

**Evidence in support of annual governance statement.
2015/2016**

Objective 1: Establishing principal statutory obligations and organisational objectives:

Step 1: In support of objective 1 – Mechanism established to identify principal statutory obligations	
Examples of assurance:	Evidenced by:
1. Responsibilities for statutory obligations are formally established	<ul style="list-style-type: none"> • Constitution specifically states Committee terms of reference and responsibility. The Constitution is available on the Council's website and internal Intranet. This has recently been updated. • Report to Exec. Bd. 4/9/07 'Delegation to Heads of Service. • Job descriptions for key officers include reference to statutory obligations. • Protocol on member/officer relations incorporated into the Council's Constitution.
2. Record held of statutory obligations	<ul style="list-style-type: none"> • Details of statutory obligations held on the Council's website in the Constitution.
3. Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used	<ul style="list-style-type: none"> • Access to all new UK legislation is available from www.ospi.gov.uk. • Job descriptions for key officers incorporate specific responsibilities to ensure the Council complies with all current statutes. • Legislative change is communicated to officers, members and the public. The Council uses its website and various publications as its primary means of communications. Members will also receive reports and briefing from officers on specific issues that affect them. • Member's monthly bulletin is available on the Council's intranet also Alerts from LGA and professional bodies.
4. Effective action is taken where areas of non-compliance are found in either mechanism or legislation	<ul style="list-style-type: none"> • Internal Audit submits regular reports to Corp Governance & Audit Comm. Any identified non-compliance is reported together with the agreed remedial action. • An annual report on all complaints dealt with by the Local Government Ombudsman is presented to the Corporate Governance & Audit Committee. A report on the complaint handling procedures & outcomes. • Reports and proposed actions are submitted to Committee when it is identified that action needs to be taken to comply with legislation. (e.g. Risk Assessment & Budget Review)

Step 2: In support of Objective 1 – Mechanism in place to establish organisational objectives⁵

Examples of assurance:	Evidenced by:
1. Consultation with stakeholders on priorities and objectives	<ul style="list-style-type: none"> Community consulted throughout the year on various matters. Results are published on the Council's website. Various sources of media are used e.g. Initiatives. On-line consultation continues to be undertaken. The Surveys are accessed via the council's website. Facebook and Twitter continue to be used to promote consultation, Parishes work with partners.
2. The authority's priorities and organisational objectives have been agreed (taking into account feedback from consultation).	<ul style="list-style-type: none"> The Council has a Sustainable Community Strategy for the District for 2009-2026. The LSP core group reviews the Strategy on an annual basis with an annual report going to Cabinet.
3. Priorities and objectives are aligned to principal statutory obligations and relate to available funding	<ul style="list-style-type: none"> 'The Sustainable Community Strategy for Chichester District 2009 - 2026' is the overarching Council strategy, supporting this strategy is the Corporate Plan. Allied to these is the Annual Plan, which allocates the resources to promote the 'The Sustainable Community Strategy for Chichester District 2009 - 2026'.
4. Objectives are reflected in departmental plans and are clearly matched with associated budgets	<ul style="list-style-type: none"> Service Plans are prepared annually by each Service taking into account the Council's strategic objectives. The Service Plans are drawn up taking account of the funding available and the training required.
5. The authority's objectives are clearly communicated to staff and to all stakeholders, including partners.	<ul style="list-style-type: none"> The Council's priorities are communicated to staff and all stakeholders via the Internet and Intranet. The Council's priorities are reflected in Annual Service Plans. The Council also has meetings with Parishes and Partners, Council's objectives communicated to staff and stakeholders via 'Initiatives'.

Step 3: In support of objective 1 – Effective corporate governance arrangements are embedded within the authority	
Examples of assurance:	Evidenced by:
1. Code of corporate governance established	<ul style="list-style-type: none"> The CIPFA/SOLACE code was adopted by the Council in March 2002.
2. Review and monitoring arrangements in place	<ul style="list-style-type: none"> The code is reviewed on a regular basis and any changes are incorporated into CDC's practice. An annual report on compliance with the Code of Corporate Governance is prepared and submitted to the Corporate Governance and Audit Committee. Internal/external audit produce reports on adequacy of corporate governance arrangements across the Council. Annual Governance Statement approved by the Council's Leader & Chief Executive.
3. Committee charged with governance responsibilities	<ul style="list-style-type: none"> Corporate Governance and Audit Committee terms of reference give clear guidance on its responsibilities. The Committee's terms of reference are sufficiently comprehensive to ensure that all appropriate aspects of corporate governance are covered. Minutes from Corporate Governance and Audit Committee demonstrate this responsibility. Minutes available on the website.
4. Governance training provided to key officers and all members	<ul style="list-style-type: none"> Training is given to key staff and members on governance issues, such as the Induction sessions also Constitutional issues.
5. Staff, public and other stakeholder awareness of corporate governance	<ul style="list-style-type: none"> Corporate Governance elements are incorporated into training for staff and members. Staff receives refresher training via the Induction programme. There is an annual governance statement that is presented to the Corporate Governance & Audit Committee & subsequently presented to Full Council. The report is published on the Council's website.

Step 4: In support of objective 1 – Performance management arrangements are in place

Examples of assurance:	Evidenced by:
1. Comprehensive and effective performance management systems operate routinely	<ul style="list-style-type: none">• There is a Council-wide Annual Performance Plan, which is linked to the individual Annual Service Plans.• Responsibility for achieving performance is identified.• The Council has performance management software 'Covalent'• CMT monitors Services/Projects where it has been identified that there is a performance issue.• Internal Audit review performance management when they carry out their audits.
2. Key performance indicators are established and monitored	<ul style="list-style-type: none">• Performance indicators (PI's) have reduced in number; a lot of them have now become LPI's for certain Services. These are included in the Service's annual plan• There is an established monitoring procedure in place- Covalent• Regular reports on performance against PI's and LPI's are produced and reported. These are also reviewed by SLT. They are published on the website.

Examples of assurance:	Evidenced by:
<p>3. The authority knows how well it is performing against its planned outcomes</p>	<ul style="list-style-type: none"> PI's are updated on the 'Covalent' system. Key PI's are reported monthly to SLT by exception. They are published on the website and the Members Bulletin Board. Regular reports are submitted to Cabinet on budget monitoring for major projects.
<p>4. Knowledge of absolute and relative performances achieved is used to support decisions that drive improvements in outcomes</p>	<ul style="list-style-type: none"> Monitoring reports are submitted to SLT. Improvement plans are included in the event of under-performance being identified. Performance trends are identified.
<p>5. The authority continuously improves its performance management</p>	<ul style="list-style-type: none"> SLT regularly reviews performance management. Internal Audit review performance management as part of each assignment. In the event of any weakness being identified, appropriate recommendations are made. 'Covalent' performance management software used by the Council, to continuously monitor Performance Indicators and projects.

Step 1 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	
Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area	
The code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance
1. Develop and promote the authority's purpose and vision	<ul style="list-style-type: none"> The 'Sustainable Community Strategy for Chichester District 2009 – 2026' is no longer a statutory document. The council continues to be informed by the priorities identified in it. This was refreshed in 2016. The Corporate Plan sets out the council's contribution to this partnership document. The council measures its key priorities by a range of performance indicators which are set out within the corporate plan and monitored through the covalent system.
2. Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements	<ul style="list-style-type: none"> The 'Sustainable Community Strategy for Chichester District 2009 – 2026', was formulated with the Corporate Plan.
3. Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties	<ul style="list-style-type: none"> The Sustainable Community Strategy sets the Council's vision for working in partnerships. This is supported by the Corporate Plan – Chichester in Partnership.
4. Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance (not police service)	<ul style="list-style-type: none"> The Council publishes an annual report. Its annual financial accounts are produced in accordance with CIPFA guidelines and published.
Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available	<ul style="list-style-type: none"> The Council carries out regular surveys of users of its services. Results are published and the information provided is used as a resource, and to make changes where necessary.
5. Put in place effective arrangements to identify and deal with failure in service delivery	<ul style="list-style-type: none"> The Council has formal complaints procedures in place. These are freely available on the Council's website. Results of complaints are also published on the Council's website. A record of complaints is reported annually to the Corporate Governance & Audit Committee, also a report from the cases which have been referred to the Local Government Ombudsman.
6. Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.	<ul style="list-style-type: none"> A report on efficiency savings is presented to the Corporate Governance and Audit Committee.

Step 2 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	
Members and officers working together to achieve a common purpose with clearly defined functions and roles	
The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that maybe used to demonstrate compliance
1. Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice (this is not relevant for the police service)	<ul style="list-style-type: none"> The Council's constitution clearly identifies the roles and responsibilities of The Chief Executive and Senior officers. The constitution has been reviewed and was taken to Cabinet and Council.
2. Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers	<ul style="list-style-type: none"> The Council's constitution contains clear statements on the roles and responsibilities of members, Cabinet Members and Senior Officers. Job descriptions for Senior Officers incorporate specific roles and responsibilities. Protocol on Member/Staff relations.
3. Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority taking account of relevant legislation and ensure that it is monitored and updated when required	<ul style="list-style-type: none"> The Council's constitution contains details of the authorities' scheme of delegation.
4. Make the Chief Executive or equivalent responsible and accountable to the authority for all aspects of operational management.	<ul style="list-style-type: none"> The Council's Constitution Article 12 specifies the roles and responsibilities of Senior Officers in the Council.
5. Develop protocols to ensure that the leader and chief executive (or equivalents) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.	<ul style="list-style-type: none"> Responsibilities for Leader & Chief Executive defined in the Constitution. Leader and Committee Chairman and their Deputies receive verbal briefings from Senior Officers and work on priorities on a regular basis.
6. Make a senior officer (usually the section 151 officer) responsible to the authority 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.	<ul style="list-style-type: none"> The Council's Constitution contains specific details of the overall financial responsibilities. Council's Head of Finance & Governance has been designated the Section 151 Officer. Annual Statement of Accounts produced. This is also available on the Council's website.

The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance
7. Make a senior officer (other than the Responsible Financial Officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes, regulations are complied with	<ul style="list-style-type: none"> The Council's Constitution contains specific details of the responsibilities of the Monitoring Officer. The Head of Finance & Governance is specifically excluded from this post.
8. Develop protocols to ensure effective communication between members and officers in their respective roles	<ul style="list-style-type: none"> The Council's has a Member / Officer protocol in place.
9. Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel (if applicable)	<ul style="list-style-type: none"> The Council's Constitution states that an Independent Remuneration Panel advises the Cabinet and Council on member's allowance.
10. Ensure that effective mechanisms exist to monitor service delivery	<ul style="list-style-type: none"> The Council's has 'Covalent' performance monitoring software in place. Performance Indicators are in place and regularly monitored. Reports are placed on the Council's website.
11. Ensure that the organisation'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	<ul style="list-style-type: none"> The Council's Sustainable Community Strategy for Chichester District 2009-2026 defines the Council's Vision & Strategy. The Corporate Plan sets out the Council key priorities and strategic aims. Community forums have been established to facilitate communications on a local level.
12. When working in partnership ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority	<ul style="list-style-type: none"> The Council has introduced a 'Partnership Toolkit' that provides governance guidance and advice; this is at present being updated. The Council has a central register of all its partnerships. These have been split between Strategic and Operational Partnerships.
13. When working in partnership: <ul style="list-style-type: none"> - ensure that there is clarity about the legal status of the partnership - ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions. 	<ul style="list-style-type: none"> The Council's partnership guidance gives advice on procedures and governance issues to be adopted when forming partnerships.
Step 3 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	

Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour	
The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance
1. Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect	<ul style="list-style-type: none"> Committee reports comply with Local Government Act 1972 (as amended). Part two reports comply with this legislation.
2. Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols	<ul style="list-style-type: none"> The Council has incorporated in its constitution a Member's Code of Conduct, Code of Conduct for employees and a protocol on Member/Staff relations.
3. Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice ⁸	<ul style="list-style-type: none"> Codes of Conduct for Members and Employees. Council's Contract Standing Orders and Financial Regulations. Council's 'Whistle-blowing' Policy
4. Develop and maintain shared values including leadership values both for the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners	<ul style="list-style-type: none"> Corporate Plan incorporates CDC themes. The Council's Constitution contains codes and protocols. Council Annual report.
5. Put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice	<ul style="list-style-type: none"> The Council's Constitution contains codes of Conduct for Staff and Members.
6. Develop and maintain an effective standards committee	<ul style="list-style-type: none"> Following the Localism Act full Council approved the new arrangements for the Standards Committee.
7. Use the organisations shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority	<ul style="list-style-type: none"> The Council's Sustainable Community Strategy 2009 – 2026, set out the vision and objectives for the district.
8. In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.	<ul style="list-style-type: none"> The Local Strategic Partnerships sets the vision for Chichester in Partnership.

⁸ In the police service "employees" includes the Chief Constable and staff under the direction and control of the Chief Constable.

Step 4 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	
Taking informed and transparent decisions which are subject to effective scrutiny and managing risk	
The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance
1. Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the organisation's performance overall and of any organisation for which it is responsible.	<ul style="list-style-type: none"> The Council's has an Overview and Scrutiny Committee.
2. Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	<ul style="list-style-type: none"> The Council receives reports from officers containing options and recommendations for members to make decisions. Minutes of these meeting are available on the Council's Website. Tender procedures incorporate matrix that demonstrates a robust selection process. Details of the process are available to the public.
3. Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	<ul style="list-style-type: none"> The Council's constitution contains codes of conduct for Staff and Members. Following the Localism Act the new arrangements for the Standards Committee was agreed by full Council. The Council has adopted the Code of Conduct for Members. Register of Members' interests in held by the Member Services section.
4. Develop and maintain an effective audit committee (or equivalent) which is independent or make other appropriate arrangements for the discharge of the functions of such a committee	<ul style="list-style-type: none"> The Council has a Corporate Governance and Audit Committee. Training sessions are held for new Members of a Committee.
5. Put in place effective transparent and accessible arrangements for dealing with complaints	<ul style="list-style-type: none"> The Council has a clear complaints procedure. It is available via the Council's website or paper based from the offices. Annual Local Government Ombudsman letter reported to CG&AC.
6. Ensure that those making decisions whether for the authority or partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.	<ul style="list-style-type: none"> The Council's constitution contains Codes of Practice and protocols. Reports presented to Committees for decision contain options appraisals. Implications of decisions are identified.

7. Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	<ul style="list-style-type: none"> • Reports presented to committee are reviewed by Legal and Finance before being presented. • Legal and Financial officers attend committee where appropriate in order to answer any specific queries raised by members. • Committee reports are subject to a strict timetable.
8. Ensure that risk management is embedded into the culture of the organisation, with members and managers at all levels recognising that risk management is part of their job	<ul style="list-style-type: none"> • The council has a Strategic Risk Group. • The Council's Risk Register is periodically reviewed, and reported to the Corporate Governance and Audit Committee. • The Council reports risks annually to the Corporate Governance & Audit Committee.
9. Ensure that arrangements are in place for whistle blowing to which staff and all those contracting with the authority have access (In the police service "staff" includes the Chief Constable and those under the direction and control of the Chief Constable)	<ul style="list-style-type: none"> • The Council has a 'Whistle blowing Policy' • The policy is available via the Intranet.
10. Actively recognise the limits of lawful activity placed on them by, for example the ultra-virus doctrine but also strive to utilise powers to the full benefit of their communities	<ul style="list-style-type: none"> • The Council's constitution contains guidance on the powers of the Council. • The Monitoring Officer has specific functions dedicated to her ensure the Council acts within it lawful powers.
11. Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law	<ul style="list-style-type: none"> • The Council 'Articles of the Constitution' specifies the responsibility of the Council.
12. Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice into their procedures and decision making processes.	<ul style="list-style-type: none"> • The Council's constitution identifies the specific legislative responsibilities designated to a role within the Council.
Step 5 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	
Developing the capacity and capability of members and officers to be effective	
The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance

1. Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis	<ul style="list-style-type: none"> • There is a comprehensive induction and training programme. • Training programmes incorporated into staff appraisals and development programmes. • Last Member induction programme was in June 2011. Following the Elections in May 2015 a new member induction programme came into effect.
2. 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 organisation	<ul style="list-style-type: none"> • Job descriptions for key officers have specifications that match the legislative requirements of their role. Capability has now been incorporated job descriptions.
3. Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively	<ul style="list-style-type: none"> • Officers have training Development Plans as part of the assessment process. • Training for members is provided on a regular basis.
4. 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	<ul style="list-style-type: none"> • The members have a comprehensive training programme that incorporates dealing with new legislations, understanding current legislation and developing their personal skills.
5. Ensure that effective arrangements are in place for reviewing the performance of the authority as a whole and of individual members and agreeing an action plan which might for example aim to address any training or development needs	<ul style="list-style-type: none"> • The Council uses 'Covalent' software to monitor its performance. Reports are published on the Councils website. • SLT meets to review specific performance issues as well as overall performance.
6. Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority	<ul style="list-style-type: none"> • The Local Strategic Partnership brings together a wide range of local organisations in all sectors of the community. • Community Forums across the district are a vehicle for the community to engage with the Council.
7. Ensure that career structures are in place for members and officers to encourage participation and development	<ul style="list-style-type: none"> • The Chief Executive carried out a management restructure. There are now two Executive Directors and 7 Heads of Service.
Step 6 – In support of Objective 1 - Apply the Six CIPFA/SOLACE Core Principles	
Engaging with local people and other stakeholders to ensure robust public accountability	
The local code should reflect the requirements to:	Source documents/good practice/other means that may be used to demonstrate compliance
1. Make clear to themselves, all staff and the community, to whom they are accountable and for what	<ul style="list-style-type: none"> • The Sustainable Community Strategy for Chichester District 2009-2026.

2. Consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required	<ul style="list-style-type: none"> • The Local Strategic Partnership for Chichester District annual report to Overview & Scrutiny Committee.
3. Produce an annual report on scrutiny function activity	<ul style="list-style-type: none"> • An annual report on the activity of the Overview & Scrutiny Committee is presented to the Corporate Governance and Audit Committee.
4. Ensure that clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively	<ul style="list-style-type: none"> • The Sustainable Community Strategy for Chichester District 2009 - 2026. • The Local Strategic Partnership.
5. Hold meetings in public unless there are good reasons for confidentiality.	<ul style="list-style-type: none"> • The Council's committee meeting are held in public. The press and public are only excluded when a report is presented as a Part 2 item in accordance with Part I of Schedule 12A to the Local Government Act 1972.
6. Ensure arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands	<ul style="list-style-type: none"> • The Sustainable Community Strategy for Chichester District 2009-2026. • The Local Strategic Partnership. • Community Forums. • Equality & Diversity Strategy.
7. Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users including a feedback mechanism for those consulted to demonstrate what has changed as a result	<ul style="list-style-type: none"> • The Local Strategic Partnership • Community Forums • Initiatives • Press releases
The local code should reflect the requirements for local authorities to:	Source documents/good practice/other means that may be used to demonstrate compliance

<p>8. On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p>	<ul style="list-style-type: none"> • The Annual Statement of Accounts. • Council's Annual report. • A new Workforce Development Plan 2015-2020 is now in place.
<p>9. Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so</p>	<ul style="list-style-type: none"> • The Sustainable Community Strategy for Chichester District 2009-2026. • The Council's Constitution. • The Local Strategic Partnership. • Corporate Plan 2010-2015
<p>10. Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision-making.</p>	<ul style="list-style-type: none"> • The new Workforce Development Plan is now in place.

Objective 2: Identify principal risks to achievement of objectives:

Step 1: In support of objective 2 – The authority has robust systems and processes in place for the identification and management of strategic and operational risk	
Examples of assurance:	Evidenced by:
<p>1. There is a written strategy and policy in place for managing risk which:</p> <ul style="list-style-type: none"> • Has been formally approved at political and risk management board (or equivalent) level • Is reviewed on a regular basis • Has been communicated to all relevant staff • Includes partnership risks 	<ul style="list-style-type: none"> • Key staff aware of policy through briefings. Policy is available on the internet via the committee system. • Partnerships have been identified as a risk and included in the Risk Register. • Data Security PSN is in place and came into effect in 2013.
<p>2. The authority has implemented clear structures and processes for risk management which are successfully implemented and:</p> <ul style="list-style-type: none"> • Management board and elected members see risk management as a priority and support it by personal interest and input • Decision making considers risk • A senior manager has been appointed to “champion” risk management • Roles and responsibilities for risk management have been defined • Risk management systems are subject to independent assessment • Risk management is considered in the annual business planning process • Risk management extends to partnership risks 	<ul style="list-style-type: none"> • Potential risks have been identified and responsibility for control of these risks has been allocated. This has been documented in the form of a risk register and approved by Corporate Governance and Audit committee. • Job descriptions of senior officers reflect their ‘Risk Management’ responsibilities. • Internal audit reports and external audit comments on risk management in the area under review in their reports. • Internal Audits annual plan is drawn up using a risk based approach. • All major projects incorporate a full risk assessment prior to action being taken. • All project initiation documents include a risk assessment in the report to committee. • Partnerships have been identified as a potential risk in the Council's risk register.
<p>3. The authority has developed a corporate approach to the identification and evaluation of risk which is understood by all staff</p>	<ul style="list-style-type: none"> • Strategic and Operational risk review was taken to the Corporate Governance & Audit Committee. • All major projects incorporate a full risk assessment prior to action being taken. • All project initiation documents include a risk assessment in the report to committee.
Examples of assurance:	Evidenced by:

<p>4. The authority has well defined procedures for recording and reporting risk</p>	<ul style="list-style-type: none"> • Corporate risk register regularly updated. • Internal Audit's annual plan produced using risk based approach. • Risks identified by Internal Audits are followed up and progress is reported to Corporate Governance and Audit committee. • New & emerging risks are identified and reported to Corporate Governance and Audit Committee.
<p>5. The authority has well-established and clear arrangements for financing risk</p>	<ul style="list-style-type: none"> • Council's policy for financing risk is reviewed on a regular basis. • CDC fully meets the legal requirement for insurance. • Insurance claims are managed in accordance with the Ministry of Justice protocol. • All insurance claims are monitored and the results are reviewed.
<p>6. The authority has developed a programme of risk management training for relevant staff</p>	<ul style="list-style-type: none"> • Project training is given to project groups, this incorporates risk management. • Newsletters from Zurich Insurance are circulated to key staff. • Health and Safety courses are run for specific staff.

Examples of assurance:	Evidenced by:
<p>7. The corporate risk management board (or equivalent) adds value to the risk management process by:</p> <ul style="list-style-type: none"> • Advising and supporting corporate management team on risk strategies • Identifying areas of overlapping risk • Driving new risk management initiatives • Communicating risk management and sharing good practice • Providing and reviewing risk management training • Regularly reviewing the risk register(s) • Coordinating the results for risk reporting 	<ul style="list-style-type: none"> • Corporate Governance and Audit committee. • Minutes and reports submitted to Corporate Governance and Audit committee. • Committee minutes are submitted to full Council.
<p>8. A corporate risk officer has been appointed with the necessary skills to analyse issues and offer options and advice and:</p> <ul style="list-style-type: none"> • Support decision making and policy formulation • Provides support in the risk identification and analysis process • Provides support in prioritising risk mitigation action • Provides advice and support in determining risk treatments • Inspires confidence in managers 	<ul style="list-style-type: none"> • The Head of Finance & Governance has been appointed as the lead officer in dealing with Corporate risk management; the role has been delegated to the Accountancy Services Manager.
<p>9. Managers are accountable for managing their risks</p>	<ul style="list-style-type: none"> • Responsibility for managing risks is allocated to managers and recorded in the Corporate Risk Register. • Job descriptions for key staff reflect their responsibilities for risk management. • Project Implementation documents contain risk assessment logs that identify who is responsible for managing the various risks identified.

Examples of assurance:	Evidenced by:
10. Risk management is embedded throughout the organisation	<ul style="list-style-type: none"> • SLT reviews progress on performance management. • 'Covalent' system to improve performance monitoring and mitigate risk. • Reports submitted to Corporate Governance and Audit committee.
11. Risks in partnership working are fully considered	<ul style="list-style-type: none"> • Partnership toolkit introduced. • Partnerships are reviewed annually and reported to the CG&AC.
12. Where employed, risk management information systems meet users' needs	<ul style="list-style-type: none"> • Spreadsheets and word-process systems being used to provide a bespoke system.

Objective 3: Identify and evaluate key controls to manage principal risks:

Step 1: In support of objective 3 – The authority has robust system of internal control which includes systems and procedures to mitigate principal risks	
Examples of assurance:	Evidenced by:
1. There are written financial regulations in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff: <ul style="list-style-type: none"> • Authority has adopted CIPFA code on Treasury Management • Compliance with the Prudential Code 	<ul style="list-style-type: none"> • Financial Regulations are reviewed on a regular basis. • Amendments to Financial Regulations subject to Cabinet approval. • Corporate Governance and Audit committee receive reports on compliance with Financial Regulations. • The Cabinet receives regular reports on the Council's treasury management. • The Council complies with the Prudential Code.
2. There are written contract standing orders in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff	<ul style="list-style-type: none"> • Standing Orders are reviewed on a regular basis. • Amendments are subject to Cabinet approval. • Standing Orders and Financial Regulations are available to all staff via the Intranet.
3. There is a whistle blowing policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff	<ul style="list-style-type: none"> • The Council has a whistle blowing policy. • The policy has been reviewed and submitted to the Corporate Governance and Audit committee.
4. There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all relevant staff	<ul style="list-style-type: none"> • The Council has counter fraud and corruption policy. • The policy is regularly reviewed and any amendments / updates are subject to approval by Corporate Governance and Audit committee. The policy was reviewed by the Corporate Governance and Audit Committee.
Examples of assurance:	Evidenced by:

5.	There are codes of conduct in place which have been formally approved and widely communicated to all relevant staff	<ul style="list-style-type: none"> • Agreed Codes of Conduct have been approved for members and officers. • Codes are published on the Internet and Intranet. • The codes are incorporated into the Council's constitution. • Members receive training on compliance with the Code of Conduct.
6.	A register of interests is maintained, regularly updated and reviewed	<ul style="list-style-type: none"> • Registers of interest for Members and Staff are maintained. • Registers are reviewed. • Register of Members Interests are reviewed annually as part of final accounts and forms part of the related party transactions. .
7.	Where a scheme of delegation has been drawn up, it has been formally approved and communicated to all relevant staff	<ul style="list-style-type: none"> • The Council's scheme of delegation is incorporated into the constitution. • Amendments to the scheme of delegation would be subject to Cabinet approval.
8.	A corporate procurement policy has been drawn up, formally approved and communicated to all relevant staff	<ul style="list-style-type: none"> • Corporate procurement is overseen by the Procurement Officer. • The policy is subject to approval by Corporate Governance and Audit committee
9.	Business/service continuity plans have been drawn up for all critical service areas and the plans: <ul style="list-style-type: none"> • Are subject to regular testing • Are subject to regular review 	<ul style="list-style-type: none"> • The Health & Safety Manager is now the Officer responsible for Business Continuity. • The Health & Safety Manager will continue to test the robustness of the plans.
10.	The corporate/departmental risk register(s) includes expected key controls to manage principal risks	<ul style="list-style-type: none"> • Council's risk register sets out the principal risk and the key controls that exist to manage the risks.

Examples of assurance:		Evidenced by:
11.	Key risk indicators have been drawn up to track the movement of key risks and are regularly monitored and reviewed.	<ul style="list-style-type: none"> • Corporate Governance and Audit committee receive reports on high-level risk. • Risk management group receive reports on new and emerging risks. • A task and finish group was set up to review the risks that the Council is exposed to and produced a policy and strategy document.
12.	The authority's internal control framework is subject to regular independent assessment	<ul style="list-style-type: none"> • Internal Audit review the Council's internal control procedures. Their reports are submitted to the Corporate Governance and Audit committee. • External Audit report on the Council's Internal Control Procedures. • Annual Governance Statement.
13.	A corporate health and safety policy has been drawn up, formally approved, is subject to regular review and has been communicated to all relevant staff	<ul style="list-style-type: none"> • Corporate Health and Safety policy in place. • Amendments to the policy are subject to approval by Committee • All staff receive a briefing on the policy as part of their induction process.
14.	A corporate complaints policy/procedure has been drawn up,	<ul style="list-style-type: none"> • Council has a formal complaints policy.

<p>formally approved, communicated to all relevant staff, the public and other stakeholders is regularly reviewed</p>	<ul style="list-style-type: none"> • The policy is subject to regular review. • Leaflets explaining the policy are freely available in the Council offices and on the Council's website. • Monitoring reports are subject to review by the Corporate Governance & Audit Committee
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Objective 4: Obtain assurance on the effectiveness of key controls:

Step 1: In support of objective 4 – Appropriate assurance statements are received from designated internal and external assurance providers: <ul style="list-style-type: none"> • The authority has identified appropriate sources of assurance • Appropriate external assurances are identified and obtained 	
Examples of assurance:	Evidenced by:
1. The authority has determined appropriate internal and external sources of assurance	<ul style="list-style-type: none"> • Corporate Governance and Audit committee receive reports on assurance. • Annual Audit & Inspection letter from EY (Ernst & Young)
2. Appropriate key controls on which assurance is to be given have been identified and agreed	<ul style="list-style-type: none"> • Financial Regulations give guidance on key controls. • Managers 'Toolkit' gives guidance to Managers. • Internal Audit carry out Key Financial Control work on the Council's Major Systems.
3. Departmental assurances are provided	<ul style="list-style-type: none"> • Internal Audit carry out regular audits. • Reports submitted to Corporate Governance and Audit committee. • External Audit carry out specific reviews. • Annual Governance Statement produced.
4. External assurance reports are collated centrally <ul style="list-style-type: none"> • Reports are reviewed by relevant senior management team and reported to appropriate committee • Action plans are prepared and approved as appropriate • Follow up reports on recommendations are requested and reviewed by relevant senior management team and progress is regularly reported to relevant committee 	<ul style="list-style-type: none"> • Corporate Governance and Audit committee receive external assurance reports. • Cabinet receives minutes from the Corporate Governance and Audit committee. • Action plans are agreed. • Follow up reports on recommendations are completed and submitted to Corporate Governance and Audit committee.

Examples of assurance:	Evidenced by:
5. Internal Audit Arrangements	<ul style="list-style-type: none"> • Internal Audit reports submitted to Corporate Governance and Audit committee. • Annual report on the effectiveness of Internal Audit submitted to Corporate Governance and Audit committee.
6. Corporate Governance Arrangements	<ul style="list-style-type: none"> • Annual corporate governance assurance statement produced. • Internal Audit review corporate governance procedures as part of the annual plan. • Specific reports requested by Corporate Governance & Audit Committee. i.e. Business Continuity Arrangements.
7. Performance monitoring arrangements	<ul style="list-style-type: none"> • Performance indicators are published annually; progress is reported on Council's website. • 'Covalent' performance monitoring software used to produce regular progress reports on performance

Objective 5: Evaluate assurances and identify gaps in control/ assurances:

Step 1: In support of objective 5 – The authority has made adequate arrangements to identify, receive and evaluate reports from the defined internal and external assurance providers to identify areas of weakness in controls	
Examples of assurance:	Evidenced by:
<p>1. Responsibilities for the evaluation of assurances are clearly defined throughout the organisation.</p>	<ul style="list-style-type: none"> • Corporate Governance and Audit committee evaluate the assurances provided to the Council. • Job descriptions reflect responsibilities for Risk Management. • Committees terms of reference define responsibilities.
<p>2. Mechanism established for collecting governance assurances</p> <ul style="list-style-type: none"> • Overall responsibility allocated to governance senior officer group • Required assurances are agreed and recorded • Central record of all assurances (either evidence file, or showing clear link to where evidence is held) • Clear guidance as to evaluation procedure including assurance over risks, independence and objectivity of assurances • Defined evaluation mechanism • Timetable for completion by statutory deadline • Gap assessment – performed and challenged 	<ul style="list-style-type: none"> • Currently information to support Annual Governance Statement is available across the Council in various sources. • Internal Audit complete the annual governance statement and identify the source of the evidence to support the statement. • Annual governance statement is produced in accordance with CIPFA guidelines. • Forward plan submitted to Cabinet identifies key decisions and assurances required by Cabinet.

Objective 6: Action plan to address weaknesses and ensure continuous improvement of the system of corporate governance:

Step 1: In support of objective 6 – There is a robust mechanism to ensure that an appropriate action plan is agreed to address identified control weaknesses and is implemented and monitored	
Examples of assurance:	Evidenced by:
1. An action plan is drawn up and approved	<ul style="list-style-type: none"> Agreed action plans are produced. They incorporate agreed timescales, allocate responsibilities and set out a course of action.
2. All actions are 'SMART': <ul style="list-style-type: none"> Specific Measurable Achievable Realistic Time-bound 	<ul style="list-style-type: none"> Each action on prioritized action plan is compliant with 'SMART' test
3. Actions communicated and responsibilities assigned	<ul style="list-style-type: none"> Responsibilities are allocated to officers or role specific.
4. Implementation timescales agreed	<ul style="list-style-type: none"> Target dates included in action plan
5. On-going review of progress and of continuing appropriateness of action	<ul style="list-style-type: none"> Progress is reviewed on a regular basis. Internal Audit review implementation and report outcomes to Corporate Governance and Audit committee.

Objective 7: Annual Governance Statement:

Step 1: In support of objective 7 – An Annual Governance Statement has been drafted in accordance with the statutory requirements and timetable set out in the Accounts and Audit Regulations 2003, as revised by the Accounts and Audit (Amendment) (England) Regulations 2006, and is in accordance with CIPFA guidance.	
Examples of assurance:	Evidenced by:
1. Responsibility for the compilation of the Annual Governance Statement has been assigned	<ul style="list-style-type: none"> Annual Governance Statement prepared by Principal Auditor.
2. There is an Annual Governance Statement production timetable that meets the statutory deadline	<ul style="list-style-type: none"> Annual Governance Statement timetable is linked to that for the preparation of statutory accounts
3. The Annual Governance Statement is reviewed, challenged and approved by the authority	<ul style="list-style-type: none"> Annual Governance Statement terms of reference approved by SLT. Statement is reviewed and challenged by Corporate Governance and Audit Committee.
4. Governance assurance statement is prepared, incorporating all the required elements of the statement on internal control	<ul style="list-style-type: none"> Statement complied in accordance with CIPFA guidance

Objective 8: Report to cabinet / executive committee:

Step 1: In support of objective 8 – An annual report to the authority (or delegated committee) on the Annual Governance Statement is presented, in accordance with the CIPFA pro forma	
Examples of assurance:	Evidenced by:
1. Responsibility for reporting is clearly defined	<ul style="list-style-type: none"> Report is produced in accordance with CIPFA guidelines.
2. The signatories to the annual governance assurance statement and SIC are defined and are appropriate in accordance with statutory requirements (i.e. Most senior officer and most senior member of the organisation)	<ul style="list-style-type: none"> Statement of Internal Control signed in accordance with CIPFA guidelines
3. The report is likely to be published in a timely fashion with the statutory accounts	<ul style="list-style-type: none"> Report published in accordance with guidelines.

Stephen James
Principal Auditor
September 2016