

## **Audit Committee – 14 April 2008**

### **Annual Governance Statement and the Draft Local Code of Governance**

#### **Summary of report**

This report highlights a change in statutory requirement in relation to the need to produce and publish a Statement of Internal Control (SIC). The SIC has now been replaced with an Annual Governance Statement (AGS), which is required to be published with the annual Statement of Accounts.

In addition, the report provides a draft copy of a Code of Local Governance for Walsall for comment/review that will assist and support the production of the AGS for 2007/8 and beyond.

#### **Recommendations**

1. To note that the Statement of Internal Control has been replaced by the requirement for an Annual Governance Statement (AGS) to be published with the annual Statement of Accounts.
2. To note, comment on and endorse the attached draft Local Code of Governance (subject to minor final amendment), that will be utilised to assist in the assurance gathering process for the AGS.
3. Delegate authority to the CFO to make final minor amendments to the Local Code and disseminate throughout the organisation, ensuring corporate buy-in and ownership of the Code.
4. To note that the AGS will be produced and presented to Audit Committee at their meeting in June prior to consideration and approval of the annual Statement of Accounts.
5. Consider the need for further training/briefings on the AGS requirement and the timing of this.



**James T Walsh – Chief Finance officer**

**8 April 2008**

#### **Governance**

Audit Committee's responsibility includes contributing to and overseeing the Council's governance arrangements, including ensuring an effective internal control environment is maintained and ensuring the council meets its statutory requirements, as stipulated within the Accounts and Audit Regulations 2006, as follows:

- The relevant body shall be responsible for ensuring that the body has a sound system of internal control which facilitates the effective exercise of the body's functions and which includes arrangements for the management of risk.
- The organisation is required to review the effectiveness of the system of internal control and to review the effectiveness of its system of internal audit. The 2006 regulations added the requirement for the findings of the effectiveness reviews to be considered by a committee or relevant body, or by the members of the body

meeting as a whole. This function is undertaken by the Audit Committee. The organisation shall include a statement on internal control with any financial statements the body is required to publish. The outcome of the review will be set out in the Annual Governance Statement (AGS), which subsumes the Statement of Internal Control for the year ending 31.3.08. The AGS is signed by the Leader of the Council and the Chief Executive indicating that they are satisfied that there are robust arrangements in place for the management of internal control.

The purpose of the AGS/SIC is to provide and demonstrate that there is a continuous review of the effectiveness of an organisation's internal control and risk management systems, so as to give assurance on their effectiveness and/or to produce a management action plan to address identified weaknesses in either process.

The review of the effectiveness of the system of internal control, as previously, and the production of the AGS will be undertaken by a working group, the findings of which will be reported to Audit Committee for their consideration and approval in June 2008, prior to the Committee receiving, reviewing and approving the annual Statement of Accounts in late June. This is in accordance with recognised practice.

CIPFA have advised that for those organisations who have already considered and compiled their SIC as a corporate document (Walsall follows this advice as set out in CIPFA's original guidance), the transition to an annual governance statement should not be a great one.

The preparation and assurance gathering process for the AGS is similar for that of the SIC. The key addition is the extent to which the organisation applies the six CIPFA/SOLACE core principles contained in the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework.

This new governance framework is an interrelated system that brings together an underlying set of legislative requirements, governance principles and management processes. The framework is intended to support Council's in demonstrating good governance. The framework itself is not a statutory requirement, but rather a discretionary code offered to organisations as good practice. The framework outlines six core principles of good governance focusing on the systems and processes for the direction and control of the organisation and its activities through which it accounts to, engages with and leads the community.

The 6 core principles of good governance are:

- 1) Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.
- 2) Members and officers working together to achieve a common purpose with clearly defined functions and roles.
- 3) Promoting the values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
- 4) Taking informed and transparent decisions, which are subject to effective scrutiny and managing risk.
- 5) Developing the capacity and capability of Members to be effective
- 6) Engaging with local people and other stakeholders to ensure robust public accountability.

In addition, the Framework urges local authorities to test themselves against these principles by:

- Reviewing their existing governance arrangements against the Framework.
- Developing and maintaining an up-to-date local code of governance including arrangements for ensuring its ongoing application and effectiveness.
- Preparing an AGS in order to report on the extent to which they comply with the code on an annual basis, including how they have monitored the effectiveness of their governance arrangements in the year, and any planned changes for the coming period.

A draft Local Code of Governance has been produced to identify and bring together the arrangements in place to support and demonstrate good governance. In practice, this brings together existing strategies, policies, procedures and documents into one key document. This is attached for comment and review. Existing arrangements and their effectiveness will be further reviewed by the officer group and reported to Audit Committee in June, along with the AGS for 2007/8. The degree to which the authority follows the core principles set out in the framework will be assessed and declared in the AGS. This will also identify any weaknesses and corrective action required and will include an update on the weaknesses highlighted in the previous years SIC and the extent to which corrective action has been successful.

### **Resource and legal considerations**

There are no direct resource implications relating to this report. However the statutory requirements are detailed in the governance section above.

### **Performance management and risk management issues**

Comprehensive, embedded and effective performance and risk management arrangements are fundamental to demonstrating good governance. The council's arrangements in this respect have been identified as robust. In addition, the council has scored 4 (the highest score possible) for its risk management arrangements in both 2006 and 2007 in its Use of Resources judgement.

### **Equality implications**

None arising directly from this report.

### **Consultation**

This report and the local code has been prepared in consultation with the Chief Finance Officer, Chief Internal Auditor, Monitoring Officer and other officers.

### **Background papers**

Delivering Good Governance in Local Government: CIPFA/SOLACE.

The Annual Governance Statement: Rough Guide: CIPFA.

Accounts and Audit Regulations, Amended 2006 and relevant legislation and circulars.

**Author:** Vicky Buckley – Head of Corporate Finance, ☎ 01922 652349,

✉ [buckleyv@walsall.gov.uk](mailto:buckleyv@walsall.gov.uk)

# CODE OF GOVERNANCE (DRAFT)

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## 1. INTRODUCTION

Corporate governance is the system by which local authorities direct and control their functions and relate to their communities. There are fundamental principles which underpin corporate governance, and these principles are detailed below:

- (i) **Openness** is a prerequisite if stakeholders are to have confidence in the decision-making and management processes of the Council. Stakeholders include the electorate, local businesses, service users, other public bodies, resource providers, employees, voluntary organisations and the wider community. Openness should be demonstrated through consultation and the provision of access to full, accurate and clear information.
- (ii) An **inclusive** approach is needed, which seeks to ensure that all stakeholders and potential stakeholders have the opportunity to engage effectively in the decision-making processes and the actions of the Council.
- (iii) **Integrity** is essential in all aspects of local governance. In the stewardship of public funds and management of the Council's affairs, Councillors and Council workers must demonstrate honesty, selflessness, objectivity and high standards of propriety and probity. This must be reflected in decision making procedures, service delivery and the quality of financial and performance reporting.
- (iv) **Accountability** is the process whereby the Council, Councillors and Council workers are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance, and submit themselves to appropriate external scrutiny.

The Council is committed to these principles and this Code is a public statement of that commitment.

The Code also and sets out how the commitment will be reflected in all areas of the Council's business.

- 1.1 Walsall Council believes that it is responsible for ensuring that its business is conducted to the highest ethical and legal standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability Members and officers are responsible for putting in place proper arrangements for the governance of Walsall Council's affairs and the stewardship of the resources at its disposal.
- 1.2 Governance goes beyond the systems and processes we have in place to include our culture our values, it is at the heart of how we manage our business and through which we account to, engage with and where appropriate lead our communities.

1.3 To this end Walsall Council has approved and adopted this Code of Corporate Governance which is consistent with the principles and requirements of the CIPFA/SOLACE framework for *“Delivering Good Governance in Local Government”*.

1.4 Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.

1.5 The six key principles of good governance are:

- (i) Focusing on the purpose of Walsall Council and on outcomes for the community creating and implementing a vision for the local area.

What this means is that Walsall Council will be clear about our purpose, be clear about our intended outcomes for our citizens our service users, and we will operate in an effective, efficient, economic and ethical manner. We will communicate this both within our organisation and to external stakeholders.

- (ii) Members and officers working together to achieve a common purpose with clearly defined functions and roles.

What this means is that Walsall Council will be clear that the full Council has the overall responsibility for directing and controlling our organisation.

- (iii) Promoting values for Walsall Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

What this means is that Walsall Council believes good governance goes beyond mere compliance to a set of rules and requirements. It flows from the ethos of good governance which demands the development of shared values that are the basis by which the organisation, from the governing body to all members of staff, behaves.

- (iv) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

What this means is that Walsall Council's decisions will be taken on the basis of being appropriate and proportional, that further our purpose and strategic direction, and that will be robust in the medium and longer terms. Members will be well informed, and supported by appropriate systems to ensure that their decisions are implemented, and that resources are used in a legal and efficient way. We will have an effective risk management system which identifies and assess risk, decides on appropriate responses and then monitors and reports on the effectiveness of those responses.

- (v) Developing the capacity and capability of Members to be effective.

What this means is that Walsall Council will ensure that the governing body has the right skills to direct and control the organisation. We will draw upon the largest pool of potential members who have the necessary breadth of skills and experience, taken from all social, economic, ethnic, age, gender, and other groups. We will provide an effective training and development programme for members, including induction for new members.

- (vi) Engaging with local people and other stakeholders to ensure robust public accountability.

What this means is that Walsall Council will hold itself accountable to its local area, and will give clear leadership in building sustainable communities. It will account to its communities for the decisions that it takes being clear as to the rationale behind those decisions. The council will publish its financial statements and produce an annual report and corporate plan.

- 1.6 This Code applies to all officers and Members in the discharge of their duties. It is the expectation that all partners contractors and suppliers will subscribe to our code.
- 1.7 The Code is supported by the policies, systems, procedures and structures that determine and control the way in which the Council manages its affairs. Those which are key to demonstrating the 6 core principles of corporate governance are detailed in the appendix.

## **2 PRINCIPLES OF GOOD CORPORATE GOVERNANCE**

Walsall Council supports and will apply the six core principles of good corporate governance, and their related supporting principles, as follows:

### **Core Principle 1**

**Focussing on the purpose of Walsall Council and on outcomes for the community and creating and implementing a vision for the local area**

#### **Supporting principles**

- (i) exercising strategic leadership by developing and clearly communicating Walsall Council's purpose and vision and its intended outcome for citizens and service users;
- (ii) ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning;
- (iii) ensuring that Walsall Council makes best use of resources and that tax payers and service users receive excellent value for money.

#### **Walsall Council will:**

- (i) develop and promote Walsall Council's purpose and vision;
- (ii) review on a regular basis Walsall Council's vision for the local area and its implications for Walsall Council's governance arrangements;
- (iii) ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners;
- (iv) publish an annual report on a timely basis to communicate Walsall Council's activities and achievements, its financial position and performance;
- (v) 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;
- (vi) put in place effective arrangements to identify and deal with failure in service delivery;
- (vii) decide how value for money is to be measured and make sure that Walsall Council or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies plans and decisions.

## **Core Principle 2**

### **Members and officers working together to achieve a common purpose with clearly defined functions and roles**

#### **Supporting principles**

- (i) ensuring effective leadership throughout Walsall Council and being clear about executive and non executive functions and of the roles and responsibilities of the scrutiny function;
- (ii) ensuring that a constructive working relationship exists between Members and officers and that the responsibilities of Members and officers are carried out to a high standard;
- (iii) ensuring relationships between Walsall Council, its partners and the public are clear so that each knows what to expect of the other.

#### **Walsall Council will:**

- (i) set out a clear statement of the respective roles and responsibilities of the Executive and of the Executive's Members individually and Walsall Council's approach towards putting this into practice;
- (ii) set out a clear statement of the respective roles and responsibilities of other Members, Members generally and of senior officers;
- (iii) determine a scheme of delegation and reserve powers within the Constitution, including a formal schedule of those matters specifically reserved for collective decision of Walsall Council taking account of relevant legislation and ensure that it is monitored and updated when required;
- (iv) make the Chief Executive responsible and accountable to Walsall Council for all aspects of operational management;
- (v) develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained;
- (vi) make a senior officer (the section 151 officer) responsible to Walsall Council for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control;
- (vii) make a senior officer (usually the monitoring officer) responsible to Walsall Council for ensuring that agreed procedures are followed and that all applicable statutes, regulations are complied with;
- (viii) develop protocols to ensure effective communication between members and officers in their respective roles;



- (ix) 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;
- (x) ensure that effective mechanisms exist to monitor service delivery;
- (xi) ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated;
- (xii) 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 Walsall Council;
- (xiii) when working in partnership:
  - (a) ensure that there is clarity about the legal status of the partnership;
  - (b) 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.

### **Core Principle 3**

#### **Promoting values for Walsall Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

##### **Supporting Principles**

- (i) ensuring Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance;
- (ii) ensuring that organisational values are put into practice and are effective.

##### **Walsall Council will:**

- (i) ensure that Walsall Council's leadership sets a tone for the organisation by creating a climate of openness, support and respect;
- (ii) ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between Walsall Council, its partners and the community are defined and communicated through codes of conduct and protocols;
- (iii) put in place arrangements to ensure that Members and employees of Walsall Council 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;

- (iv) 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;
- (v) put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice;
- (vi) develop and maintain an effective Standards Committee;
- (vii) use the Council's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within Walsall Council;
- (viii) 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.

## **Core Principle 4**

### **Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

#### **Supporting principles**

- (i) being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny;
- (ii) having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs;
- (iii) ensuring that an effective risk management system is in place;
- (iv) using their legal powers to the full benefit of the citizens and communities in their area.

#### **Walsall Council will:**

- (i) develop and maintain an effective scrutiny function which encourages constructive challenge and enhances Walsall Council's performance overall and that of any organisation for which it is responsible;
- (ii) develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based;
- (iii) 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;

- (iv) develop and maintain an effective Audit Committee which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee;
- (v) Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints;
- (vi) ensure that those making decisions whether for Walsall Council or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications;
- (vii) 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;
- (viii) ensure that risk management is embedded into the culture of Walsall Council, with Members and managers at all levels recognising that risk management is part of their jobs;
- (ix) ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those contracting with or appointed by Walsall Council have access;
- (x) actively recognise the limits of lawful activity placed on them by, for example the ultra vires doctrine but also strive to utilise their powers to the full benefit of their communities;
- (xi) 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;
- (xii) 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.

## **Core Principle 5**

### **Developing the capacity and capability of Members and officers to be effective**

#### **Supporting principles**

- (i) making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles;
- (ii) developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group;
- (iii) encouraging new talent for membership of Walsall Council so that best use can be made of individual's skills and resources in balancing continuity and renewal.

**Walsall Council will:**

- (i) provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis;
- (ii) 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 Walsall Council;
- (iii) assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively;
- (iv) 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;
- (v) ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan which might for, example, aim to address any training or development needs;
- (vi) ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of Walsall Council;
- (viii) ensure that career structures are in place for members and officers to encourage participation and development.

**Core Principle 6****Engaging with local people and other stakeholders to ensure robust local public accountability****Supporting principle**

- (i) exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders including partnerships, and develops constructive accountability relationships;
- (ii) taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by Walsall Council, in partnership or by commissioning;
- (iii) making best use of human resources by taking an active and planned approach to meet responsibility to staff.

**Walsall Council will:**

- (i) make clear to themselves, all staff and the community to whom they are accountable and for what;

- (ii) consider those institutional stakeholders to whom Walsall Council is accountable and assess the effectiveness of the relationships and any changes required;
- (iii) produce an annual report on the activity of the scrutiny function;
- (iv) ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively;
- (v) hold meetings in public unless there are good reasons for confidentiality;
- (vi) ensure that arrangements are in place to enable Walsall Council 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;
- (vii) establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users about including a feedback mechanism for those consultees to demonstrate what has changed as a result;
- (viii) on an annual basis, publish a performance plan giving information on Walsall Council'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;
- (ix) ensure that Walsall Council 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 develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.

### **3. ANNUAL REVIEW AND REPORTING**

3.1 Walsall Council will undertake regular, at least annual, reviews of its governance arrangements to ensure continuing compliance with best practice as set out in the CIPFA/SOLACE Framework and it recognises the importance of ensuring that such reviews are reported on both within Walsall Council, to the Audit Committee and externally with the published accounts, to provide assurance that:

- (i) corporate governance arrangements are adequate and operating effectively in practice; or
- (ii) where reviews of the corporate governance arrangements have revealed gaps, action is planned that will ensure effective governance in future.

3.2 Walsall Council will prepare an Annual Governance Statement and in so doing recognises that the process of preparing the Annual Governance Statement should itself add value to Walsall Council's corporate governance and internal control framework. It will be submitted to the Audit Committee for consideration.

3.3 The Annual Governance Statement will include the following information:

- (i) an acknowledgement of responsibility for ensuring there is a sound system of governance, including in particular the system of internal control;
- (ii) an indication of the level of assurance that the systems and processes that comprise Walsall Council's governance arrangements can provide;
- (iii) a brief description of the key elements of the governance arrangements;
- (iv) a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of: Walsall Council; the Executive; the Audit Committee; the overview and scrutiny function; the Standards Committee; internal audit and other explicit review/assurance mechanisms including risk management arrangements;
- (vii) an outline of the actions taken, or proposed, to deal with significant governance and internal control issues.

3.4 Walsall Council recognises that the Annual Governance Statement should cover all significant corporate systems, processes and controls, spanning the whole range of Walsall Council's activities, including in particular those designed to ensure:

- (i) Walsall Council's policies are implementing in practice;
- (ii) high quality services are delivered efficiently and effectively;
- (iii) Walsall Council's values and ethical standards are met;

- (iv) laws and regulations are complied with;
  - (v) required processes are adhered to;
  - (vi) financial statements and other published performance information are accurate and reliable;
  - (vii) human, financial, environmental and other resources are managed efficiently and effectively.
- 3.5 It will therefore cover performance issues – good governance promotes good service but poor service performance reflects a failure of governance.
- 3.6 It is accepted that approval and ownership of the Annual Governance Statement should be at a corporate level and should be confirmed by the Chief Executive and Leader signing the statement on behalf of Walsall Council.
- 3.7 In reviewing and approving the Annual Governance Statement, members will be provided with assurances on the effectiveness of the governance framework, and in particular the system of internal control, and how these address the key risks faced by Walsall Council. Those assurances will be available from a wide range of sources, including internal and external audit, a range of external inspectorates and managers from across Walsall Council. Management will provide the primary source of assurance. However, an effective internal audit function will also be a significant source of assurance.
- 3.8 Walsall Council will strive to establish an assurance framework, embedded into its business processes, that maps strategic objectives to risks, controls and assurances. Such a framework will provide Members with assurances to support the Annual Governance Statement on a structured basis, and will help Members to identify whether all strategic objectives and significant business risks are being addressed.

## **4. RESPONSIBILITIES**

### **4.1 The Chief Executive and the Leader** will be responsible for:

championing and role modelling good governance, in the spirit of this Code.

### **4.2 The Director of Governance/Monitoring Officer** will be responsible for:

- (i) overseeing the implementation and monitoring of the Code;
- (ii) reviewing the operation of the Code;
- (iii) reporting annually to the Audit Committee on compliance with the Code and any changes that may be necessary to maintain it and ensure its effectiveness in practice.
- (iv) preparing an annual Monitoring Officer's Report, which will also form part of the assurance required to be demonstrated in the Annual Governance Statement.

### **4.3 The Chief finance Officer & the Monitoring officer** will be responsible for:

- (i) reviewing the Code annually, to provide assurance on the adequacy and effectiveness of the Code and the extent of compliance with it. Details of the extent to which Walsall Council is complying with the Code will be included within the annual Statement of Accounts through the Annual Governance Statement;
- (ii) co-ordinating, throughout the year, the Council's internal control assurances, including reporting regularly to the Audit Committee, and culminating in the Annual Governance Statement;
- (iii) co-ordinating the production of an Annual Governance Statement which will represent the overall levels of assurance within the Council on behalf of all Members and officers.

### **4.4 The Chief Internal Auditor** will be responsible for:

- (i) reporting annually to the Audit Committee on audit activities during the year, with particular emphasis on the systems of internal control and the arrangements for corporate governance, providing some of the assurance required in the Annual Governance Statement.

### **4.5 The Head of Corporate Finance** will be responsible for:

- (i) preparing an annual section 151 Officer's Report, which will also form part of the assurance required to be demonstrated in the Annual Governance Statement.



## Appendix

The Code is supported by the policies, systems, procedures and structures that determine and control the way in which the Council manages its affairs. Those which are key to demonstrating the 6 core principles of Corporate Governance are detailed below.

Document Activity	Purpose & Outcomes	Members & Officers	Values Conduct Behaviour	Decision Making	Member Capacity Capability	Engagement Accountability
Constitution	•	•	•	•		•
Corporate Consultation Strategy						
Corporate Improvement Plan						
Sustainable Community Strategy	•			•		•
Partnership Frameworks	•			•		•
Corporate Equalities Plan			•			•
Local Strategic Partnership	•			•		•
Annual Report and Accounts	•			•		•
Annual Audit and Inspection Letter	•	•	•	•	•	•
Inspectorate reports	•	•	•	•	•	•
Member Code of Conduct		•	•	•	•	
Officer Code of Conduct		•	•	•		
Equal Opportunities Policy	•		•	•		•
Race Equality Statement	•		•	•		•
Member Training / Induction Programme		•	•	•	•	
Performance Management Framework	•	•	•	•	•	•
Budget Framework	•			•		•
Medium Term Financial Plan	•			•		
Partnership Agreements and Accountable Body Protocol	•			•		•
Best Value Review Outcomes	•			•		•
External Audit Reports	•	•	•	•	•	•
Members' Allowance Scheme						
Job Descriptions and Person Specifications	•	•	•	•		
Section 151/ Statutory Responsibilities of Monitoring Officer	•	•	•	•	•	•

Chief Officer/Heads of Service - Performance Agreements	•	•	•	•		•
<b>Document Activity</b>	<b>Purpose &amp; Outcomes</b>	<b>Members &amp; Officers</b>	<b>Values Conduct Behaviour</b>	<b>Decision Making</b>	<b>Member Capacity Capability</b>	<b>Engagement Accountability</b>
Performance Review and Appraisals	•	•	•	•		•
Schedule of Council Meetings				•		
Councillors Training Programme	•	•	•	•	•	•
Member/Officer Relations Protocol		•				
Contracts Procedure Rules				•		
Financial Procedure Rules				•		
Delegation Scheme				•		
Internal Audit Charter	•			•		
Corporate Risk Management Group and Framework	•			•		
Departmental Training Plans	•		•	•		•
Internal Audit/Audit Commission Liaison	•	•	•	•	•	•
Strategic Risk Profile	•	•	•	•	•	•
Departmental Risk Management Action Plans	•		•	•		•
Internal Audit Planning and Reporting	•	•	•	•	•	•
Audit Commission's Reviews of Internal Audit	•		•	•		
Internal Audit Services' Performance Reports	•		•	•	•	
Standards Committee		•	•		•	
Disclosure/declaration of personal interests, related party transactions			•	•		
Whistleblowing Policy			•			
Anti-Fraud and Corruption Policy			•			
Harassment Policy			•			
Conditions of Services			•			
Monitoring Officer Protocol	•	•	•	•	•	•
Internal Audit Services	•	•	•	•	•	•
Corporate Complaints Procedure			•			•
Comprehensive Performance Assessment	•	•	•	•	•	•
IIP Accreditation/Appraisal/Training	•		•	•		•

Health and Safety Policy	•		•	•		•
Communication Strategy	•		•	•		•