style="list-style-type: none"> <li>• A Publication Scheme is available on the website which includes information about what the Council does, details of how funds are spent, progress against priorities and how decisions are made.</li> <li>• Where information is not available through the Publication Scheme, the Council operates clear and effective processes for dealing with Freedom of Information (FOI), Environmental Information Regulations (EIR) and Subject Access Requests (SAR).</li> <li>• The Council has in place a procedure for dealing with petitions and this is documented within the Constitution.</li> </ul>
2.2: Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> <li>• The Council is represented on a variety of bodies with relevant stakeholders; such as Halton Clinical Commissioning Group, the Children's Trust and the Health and Wellbeing Board.</li> <li>• All joint or partnering arrangements with other bodies are subject to the prior approval of the Operational Director (Legal and Democratic Services).</li> <li>• The Council's significant partnerships have been identified and appropriate governance arrangements are in place for those partnerships.</li> <li>• The partnership consultation database allows partners to coordinate consultation activity across the Borough.</li> <li>• Leadership is exercised through a robust scrutiny function which effectively engages local people and all local other stakeholders, including partnerships, and develops constructive accountability relationships.</li> <li>• Policy &amp; Performance Boards (PPB) co-opt additional members; for example, there are Healthwatch Halton representatives on the Health PPB.</li> </ul>
2.3: Engaging with individual citizens and service users effectively	<ul style="list-style-type: none"> <li>• Engagement with citizens and service users is carried out using a variety of methods, including a range of survey techniques (online, paper, face to face) and sampling techniques. The Council also uses qualitative techniques, such as focus and discussion groups.</li> <li>• In setting its budget the Council listens to the views of the public and the experience of elected members through their ward work. Individual consultations take place in respect of specific budget proposals.</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
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	<ul style="list-style-type: none"> <li>• Equality impact assessments are completed where necessary. This enables the Council to meet its statutory obligations, aids the Council in understanding issues of interest to the public and helps the Council to shape service delivery.</li> <li>• Local needs have been assessed via, for example, the preparation of the Joint Strategic Needs Assessment which aims to bring together all of the local intelligence about health, wellbeing and social care current and future needs of the local population. In addition, the development of the Children, Young People and Families Plan and the Halton Health and Wellbeing Strategy are informed by a range of stakeholder and community views including those of the voluntary sector.</li> <li>• The Council's magazine and website informs the community of forthcoming meetings, events and items in which the community are able to participate.</li> <li>• The Council's website is utilised to keep residents informed of current consultations and provides details of how to get involved with the Council, such as the Special Educational Needs and Disability (SEND) Parent Partnership and Youth Cabinet. This enables the views of hard to reach groups to be communicated.</li> <li>• Employees and their representatives are consulted and involved in decision making via Trade Union consultation and the staff suggestion scheme.</li> </ul>
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### Core Principle 3: Defining outcomes in terms of sustainable economic, social, and environmental benefits

**Rationale:** 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 organisation’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-Principle	Examples of how the Council achieves good governance in practice
3.1: Defining outcomes	<ul style="list-style-type: none"> <li>• The strategic themes for Halton and its partners are set out in the Council’s Corporate Plan. The Plan identifies the Council’s strategic priority areas and its organisational values and principles.</li> <li>• The Corporate Plan is underpinned by a range of associated strategic documents (refer to point 2.3) that provide further detail of specific key priority areas which are developed.</li> <li>• The Council’s Corporate Planning Framework and the development of an organisational Business Plan provides the means by which the Council’s activities are determined and monitored. The framework ensures that the Council’s operational activities are complementary to the delivery of community aspirations and legal and statutory responsibilities.</li> <li>• Quarterly performance monitoring reports are produced to record progress against key business plan objectives and targets. Performance is reported to the Council’s Management Team, to the Executive Board and to the Policy and Performance Boards.</li> </ul>
3.2: Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> <li>• Equality impact assessments are undertaken for a wide range of policies, services and functions. This is an ongoing process and the published list of completed assessments is regularly updated.</li> <li>• The Council has a policy statement which sets out its commitment to social value. This is achieved through commissioning and procurement activity under the Public Services (Social Value) Act 2012. The Council considers and seeks to secure wider social benefits for Halton as a whole.</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
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	<ul style="list-style-type: none"> <li>• The Council has widely consulted on the first draft of its proposed Delivery and Allocations Local Plan, which incorporates revised Core Strategy Policies. The Local Plan will replace policies and the proposal map from the current Unitary Development Plan. Various evidenced based documents, such as Halton's Economic Profile and the Sustainable Environmental Assessment have helped to inform the Local Plan. The Local Plan aims to find and allocate the most sustainable sites to provide new housing and jobs, whilst protecting what is important to local people such as parks and local wildlife sites.</li> <li>• The Council (as Halton's transport authority) has produced a Local Transport Plan which reflects the views of a wide range of stakeholders and the public from within and outside its boundaries. The plan sets out how the Council will manage and maintain its transport network until 2026 and contains a four year implementation plan.</li> <li>• The Council's Medium Term Financial Strategy contains a three-year capital strategy. The Asset Management Strategy (the delivery of which is regularly monitored by the Asset Management Working Group) sets out how the land and buildings that are in Council ownership or occupation are structured to support the Council's priorities. The three-year Capital Programme is a major part of this strategy.</li> <li>• Appropriate governance arrangements are in place for regeneration projects; such as the Mersey Gateway Plus Regeneration Plan 2017-2027. This project seeks to maximize the economic benefits of the Mersey Gateway Project beyond its construction period. Appropriate opportunity exists for scrutiny and challenge from Members and senior officers. A Mersey Gateway Regeneration Steering Group has been established to oversee the implementation and delivery of the project.</li> </ul>
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**Core Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes**

**Rationale:** Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). 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 frequently to ensure that achievement of outcomes is optimised, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Sub-Principle	Examples of how the Council achieves good governance in practice
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<p>4.1: Determining and planning interventions</p>	<ul style="list-style-type: none"> <li>• The Council's Corporate Planning Framework provides the means by which the Council's activities are developed and monitored.</li> <li>• A robust medium term financial planning process is in place to ensure that resources are directed to the Council's priorities.</li> <li>• The Council operates a corporate complaints procedure and specific complaints procedures for Adult Social Care, Children's Social Care, schools and complaints relating to elected members. These procedures allow the Council to identify areas where things may have gone wrong and to put them right and prevent them from happening again.</li> <li>• Well established governance is in place for making evidence based service decisions through meetings of Divisional Management Teams, Senior Management Teams and the Chief Officer Management Team.</li> <li>• The Council's commissioning approach includes a clear commissioning cycle involving service review, evidence and consultation.</li> </ul>
<p>4.3: Optimising achievement of intended outcomes</p>	<ul style="list-style-type: none"> <li>• There is a well-established overview and scrutiny framework with six Policy and Performance Boards (PPBs) aligned to the Council's six corporate plan priorities. Throughout the year they hold the Executive to account, scrutinise performance and develop policy proposals for consideration by the Executive.</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
	<ul style="list-style-type: none"> <li>• Quarterly performance monitoring reports are produced recording progress against key business plan objectives and targets. These reports are presented to the Council's Management Team, to the Executive Board and to the Policy and Performance Boards.</li> <li>• Service priorities are balanced with affordability and other resource constraints. The Medium Term Financial Plan considers significant ongoing financial challenges, such as changes to local government funding arrangements.</li> <li>• The Council aims to ensure that the purchase or commissioning of goods, services or works required to deliver services is acquired under Best Value terms. The Council's procurement activity is undertaken in line with the Council's Procurement Strategy and within clearly defined rules set out in Procurement Standing Orders. The Council considers Social Value at pre-tender and tender stage to ensure that appropriate desirable outcomes can be offered by suppliers in their tender submissions.</li> <li>• Contract monitoring arrangements ensure that services provided, whether directly or by contractors, partners or the voluntary sector are delivered to a high standard.</li> <li>• The Council's internal audit team carries out a comprehensive programme of audits each year reviewing the Council's front line and support services. The implementation of recommendations arising from this work assists the Council in identifying and managing risks that may impact on the achievement of outcomes.</li> </ul>

## Core Principle 5: Developing the entity's capacity, including the capability of its leadership and the individuals within it

**Rationale:** 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 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 organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

### Sub-Principle

### Examples of how the Council achieves good governance in practice

#### 5.1: Developing the entity's capacity

- The Council's Organisational Development Strategy (2016 – 2020), includes an Organisational Development Charter. The Strategy confirms the Council's commitment to the ethos that, by underpinning everything the Council does, its workforce will be part of the solution to providing excellent services.
- The Council is proactive in adopting new technologies that help make working practices more efficient and therefore free up capacity within the organisation.
- The Council ensures that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are understood throughout the Council.
- The Council continues to expand the use of e-learning resources as well as service specific training in order to maximise accessibility across the organisation and provide alternative delivery models of training that minimise cost and maximise opportunity at all levels and disciplines. In addition, mandatory training is in place for business critical issues such as Data Protection, Information Governance and Workstation Risk Assessments.
- Alternative service delivery methods, such as partnership or collaborative working with other organisations are explored if there is potential for improved value for money.
- The Council has adopted robust recruitment and appointment policies and procedures.

Sub-Principle	Examples of how the Council achieves good governance in practice
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	<ul style="list-style-type: none"> <li>• Job descriptions and person specifications have been produced for all posts.</li> <li>• The Council actively encourages and supports workplace apprentice placements, which provide training, skills and experience in local government.</li> </ul>
<p>5.2: Developing the capability of the entity's leadership and other individuals</p>	<ul style="list-style-type: none"> <li>• The Council holds the NW Charter for Elected Member Development Exemplar Level status.</li> <li>• Newly elected members attend a two-day induction programme with follow-up mentoring.</li> <li>• Elected members are also provided with the opportunity for an annual review to identify their development requirements, which are set out in a Member Action Plan.</li> <li>• A comprehensive elected member development programme provides a wide range of learning and development opportunities; including a programme of seminars on topical matters.</li> <li>• Members of the Audit and Governance Board receive regular training to assist them in their role as the Council's Audit Committee.</li> <li>• The Council operates ongoing processes to identify the personal development needs of employees. The information gained from these processes is used to inform the design of the corporate training programme and to source specialised professional training.</li> <li>• The Council's Learning &amp; Development Team offers continuous leadership development through its accreditation with the Institute for Leadership &amp; Management (ILM).</li> <li>• The Council offer its employees the opportunity to apply for funding to support their academic development that is linked to the Council's priorities thereby increasing individual capacity and supporting succession planning.</li> <li>• To improve employee health and wellbeing, the Council has adopted a Workplace Health Programme. This includes offering NHS health checks, lung age checks and health awareness events.</li> </ul>

## Core Principle 6: Managing risks and performance through robust internal control and strong public financial management

**Rationale:** 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 are 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 are 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 service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Sub-Principle	Examples of how the Council achieves good governance in practice
6.1: Managing risk	<ul style="list-style-type: none"><li>• The Council has embedded risk management arrangements. Directorate and corporate risk registers outline the key risks faced by the Council, including their impact and likelihood, along with the relevant mitigating controls and actions. Responsibilities for managing individual risks are contained within the registers and these are updated annually in tandem with the development of the Corporate Business Plan.</li><li>• The Council's internal audit team prepares and delivers a risk based audit plan that is kept under review to reflect changing priorities and emerging risks.</li><li>• Business continuity plans have been developed to ensure that critical service delivery can be maintained or recovered during an emergency situation.</li><li>• The Council provides decision-makers with full and timely access to relevant information. The executive report template requires information to be provided explaining the policy, financial and risk implications of decisions, as well as implications for each of the corporate priorities and any equality and diversity implications.</li><li>• The Audit and Governance Board regularly reviews the robustness of the Corporate Risk Register and the adequacy of the associated risk management arrangements.</li></ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
6.2: Managing performance	<ul style="list-style-type: none"> <li>• The Council has a well-established Audit Committee (the Audit and Governance Board), which meet on a quarterly basis. The Board has clearly defined responsibilities and provides oversight and challenge in regard to the Council's governance, risk management, audit, procurement and counter fraud and corruption arrangements. The Board is independent of the executive and scrutiny functions. Its terms of reference is informed by the CIPFA guidelines on Audit Committees.</li> <li>• Six Policy &amp; Performance Boards (PPBs) are established to provide an effective scrutiny function that encourages constructive challenge and enhances the Council's performance. Quarterly reporting enables performance against a range of indicators to be monitored by the relevant PPB.</li> </ul>
6.3: Robust internal control	<ul style="list-style-type: none"> <li>• The Audit and Governance Board meets on a regular basis to consider and challenge a range of reports around the risk management, control and governance processes of the Council.</li> <li>• The Council has a Head of Internal Audit and a continuous internal audit service, which has been assessed as conforming to the Public Sector Internal Audit Standards. Internal audit plays a key role in reviewing and improving the effectiveness of the Council's risk management, governance and control arrangements. The Head of Internal Audit also presents an annual report and opinion on the Council's risk management, control and governance processes to the Audit and Governance Board.</li> <li>• The risk based annual internal audit plan is reviewed and approved by the Audit and Governance Board. A summary of completed work and details of progress against the plan is presented on a quarterly basis.</li> <li>• The Council has an Anti-Fraud, Bribery and Corruption Policy, a Fraud Response Plan, Fraud Sanction and Prosecution Policy and a Whistleblowing Policy, which are all reviewed on a regular basis. The policies confirm the Council's zero tolerance approach to fraud, bribery and corruption and outline how the arrangements that the Council has established to manage these risks.</li> <li>• An annual update on the Council's anti-fraud, bribery and corruption arrangements, including activity during the year, is presented to the Audit and Governance Board.</li> <li>• The Council's external auditor reports annually on the Council's internal controls in the Audit Findings report, which highlights the key findings from the audit of the financial statements.</li> <li>• The Council produces and publishes an Annual Governance Statement (AGS), which is subject to review and approval by the Audit and Governance Board. The AGS explains the processes and procedures in place to enable</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
	<p>the Council to carry out its functions effectively. The document is produced following a review of the Council's governance arrangements and it includes an action plan to address any significant governance issues identified.</p> <ul style="list-style-type: none"> <li>• The Council participates in a range of external audits, inspections and accreditations to ensure it remains accountable for the quality of services its delivers as well to support continuous improvement of services.</li> </ul>
6.4: Managing data	<ul style="list-style-type: none"> <li>• The Council is committed to safeguarding personal data it holds and sharing this data only in circumstances required or permitted by law. There is a suite of policies relating to records management, data quality, data protection and information security.</li> <li>• Information governance is overseen by the Council's Data Protection Officer. An Information Governance Group is in place and responsibilities include authorisation of information governance and security policies and providing overall strategic guidance to ensure effective information management practice.</li> <li>• During 2017/18 the Council commenced an extensive project to ensure that it was in a position to comply with the General Data Protection Regulations (GDPR). This included engaging with all departments of the Council, providing a series of awareness raising sessions for key officers and regular updates to all staff and elected members. GDPR awareness is raised with all officers via mandatory e-learning.</li> <li>• Data subjects are informed why their personal information is being collected and how it will be processed (including when shared with other bodies) through the Council's overall Privacy Notices published on the website and individual Privacy Statements (where required). The process has been enhanced to comply with new legislation.</li> <li>• To support appropriate information sharing with external organisations, guidance is available to all employees and there is an expectation that an information sharing agreement is in place.</li> <li>• The Council operates clear and effective processes for dealing with Freedom of Information (FOI) requests and Subject Access Requests (SAR).</li> </ul>
6.5: Strong public financial management	<ul style="list-style-type: none"> <li>• The Operational Director – Finance, as the s151 Officer appointed under the 1972 Local Government Act, carries overall responsibility for the financial administration of the Council.</li> <li>• Financial procedures are documented within Finance Standing Orders which are included within the Council's Constitution. This includes details of the Council's financial delegation limits.</li> </ul>

Sub-Principle	Examples of how the Council achieves good governance in practice
	<ul style="list-style-type: none"><li>• The Council's external auditor provides an annual opinion on the accounts and reports their findings to the Audit and Governance Board. A review of the overall control environment relevant to the preparation of the Council's financial statements is also completed in order to identify if there are any material weaknesses.</li><li>• Despite significant funding reductions and increasing demand for services the Council continues to set a balanced budget via a robust process led by the Members' Budget Working Group.</li><li>• The budget position is monitored throughout the year through reports to Management Team, the relevant Policy and Performance Boards and Executive Board. Quarterly revenue and capital update reports are supported by explanations for significant variances.</li><li>• The Medium Term Financial Strategy, Capital Programme and Revenue Budget processes ensure that financial resources are directed to the Council's priorities.</li><li>• A summary of performance information and the financial statements is distributed to every household with the Council magazine.</li></ul>

## Core Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

**Rationale:** 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-Principle

### Examples of how the Council achieves good governance in practice

#### 7.1: Implementing good practice in transparency and reporting

- The Council fully complies with the Local Government Transparency Code 2015 and publishes a wide range of information on its website. This includes details of meetings, minutes and agendas, policies and plans, the Council Constitution, details of members' allowances and expenses, details of senior staff pay, contract awards, and details of land and building assets.
- The Annual Statement of Accounts are compiled, published to timetable and included on the Council's website.
- The Council operates clear and effective processes for dealing with Freedom of Information (FOI) requests and Subject Access Requests (SAR).
- All Council meetings are open and can be attended by members of the public with the exception of those where confidential or personal matters may be disclosed.
- The 'call in' procedure allows Members to examine decisions made by the Executive in detail. Decisions may be 'called in' which means that implementation does not take place immediately to allow an opportunity for further consideration.
- Elected Members are democratically accountable to their local area and this provides a clear leadership role in building sustainable communities.
- Within the Constitution, the Council has set out how the Council operates, how decisions are made and the procedures which are followed to make sure that these are efficient, transparent and accountable to local people. This includes the roles and responsibilities of:
  - The Executive, the Leader and other Executive Members;

Sub-Principle	Examples of how the Council achieves good governance in practice
	<ul style="list-style-type: none"> <li>○ Policy and Performance Boards, which advise the Executive and Council on its policies, budgets and service delivery;</li> <li>○ The Committees established to fulfil the Council's regulatory and other functions.</li> </ul> <ul style="list-style-type: none"> <li>● The Council uses social media to reach a growing number of residents and stakeholders. It also publishes a Council magazine that is distributed to all households in the borough.</li> </ul>
7.2: Assurance and effective accountability	<ul style="list-style-type: none"> <li>● The Council's external auditor provides an annual assessment on how well the Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people.</li> <li>● The Council has developed robust procedures to respond positively to the findings and recommendations of external auditors and statutory inspectors. Action plans are developed in response to external inspections and their implementation monitored.</li> <li>● The Council has established various ongoing arrangements that provide effective assurance. These include the work of internal audit, the Council's risk and performance management arrangements, the work of the Information Governance Group, the work of the Policy and Performance Boards and the work of the Audit and Governance Board..</li> <li>● The Council operates a whistleblowing procedure and has well-publicised arrangements for employees and the wider community to raise any concerns.</li> <li>● An annual report is produced by Internal Audit which provides an opinion on the Council's framework of governance, risk management and control. The internal audit service has been assessed as conforming to the Public Sector Internal Audit Standards.</li> <li>● The Annual Governance Statement (AGS) is prepared in accordance with CIPFA / SOLACE guidance. The AGS sets out the Council's governance framework and the results of the annual review of the effectiveness of the Council's arrangements. The AGS includes significant areas for improvement and an action plan to identify how the issues will be addressed.</li> </ul>