



Local Code of Governance

The Council's framework for managing its business

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What do we mean by Governance?

Good governance helps to lead to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for citizens and service users. Good governance enables an organisation to pursue its vision effectively as well as underpinning that vision with mechanisms for control and management of risk. All local authorities should aim to meet the standards of the best and governance arrangements should not only be sound but be seen to be sound.

Good governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which local government bodies operate and through which they account to, engage with and, where appropriate, lead their communities.

Achieving high standards of governance encourages stakeholders and local people to have confidence in engaging with it, enabling the Council to more effectively undertake the role of community leader.

Purpose of the framework

Southend-on-Sea Borough Council is accountable for the proper conduct of public business. This means ensuring that it operates in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

In doing this, each local government body operates through a governance framework that brings together an underlying set of values, legislative requirements, governance principles and management processes that enables it to achieve its aims and objectives.

This Local Code of Governance (the Code) sets out the governance framework adopted by the Council in line with good practice guidance¹, including the principles that underpin it. The governance framework established is proportionate to the overall risk environment facing the Council.

These principles should be considered in the light of the key roles for local authorities identified in the guidance:

1. To engage in effective partnerships and provide leadership for and with the community;
2. To ensure the delivery of high quality local services whether directly or in partnership or by commissioning;
3. To perform a stewardship role which protects the interests of local people and makes the best use of resources and
4. To develop citizenship and local democracy.

The Code puts high standards of conduct and leadership at the heart of good governance, placing responsibility on members and officers to demonstrate leadership by behaving in ways that exemplify high standards of conduct and so set the tone for the rest of the organisation.

¹ Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) publication: Delivering Good Governance in Local Government - Framework (2016)

The Council then discharges accountability for the proper conduct of public business, through the publication of an Annual Governance Statement (AGS) that will make the adopted practice open and explicit.

This AGS also sets out:

- **Accountability** for the governance of the Council, as well as the principles and values by which the Council operates;
- How the **principles** are put into practice in order to enable service delivery to reflect community need and how evidence is obtained to ensure they operate effectively throughout the year;
- The annual **reporting** process and
- How the Code is **communicated** to members, staff and other relevant parties.

Accountability

Elected members are collectively responsible for the governance of the Council. Council delegates responsibility for independently checking that an effective governance framework (which includes a sound system of internal control) exists and operates effectively throughout the year to the Audit Committee.

The Leader of the Council and Chief Executive & Town Clerk:

- Are accountable for ensuring good governance in their authority
- Sign the Annual Governance Statement on behalf of the Council.

Principles

The Council has adopted the seven core principles from the 2016 CIPFA/Solace Framework as the basis on which it wants to operate as outlined below.



Appendix A provides more detail from the Guidance on how these core principles should be applied in practice.

Values

In discharging their roles and implementing the principles outlined above at an individual level, members and employees are expected to adopt;

- The **Nolan Committee's Seven Principles of Public Life**, supplemented by the Local Government Act 2000 with an additional three (see **Appendix B**).
- The Council's own values:



Adhering to these values will help ensure that individual staff's own conduct complies with the overarching good governance principles.

Putting the principles into practice

All organisations, whether public or private, large or small, need to operate core management processes to enable them to deliver their vision, aims and objectives. These processes are outlined below under the Council's main management activities (and explained further in **Appendix C**).

<p>MANAGING CUSTOMERS</p> <ul style="list-style-type: none"> • Customer Satisfaction • Consultation • Community Engagement • Complaints, Compliments and Comments 	<p>MANAGING PERFORMANCE</p> <ul style="list-style-type: none"> • Business Planning and Strategy • Committee Structure, Constitution, Policy Framework and Procedures • Performance Management • Risk Management, Whistleblowing • Business Continuity • Data Quality • Information Management Security • Contract Management • Project Management • Change / Transformation Management
<p>MANAGING RESOURCES</p> <ul style="list-style-type: none"> • Financial Planning & Reporting Budgetary Control and Treasury Management • Asset Management • Fraud & Corruption and Insurance (<i>risk management</i>) • Procurement • Value for Money 	<p>MANAGING PEOPLE</p> <ul style="list-style-type: none"> • Workforce Management & Development • Codes of Conduct for Members and Staff • Staff Performance Management • Health and Safety • Ethical Governance

The Council also has a very specific responsibility for ensuring that:

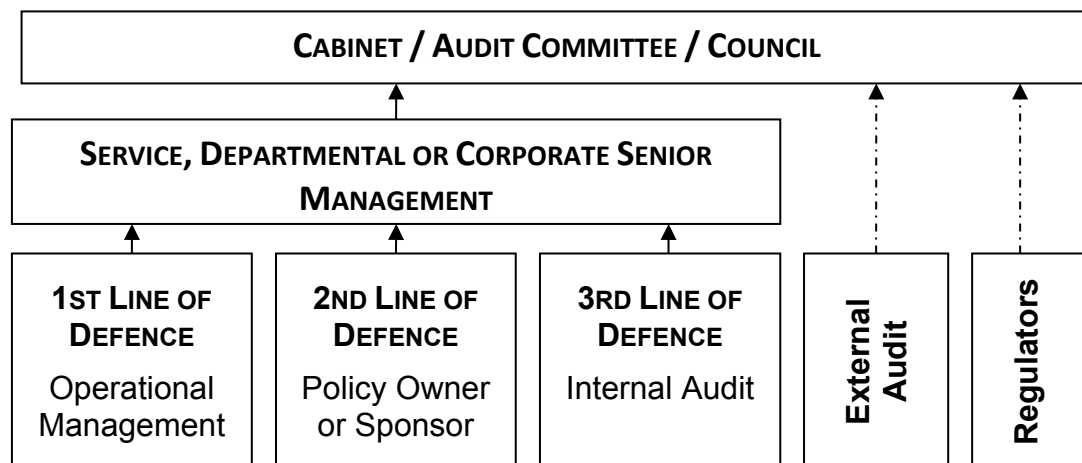
- The financial management of the body is adequate
- It has a sound system of internal control which facilitates the effective exercise of its functions and which includes its arrangements for the management of risk.

All services are responsible for maintaining proportionate but sound operational procedures and processes that adequately mitigate risks that may result in a service failure or the failure to deliver service objectives. Application of the framework outlined should put the Council in a strong position to successfully deliver whatever services it chooses to.

Evidencing effective implementation

The approach

In order to ensure that the governance framework set out above is in place and operating properly throughout the year, the Council has adopted the concept contained in the **three lines of defence²** model, as shown below.



Evidence that the governance framework is being applied is obtained via:

The first line of defence, which is:

Operational management, which is **responsible** for the effective and consistent application of these requirements in their area of operation - which includes both behavioural as well as procedural arrangements.

The second line of defence, which is:

The 'owner' or 'sponsor' who is **accountable** for the overall operation of the corporate management or service specific process and should ensure that:

- It is fit for purpose (for example, based upon relevant good practice), regularly reviewed and approved by senior management and members;
- It is constructed so that evidence of its application is easily produced, ie, as 'business as usual';
- There are proportionate and cost-effective mechanisms in place to enable them to confirm that operational managers are applying it effectively and consistently and
- Informative, regular and timely reports are provided to senior management to confirm the process has been operating effectively and consistently, identifying any remedial actions required should this not be the case.

² Based upon general industry good practice, more specifically guidance issued by the European Confederation of Institutes of Internal Auditing "*monitoring the effectiveness of internal control, internal audits and risk management systems*" September 2010

The third line of defence which is:

Internal Audit who provide **independent assurance** to senior management and the Audit Committee, on how effectively the first and second lines of defence have been operating.

System of Internal Control

Within this, it is incumbent on all staff to ensure that:

- sufficient checks (controls) are built into all systems, processes and activities to ensure that they consistently and effectively deliver the objectives required of them (eg through risk management / mitigation).
- sufficient evidence can be obtained throughout the year (via key management controls) to ensure these checks are operating as they should and therefore that the systems, processes and service objectives are being delivered.

Other potential assurance

This can be obtained from external sources such as external audit, regulators and peers and considered as a fourth line of defence where any of these sources' activity is relevant and robust.

Key Committees

Full Council is responsible for ensuring the organisation has good governance arrangements. It can discharge this duty itself or delegate this role to a committee, although accountability for this remains with Council.

The Council has delegated this function to the Audit Committee. However, there are five key member bodies, other than full council, that have a significant role to play within the governance framework:

- The Council operates with a Cabinet and strong Leader model of governance. Cabinet is responsible for the majority of functions of the Council within the budget and policy framework set by **Full Council**. Executive decisions are taken by the Cabinet collectively or by officers acting under delegated powers.
- The **Cabinet** is responsible for the majority of functions of the Council within the budget and policy framework set by full Council. Executive decisions are taken by the Cabinet collectively or by officers acting under delegated powers. Cabinet leads the Council's drive for value for money, the preparation of the Council's policies and budget, the community planning process. It takes in year decisions on resources and priorities and is the focus for forming partnerships with other organisations to address local needs.
- **Scrutiny Committees** review decisions made or actions taken in relation to any of the Council's functions, consider any matter affecting the area or its residents and exercise the right to call in, for reconsideration, decisions made by Cabinet, not yet implemented
- **Audit Committee** is responsible for independently checking that appropriate governance arrangements (including the system of internal control) are in place, operating effectively throughout the year and that actions required to strengthen these arrangements are addressed, in a timely manner. Its work programme is designed to provide it with sufficient evidence to conclude that the Annual Governance Statement accurately reflects

the governance arrangements as operated for the year in question.

- The **Standards Committee** is responsible for promoting and maintaining high standards of conduct by the members and co-opted members, and assisting them to observe the Members code of conduct.
- The **Health & Wellbeing Board** provides strategic leadership to improve the health and wellbeing of local people and reduce health inequalities. The Board works to understand the local community's needs, agree priorities and encourage commissioners to work in a more joined up way.

It should be noted that it is necessary sometimes for information to go to more than one committee in order for them to discharge their respective responsibilities.

Good Governance Group

The Council has an officer Good Governance Group that meets regularly to oversee the delivery of the governance framework. There is a terms of reference for this group and it reports to the Chief Executive and provides reports to the Corporate Management Team and Audit Committee.

Annual review and reporting

Local authorities are required to undertake an annual review their governance arrangements and evidence that they are:

- Up to date, fit for purpose and comply with the CIPFA/Solace Framework;
- Consistently applied across the organisation at all service levels;
- Being strengthened, as necessary, where improvement opportunities have been identified.

Such reviews are reported to the Audit Committee, within the Council and externally with the published accounts. In addition, the Corporate Plan and Annual Report, is submitted to the Council each year, setting out key elements of the governance framework, including the Council's vision, aims, priorities and performance targets.

Evidence and Assurance

Evidence that the governance framework is operating as it should, is obtained in a number of ways. This includes:

Annual assurance obtained from:

- Operational managers outlining the degree to which key management processes have been applied in their service areas throughout the year (including via manager assurance statements)
- The owners or sponsors of key management processes, regarding the adequacy of and compliance with key management arrangements
- Other significant functions / service providers (e.g. project / contract managers) that confirms compliance with the relevant corporate approach or requirements.
- The Good Governance Group reviewing evidence provided, each year, highlighting any areas that require senior management attention. Departmental Management Teams will review actions requiring attention through the normal performance management process.

Other manager assurance is provided by:

- Annual reports on: the Council's risk management arrangements (including those relating to fraud and corruption)
- Compliance with the treasury management policy
- Approval of the financial statements.

Independent evidence

Independent evidence primarily takes the form of:

- The Head of Internal Audit's annual report, which includes an opinion on the overall system of internal control and whether the internal audit functions have complied with professional standards.
- The external auditor's Annual Governance Report to those charged with Governance.
- External inspections and reviews from regulatory, professional, peer and representative bodies.

Annual Governance Statement

The Annual Governance Statement will be developed by the Good Governance Group, during the year and will be considered by the Corporate Management Team before being reported to the Audit Committee. The Audit Committee considers whether the Annual Governance Statement accurately reflects its understanding of how the Council's governance arrangements have operated for the year in question.

The Audit Committee approves the Annual Governance Statement, which is then signed by the Leader and Chief Executive & Town Clerk on behalf of the Council, no later than the statement of accounts and published as part of them.

Communications

This Code forms part of the Council's Constitution which is available on Council's website and, therefore, accessible to all staff, members, the public and other stakeholders.

The Code is provided to new members and outlined to newly appointed staff. The content is covered as part of the induction process.

The Code is reflected in the 'How it works' and 'guide to Southend-on-Sea Borough Council' guides for staff and managers which outline how the principles of the Code are put into practice by members and staff. Copies of the Code are available in the Members room.

Training on aspects of the governance framework or the application of key business management processes is provided as required.

The Head of Internal Audit can be contacted on 01702 534015 and Team Leader – Policy & Information Management can be contacted on 01702 534025 with any queries regarding the Code.

Core principles and sub-principles of good governance

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
<p>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p> <p>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</p>	<p>Behaving with integrity</p> <ul style="list-style-type: none"> • 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 organisation • Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles) • Leading by example and using the above standard operating principles or values as a framework for decision making and other actions • Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively <p>Demonstrating strong commitment to ethical values</p> <ul style="list-style-type: none"> • Seeking to establish, monitor and maintain the organisation’s ethical standards and performance • Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation’s culture and operation • Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values • Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation <p>Respecting the rule of law</p> <ul style="list-style-type: none"> • Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations • Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements • Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders • Dealing with breaches of legal and regulatory provisions effectively

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
	<ul style="list-style-type: none"> Ensuring corruption and misuse of power are dealt with effectively
<p>B. Ensuring openness and comprehensive stakeholder engagement</p> <p>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.</p>	<p>Openness</p> <ul style="list-style-type: none"> Ensuring an open culture through demonstrating, documenting and communicating the organisation’s commitment to openness Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided 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, ensuring that the impact and consequences of those decisions are clear Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action <p>Engaging comprehensively with institutional stakeholders</p> <p>NB institutional stakeholders are the other organisations that local government needs to work with to improve services and outcomes (such as commercial partners and suppliers as well as other public or third sector organisations) or organisations to which they are accountable.</p> <ul style="list-style-type: none"> Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively <p>Ensuring that partnerships are based on:</p> <ul style="list-style-type: none"> - trust - a shared commitment to change - a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit. <p>Engaging with individual citizens and service users effectively</p> <ul style="list-style-type: none"> Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
	<p>contributing towards the achievement of intended outcomes</p> <ul style="list-style-type: none"> • Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement • Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs • Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account • Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity • Taking account of the impact of decisions
<p><i>In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:</i></p>	<p><i>Behaviours and actions that demonstrate good governance in practice are illustrated in the bullet points.</i></p>
<p>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</p> <p>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.</p>	<p>Defining outcomes</p> <ul style="list-style-type: none"> • Having a clear vision, which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation’s overall strategy, planning and other decisions • Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer • Delivering defined outcomes on a sustainable basis within the resources that will be available • Identifying and managing risks to the achievement of outcomes • Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available <p>Sustainable economic, social and environmental benefits</p> <ul style="list-style-type: none"> • Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision • Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short-term factors such as the political cycle or financial constraints • Determining the wider public interest associated with

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
	<p>balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p> <ul style="list-style-type: none"> • Ensuring fair access to services
<p>D. Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p>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.</p>	<p>Determining interventions</p> <ul style="list-style-type: none"> • 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 • Considering feedback from citizens 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 <p>Planning interventions</p> <ul style="list-style-type: none"> • Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets • Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered • Considering and monitoring risks facing each partner when working collaboratively, including shared risks • Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances • 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 • Ensuring capacity exists to generate the information required to review service quality regularly • Preparing budgets in accordance with objectives, strategies and the medium term financial plan • Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy <p>Optimising achievement of intended outcomes</p> <ul style="list-style-type: none"> • Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
	<ul style="list-style-type: none"> • Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term • Ensuring the medium term financial strategy sets the context for on-going 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 • Ensuring the achievement of ‘social value’ through service planning and commissioning
<p>E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it</p> <p>Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, 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.</p>	<p>Developing the entity’s capacity</p> <ul style="list-style-type: none"> • Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness • 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 <p>Developing the capability of the entity’s leadership and other individuals</p> <ul style="list-style-type: none"> • Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained • Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body • Ensuring the leader 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 • 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: <ul style="list-style-type: none"> - ensuring 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

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
	<ul style="list-style-type: none"> - ensuring 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 - ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external • Ensuring that there are structures in place to encourage public participation • Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections • Holding staff to account through regular performance reviews which take account of training or development needs • 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
<p>F. Managing risks and performance through robust internal control and strong public financial management</p> <p>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.</p> <p>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</p>	<p>Managing risk</p> <ul style="list-style-type: none"> • Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making • Implementing robust and integrated risk management arrangements and ensuring that they are working effectively • Ensuring that responsibilities for managing individual risks are clearly allocated <p>Managing performance</p> <ul style="list-style-type: none"> • 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 • 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 (Or, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making • Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement • Ensuring there is consistency between specification stages

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
<p>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.</p>	<p>(such as budgets) and post implementation reporting (eg financial statements)</p> <p>Robust internal control</p> <ul style="list-style-type: none"> • Aligning the risk management strategy and policies on internal control with achieving objectives • Evaluating and monitoring risk management and internal control on a regular basis • Ensuring effective counter fraud and anti-corruption arrangements are 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 • Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> - provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment - that its recommendations are listened to and acted upon <p>Managing data</p> <ul style="list-style-type: none"> • Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data • Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies • Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring <p>Strong public financial management</p> <ul style="list-style-type: none"> • Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance • Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls
<p>G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also</p>	<p>Implementing good practice in transparency</p> <ul style="list-style-type: none"> • 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 • 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

Core principles (in bold)	Sub-principles (in bold) the Council will adhere to
<p>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.</p>	<p>Implementing good practices in reporting</p> <ul style="list-style-type: none"> • Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way • 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) • Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate • 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 <p>Assurance and effective accountability</p> <ul style="list-style-type: none"> • Ensuring that recommendations for corrective action made by external audit are acted upon • 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 • Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations • Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement • Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met

The Seven (Nolan) principles of public life

Introduction

Members and employees are required to comply with the seven general principles of public life, established by the Nolan Committee on Standards in Public Life:

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix C

How to run a successful organisation

WHAT DO YOU NEED TO DO?	MANAGEMENT PROCESS
Find out what your customers want	Community Engagement
Produce a plan outlining how you are going to meet that need	Business Strategy and Planning
Calculate how much this is going to cost you	Financial Planning / Treasury Management
Identify how you are going to finance this	
Identify what assets/people you are going to need to deliver this	Asset Management / Workforce Development Planning
Create the 'entity' and supporting constitution / policy structure	Committee Structure, Constitution, Policy Framework, Procedures and Codes of Conduct
Define roles and responsibilities between executive and non executive members and create supporting operational structures	
Manage activities on a day to day basis	Performance Management including that applicable to staff
Understand where things could go wrong and cause you problems in delivering your services	Risk Management including Fraud & Corruption, Health & Safety, Insurance and Business Continuity
Check to see whether you are getting sufficient income in to pay your bills with an appropriate reserve	Budgetary Control
Ensure that the information you use to decide whether you are delivering what is expected is complete and accurate	Data Quality
Ensure that you are not holding information about others you should not be, that it is secure and is not being used inappropriately	Data Management and Security
Ensure that you buy your stock/assets/services cost effectively	Procurement and Value for Money, Contract Management
When undertaking one off projects, draw up a detailed plan to enable you to do this by the pre-determined date, within the allocated resources and to the required quality standards	Project Management