



**Good Governance Code (March 2017)**

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

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

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
A1.1	<b>Behaving with integrity</b>	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	<ul style="list-style-type: none"> <li>• Codes of conduct</li> <li>• Individual sign off with regard to compliance with code</li> <li>• Induction for new members and staff on standard of behaviour expected</li> <li>• Performance appraisals</li> </ul>
A1.2	<b>Behaving with integrity</b>	Ensuring members take the lead in establishing specific standard operating principles or values for the	<ul style="list-style-type: none"> <li>• Communicating shared values with members, staff, the community and partners</li> </ul>

		organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	
A1.3	<b>Behaving with integrity</b>	Leading by example and using these standard operating principles or values as a framework for decision making and other actions	<ul style="list-style-type: none"> <li>• Decision making practices</li> <li>• Declarations of interests made at meetings</li> <li>• Conduct at meetings</li> <li>• Shared values guide decision making</li> <li>• Develop and maintain an effective standards committee</li> </ul>
A1.4	<b>Behaving with integrity</b>	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	<ul style="list-style-type: none"> <li>• Anti-fraud and corruption policies are working effectively</li> <li>• Up-to-date register of interests (members and staff)</li> <li>• Up-to-date register of gifts and hospitality</li> <li>• Whistleblowing policies are in place and protect individuals raising concerns</li> <li>• Whistleblowing policy has been made available to members of the public, employees, partners and contractors</li> <li>• Complaints policy and examples of responding to complaints about behaviour</li> <li>• Changes/improvements as a result of complaints received and acted upon</li> <li>• Members' and officers' code of conduct refers to a requirement to declare interests</li> <li>• Minutes show</li> </ul>

			declarations of interest were sought and appropriate declarations made
A2.1	<b>Demonstrating strong commitment to ethical values</b>	Seeking to establish, monitor and maintain the organisation's ethical standards and performance	<ul style="list-style-type: none"> <li>• Scrutiny of ethical decision making</li> <li>• Championing ethical compliance at governing body level</li> </ul>
A2.2	<b>Demonstrating strong commitment to ethical values</b>	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	<ul style="list-style-type: none"> <li>• Provision of ethical awareness training</li> </ul>
A2.3	<b>Demonstrating strong commitment to ethical values</b>	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	<ul style="list-style-type: none"> <li>• Appraisal processes take account of values and ethical behaviour</li> <li>• Staff appointments policy</li> <li>• Procurement policy</li> </ul>
A2.4	<b>Demonstrating strong commitment to ethical values</b>	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	<ul style="list-style-type: none"> <li>• Agreed values in partnership working: <ul style="list-style-type: none"> <li>○ Statement of business ethics communicates commitment to ethical values to external suppliers</li> <li>○ Ethical values feature in contracts with external service providers</li> </ul> </li> <li>• Protocols for partnership working</li> </ul>
A3.1	<b>Respecting the rule of law</b>	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and	<ul style="list-style-type: none"> <li>• Statutory provisions</li> <li>• Statutory guidance is followed</li> <li>• Constitution</li> </ul>

		regulations	
A3.2	<b>Respecting the rule of law</b>	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	<ul style="list-style-type: none"> <li>• Job description / specifications</li> <li>• Compliance with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016)</li> <li>• Terms of reference</li> <li>• Committee support</li> </ul>
A3.3	<b>Respecting the rule of law</b>	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	<ul style="list-style-type: none"> <li>• Record of legal advice provided by officers</li> </ul>
A3.4	<b>Respecting the rule of law</b>	Dealing with breaches of legal and regulatory provisions effectively	<ul style="list-style-type: none"> <li>• Monitoring officer provisions</li> <li>• Record of legal advice provided by officers</li> <li>• Statutory provisions</li> </ul>
A3.5	<b>Respecting the rule of law</b>	Ensuring corruption and misuse of power are dealt with effectively	<ul style="list-style-type: none"> <li>• Effective anti-fraud and corruption policies and procedures</li> <li>• Local test of assurance (where appropriate)</li> </ul>

## B. Ensuring openness and comprehensive stakeholder engagement

*Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
B.1.1	<b>Openness</b>	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	<ul style="list-style-type: none"> <li>• Annual report</li> <li>• Freedom of Information Act publication scheme</li> <li>• Online council tax information</li> <li>• Authority's goals and values</li> <li>• Authority website</li> </ul>
B.1.2	<b>Openness</b>	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	<ul style="list-style-type: none"> <li>• Record of decision making and supporting materials</li> </ul>
B.1.3	<b>Openness</b>	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	<ul style="list-style-type: none"> <li>• Decision-making protocols</li> <li>• Report pro-formas</li> <li>• Record of professional advice in reaching decisions</li> </ul>

		due course, ensuring that the impact and consequences of those decisions are clear	<ul style="list-style-type: none"> <li>• Meeting reports show details of advice given</li> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Agreement on the information that will be provided and timescales</li> <li>• Calendar of dates for submitting, publishing and distributing timely reports is adhered to</li> </ul>
B1.4	<b>Openness</b>	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action	<ul style="list-style-type: none"> <li>• Community strategy</li> <li>• Use of consultation feedback</li> <li>• Citizen survey</li> </ul>
B2.1	<b>Engaging comprehensively with institutional stakeholders</b>	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	<ul style="list-style-type: none"> <li>• Communication strategy</li> </ul>
B2.2	<b>Engaging comprehensively with institutional stakeholders</b>	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	<ul style="list-style-type: none"> <li>• Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes</li> </ul>
B2.3	<b>Engaging comprehensively</b>	Ensuring that partnerships are based on:	<ul style="list-style-type: none"> <li>• Partnership framework</li> </ul>

	<b>with institutional stakeholders</b>	<ul style="list-style-type: none"> <li>• trust</li> <li>• a shared commitment to change</li> <li>• a culture that promotes and accepts challenge among partners</li> </ul> <p>and that the added value of partnership working is explicit</p>	<ul style="list-style-type: none"> <li>• Partnership protocols</li> </ul>
B3.1	<b>Engaging stakeholders effectively, including individual citizens and service users</b>	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	<ul style="list-style-type: none"> <li>• Record of public consultations</li> <li>• Partnership framework</li> </ul>
B3.2	<b>Engaging stakeholders effectively, including individual citizens and service users</b>	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	<ul style="list-style-type: none"> <li>• Communications strategy</li> </ul>
B3.3	<b>Engaging stakeholders effectively, including individual citizens and service users</b>	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs	<ul style="list-style-type: none"> <li>• Communications strategy</li> <li>• Joint strategic needs assessment</li> </ul>
B3.4	<b>Engaging stakeholders effectively, including individual citizens and service users</b>	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account	<ul style="list-style-type: none"> <li>• Communications strategy</li> </ul>
B3.5	<b>Engaging stakeholders</b>	Balancing feedback from more active stakeholder	<ul style="list-style-type: none"> <li>• Processes for dealing with</li> </ul>

	<b>effectively, including individual citizens and service users</b>	groups with other stakeholder groups to ensure inclusivity	competing demands within the community, for example a consultation
B3.6	<b>Engaging stakeholders effectively, including individual citizens and service users</b>	Taking account of the interests of future generations of tax payers and service users	<ul style="list-style-type: none"> <li>• Reports</li> <li>• Joint strategic needs assessment</li> </ul>

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

*The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
C1.1	<b>Defining outcomes</b>	Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions	<ul style="list-style-type: none"> <li>• Vision used as a basis for corporate and service planning</li> </ul>
C1.2	<b>Defining outcomes</b>	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	<ul style="list-style-type: none"> <li>• Community engagement and involvement</li> <li>• Corporate and service plans</li> <li>• Community strategy</li> </ul>
C1.3	<b>Defining outcomes</b>	Delivering defined outcomes on a sustainable basis within the resources that will be available	<ul style="list-style-type: none"> <li>• Regular reports on progress</li> </ul>

C1.4	<b>Defining outcomes</b>	Identifying and managing risks to the achievement of outcomes	<ul style="list-style-type: none"> <li>• Performance trends are established and reported upon</li> <li>• Risk management protocols</li> </ul>
C1.5	<b>Defining outcomes</b>	Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available	<ul style="list-style-type: none"> <li>• An agreed set of quality standard measures for each service element are included in service plans</li> <li>• Processes for dealing with competing demands within the community</li> </ul>
C2.1	<b>Sustainable economic, social and environmental benefits</b>	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	<ul style="list-style-type: none"> <li>• Capital investment is structured to achieve appropriate life spans and adaptability for future use so that resources are spent on optimising social, economic and environmental wellbeing: <ul style="list-style-type: none"> <li>○ Capital programme</li> <li>○ Capital investment strategy</li> </ul> </li> </ul>
C2.2	<b>Sustainable economic, social and environmental benefits</b>	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	<ul style="list-style-type: none"> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Record of decision making and supporting materials</li> </ul>
C2.3	<b>Sustainable economic, social and environmental</b>	Determining the wider public interest associated with balancing conflicting interests between	<ul style="list-style-type: none"> <li>• Record of decision making and supporting materials</li> <li>• Protocols for</li> </ul>

	<b>benefits</b>	achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	consultation
C2.4	<b>Sustainable economic, social and environmental benefits</b>	Ensuring fair access to services	<ul style="list-style-type: none"> <li>• Protocols ensure fair access and statutory guidance is followed</li> </ul>

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

*Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
D1.1	<b>Determining interventions</b>	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	<ul style="list-style-type: none"> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Decision making protocols Option appraisals</li> <li>• Agreement of information that will be provided and timescales</li> </ul>
D1.2	<b>Determining interventions</b>	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,	<ul style="list-style-type: none"> <li>• Financial Strategy</li> </ul>

		land and assets and bearing in mind future impacts	
D2.1	<b>Planning interventions</b>	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	<ul style="list-style-type: none"> <li>• Calendar of dates for developing and submitting plans and reports that are adhered to</li> </ul>
D2.2	<b>Planning interventions</b>	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	<ul style="list-style-type: none"> <li>• Communication strategy</li> </ul>
D2.3	<b>Planning interventions</b>	Considering and monitoring risks facing each partner when working collaboratively including shared risks	<ul style="list-style-type: none"> <li>• Partnership framework</li> <li>• Risk management protocol</li> </ul>
D2.4	<b>Planning interventions</b>	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	<ul style="list-style-type: none"> <li>• Planning protocols</li> </ul>
D2.5	<b>Planning interventions</b>	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	<ul style="list-style-type: none"> <li>• KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly</li> </ul>
D2.6	<b>Planning interventions</b>	Ensuring capacity exists to generate the information required to review service quality regularly	<ul style="list-style-type: none"> <li>• Reports include detailed performance results and highlight areas where corrective action is necessary</li> </ul>

D2.7	<b>Planning interventions</b>	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan	<ul style="list-style-type: none"> <li>• Evidence that budgets, plans and objectives are aligned</li> </ul>
D2.8	<b>Planning interventions</b>	Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	<ul style="list-style-type: none"> <li>• Budget guidance and protocols</li> <li>• Medium-term financial plan</li> <li>• Corporate plans</li> </ul>
D3.1	<b>Optimising achievement of intended outcomes</b>	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	<ul style="list-style-type: none"> <li>• Feedback surveys and exit/ decommissioning strategies</li> <li>• Changes as a result</li> </ul>
D3.2	<b>Optimising achievement of intended outcomes</b>	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	<ul style="list-style-type: none"> <li>• Budgeting guidance and protocols</li> </ul>
D3.4	<b>Optimising achievement of intended outcomes</b>	Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	<ul style="list-style-type: none"> <li>• Financial strategy</li> </ul>
D3.5	<b>Optimising achievement of intended outcomes</b>	Ensuring the achievement of 'social value' through service planning and commissioning	<ul style="list-style-type: none"> <li>• Service plans demonstrate consideration of 'social value'</li> <li>• Achievement of 'social value' is monitored and reported upon</li> </ul>

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

*Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
E1.1	<b>Developing the entity’s capacity</b>	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness	<ul style="list-style-type: none"> <li>• Regular reviews of activities, outputs and planned outcomes</li> </ul>
E1.2	<b>Developing the entity’s capacity</b>	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes are achieved effectively and efficiently	<ul style="list-style-type: none"> <li>• Utilisation of research and benchmarking exercises</li> </ul>
E1.3	<b>Developing the entity’s capacity</b>	Recognising the benefits of partnerships and collaborative working where added value can be achieved	<ul style="list-style-type: none"> <li>• Effective operation of partnerships which deliver agreed outcomes</li> </ul>

E1.4	<b>Developing the entity's capacity</b>	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	<ul style="list-style-type: none"> <li>• Workforce plan</li> <li>• Organisational development plan</li> </ul>
E2.1	<b>Developing the capability of the entity's leadership and other individuals</b>	Developing protocols to ensure that elected and appointed leaders interact with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	<ul style="list-style-type: none"> <li>• Job descriptions</li> <li>• Chief executive and leader pairings have considered how best to establish and maintain effective communication</li> </ul>
E2.2	<b>Developing the capability of the entity's leadership and other individuals</b>	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	<ul style="list-style-type: none"> <li>• Scheme of delegation reviewed at least annually in the light of legal and organisational changes</li> <li>• Standing orders and financial regulations which are reviewed on a regular basis</li> </ul>
E2.3	<b>Developing the capability of the entity's leadership and other individuals</b>	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority 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	<ul style="list-style-type: none"> <li>• Clear statement of respective roles and responsibilities and how they will be put into practice</li> </ul>
E2.4	<b>Developing the capability of the entity's leadership and other individuals</b>	Developing the capabilities of members and senior management to achieve effective shared leadership and to	<ul style="list-style-type: none"> <li>• Access to courses/information briefings on new legislation</li> </ul>

		<p>enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> <li>- 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</li> <li>- 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</li> <li>- ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from both internal and external governance</li> </ul>	<ul style="list-style-type: none"> <li>• Induction programme</li> <li>• Personal development plans for members and officers</li> <li>• For example, for members this may include the ability to: <ul style="list-style-type: none"> <li>- scrutinise and challenge</li> <li>- recognise when outside</li> <li>- expert advice is required</li> <li>- promote trust</li> <li>- work in partnership</li> <li>- lead the organisation</li> <li>- act as a community leader</li> </ul> </li> <li>• Efficient systems and technology used for effective support</li> <li>• Arrangements for succession planning</li> </ul>
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		weaknesses	
E2.5	<b>Developing the capability of the entity's leadership and other individuals</b>	Ensuring that there are structures in place to encourage public participation	<ul style="list-style-type: none"> <li>• Residents' panels</li> <li>• Stakeholder forum terms of reference</li> <li>• Strategic partnership frameworks</li> </ul>
E2.6	<b>Developing the capability of the entity's leadership and other individuals</b>	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	<ul style="list-style-type: none"> <li>• Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs</li> <li>• Peer reviews</li> </ul>
E2.7	<b>Developing the capability of the entity's leadership and other individuals</b>	Holding staff to account through regular performance reviews which take account of training or development needs	<ul style="list-style-type: none"> <li>• Training and development plan</li> <li>• Staff development plans linked to appraisals</li> <li>• Implementing appropriate human resource policies and ensuring that they are working effectively</li> </ul>
E2.8	<b>Developing the capability of the entity's leadership and other individuals</b>	Holding staff to account through regular performance reviews which take account of training or development needs	<ul style="list-style-type: none"> <li>• Human resource policies</li> </ul>

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

*Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.*

*A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.*

*It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
F1.1	<b>Managing risk</b>	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	<ul style="list-style-type: none"> <li>• Risk management protocol</li> </ul>
F1.2	<b>Managing risk</b>	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	<ul style="list-style-type: none"> <li>• Risk management strategy/ policy formally approved, adopted, reviewed and updated on a regular basis</li> </ul>
F1.3	<b>Managing risk</b>	Ensuring that responsibilities for	<ul style="list-style-type: none"> <li>• Risk management protocol</li> </ul>

		managing individual risks are clearly allocated	
F2.1	<b>Managing performance</b>	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review	<ul style="list-style-type: none"> <li>• Performance map showing all key activities have performance measures</li> <li>• Benchmarking information</li> <li>• Cost performance (using inputs and outputs)</li> <li>• Calendar of dates for submitting, publishing and distributing timely reports that are adhered</li> </ul>
F2.2	<b>Managing performance</b>	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	<ul style="list-style-type: none"> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Publication of agendas and minutes of meetings</li> <li>• Agreement on the information that will be needed and timescales</li> </ul>
F2.3	<b>Managing performance</b>	Ensuring an effective scrutiny or oversight function is in place which encourages 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	<ul style="list-style-type: none"> <li>• The role and responsibility for scrutiny has been established and is clear</li> <li>• Agenda and minutes of scrutiny meetings</li> <li>• Evidence of improvements as a result of scrutiny</li> <li>• Terms of reference</li> <li>• Training for members</li> <li>• Membership</li> </ul>

		system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	
F2.4	<b>Managing performance</b>	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	<ul style="list-style-type: none"> <li>• Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</li> </ul>
F2.5	<b>Managing performance</b>	Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (eg financial statements )	<ul style="list-style-type: none"> <li>• Financial standards, guidance</li> <li>• Financial regulations and standing orders</li> </ul>
F3.1	<b>Robust internal control</b>	Aligning the risk management strategy and policies on internal control with achieving objectives	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Audit plan</li> <li>• Audit reports</li> </ul>
F3.2	<b>Robust internal control</b>	Evaluating and monitoring risk management and internal control on a regular basis	<ul style="list-style-type: none"> <li>• Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis</li> </ul>
F3.3	<b>Robust internal control</b>	Ensuring effective counter fraud and anti-corruption arrangements are in place	<ul style="list-style-type: none"> <li>• Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</li> </ul>
F3.4	<b>Robust internal control</b>	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	<ul style="list-style-type: none"> <li>• Annual governance statement</li> <li>• Effective internal audit service is resourced and maintained</li> </ul>

F3.5	<b>Robust internal control</b>	<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> <li>- provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>- that its recommendations are listened to and acted upon</li> </ul>	<ul style="list-style-type: none"> <li>• Audit committee complies with best practice – see Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)</li> <li>• Terms of reference</li> <li>• Membership</li> <li>• Training</li> </ul>
F4.1	<b>Managing data</b>	<p>Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</p>	<ul style="list-style-type: none"> <li>• Data management framework and procedures</li> <li>• Designated data protection officer</li> <li>• Data protection policies and procedures</li> </ul>
F4.2	<b>Managing data</b>	<p>Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies</p>	<ul style="list-style-type: none"> <li>• Data sharing agreement</li> <li>• Data sharing register</li> <li>• Data processing agreements</li> </ul>
F4.3	<b>Managing data</b>	<p>Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</p>	<ul style="list-style-type: none"> <li>• Data quality procedures and reports</li> <li>• Data validation procedures</li> </ul>
F5.1	<b>Strong public financial management</b>	<p>Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance</p>	<ul style="list-style-type: none"> <li>• Financial management supports the delivery of services and transformational change as well as securing good stewardship</li> </ul>

F5.2	<b>Strong public financial management</b>	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	<ul style="list-style-type: none"><li>• Budget monitoring reports</li></ul>

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

*Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.*

Ref	Sub Principles	Behaviours and actions that demonstrate good governance in practice	Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
G1.1	<b>Implementing good practice in transparency</b>	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	<ul style="list-style-type: none"> <li>• Website</li> </ul>
G1.2	<b>Implementing good practice in transparency</b>	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	<ul style="list-style-type: none"> <li>• Annual report</li> </ul>
G2.1	<b>Implementing good practices in reporting</b>	Reporting at least annually on performance, value for money and the stewardship of its resources	<ul style="list-style-type: none"> <li>• Formal annual report which includes key points raised by external scrutineers and service users' feedback on service</li> </ul>

			<p>delivery</p> <ul style="list-style-type: none"> <li>• Annual financial statements</li> </ul>
G2.2	<b>Implementing good practices in reporting</b>	Ensuring members and senior management own the results	<ul style="list-style-type: none"> <li>• Appropriate approvals</li> </ul>
G2.3	<b>Implementing good practices in reporting</b>	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	<ul style="list-style-type: none"> <li>• Annual governance statement</li> </ul>
G2.4	<b>Implementing good practices in reporting</b>	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	<ul style="list-style-type: none"> <li>• Annual governance statement</li> </ul>
G2.5	<b>Implementing good practices in reporting</b>	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	<ul style="list-style-type: none"> <li>• Format follows best practice</li> </ul>
G3.1	<b>Assurance and effective accountability</b>	Ensuring that recommendations for corrective action made by external audit are acted upon	<ul style="list-style-type: none"> <li>• Recommendations have informed positive improvement</li> </ul>
G3.2	<b>Assurance and effective accountability</b>	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are	<ul style="list-style-type: none"> <li>• Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010)</li> <li>• Compliance with Public Sector</li> </ul>

		acted upon	Internal Audit Standards
G3.3	<b>Assurance and effective accountability</b>	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	<ul style="list-style-type: none"> <li>• Recommendations have informed positive improvement</li> </ul>
G3.4	<b>Assurance and effective accountability</b>	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	<ul style="list-style-type: none"> <li>• Annual governance statement</li> </ul>
G3.5	<b>Assurance and effective accountability</b>	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	<ul style="list-style-type: none"> <li>• Community strategy</li> </ul>