

Appendix A

The table below demonstrates how Warwick District Council meets the principles of good corporate governance set out in *Delivering Good Governance in Local Government: Framework* (CIPFA/Solace, 2016).

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
<p>A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law.</p> <p><i>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</i></p>	A1. Behaving with integrity	<ul style="list-style-type: none"> • The Council's leadership sets a tone for the organisation by creating a climate of openness, support and respect. • A Code of Conduct for Members to ensure that high standards of conduct are maintained. • A Constitution that has procedures dealing with breaches of the Members' Code of Conduct. • An Employee Code of Conduct that confirms standards of behaviour and conduct the Council expects of its employees. Reference is made to the Code on the Induction Checklist. • Members' Declaration of Interests is a standing item on all agendas. • A Whistleblowing Policy and Procedure to protect individuals who draw attention to factors which appear to compromise the Council's integrity. • Regular review of policies and processes to ensure that they are operating effectively. • An employee appraisal system that sets out not only the competencies that are required but also the values and behaviours that are expected. • Willing to call in expert outside advice on difficult issues
	A2. Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> • A Constitution setting out delegations of the executive, committees and senior officers, and the decision-making process to be applied. It also emphasises that the Council will act within the law. • Terms of Reference for all committees. • Ethical standards incorporated in contracts with companies that provide services on the Council's behalf. • Assurance from an internal audit of organisational culture.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
	A3. Respecting the rule of law	<ul style="list-style-type: none"> • The Constitution identifies one of the Deputy Chief Executives as the Council's Monitoring Officer and sets out the role of the Monitoring Officer. • Deputy Monitoring Officer in place demonstrating commitment to responsibilities. • Members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations. • A Constitution that creates the conditions to allow statutory officers, other key post holders, as well as members, to fulfil their responsibilities in accordance with legislative and regulatory requirements. • Procedures to deal effectively with breaches of legal and regulatory provisions. • Robust audit and counter fraud procedures to ensure corruption and misuse of power are dealt with effectively. • The Council is in a shared service arrangement with Warwickshire County Council for the provision of Legal services. WCC Legal services have XXX accreditation.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
<p>B. Ensuring openness and comprehensive stakeholder engagement</p> <p><i>Local government is run for the public good; organisations should therefore 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.</i></p> <p><i>NB: institutional stakeholders are the other organisations that local government needs to work with to improve services and outcomes (such as commercial partners and suppliers as well as other public or third sector organisations) or organisations to which they are accountable.</i></p>	<p>B1. Openness</p>	<ul style="list-style-type: none"> • An embedded culture of transparency, openness and honesty. • Adoption of a Publication Scheme that describes the kinds of information available and provides guidance about how to access personal information and submit a Freedom of Information request. • Adoption of a standard reporting format in relation to committee reports that ensures all relevant information is provided to enable transparent decision-making. • Agendas, reports and minutes are published on the Council's website. Meetings are open to the public unless in the case of exempt items. • Dates for submitting, publishing and distributing timely reports are set and adhered to. • The Fit For the Future Strategy sets out priorities and strategic direction for the Council. • Decisions are in most cases made openly about actions, plans, resource use, forecasts, outputs and outcomes. Where that cannot be achieved, justification for maintaining confidentiality is provided. • Clear reasoning and evidence for decisions set out in public records. • Formal and informal consultation and engagement is applied to determine the most appropriate and effective interventions or courses of action. • The Council publishes documents and information in line with the Local Government Transparency Code.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
	B2. Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> • A Communications Strategy which sets out the plan for improving communications across the Council with employees, partners, residents and other stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully. • The Council undertakes regular surveys with residents and service users. • The Council is committed to considering and acting upon feedback from citizens and service users and maintains an effective complaints procedure so that it can identify where improvements in service delivery are needed and learn effectively from the complaints it has received. (The Council does not have a compliments procedure but inclusion of one is due to be examined in 2018/19 as part of the review of the complaints procedure.) • Formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively. • Ensuring that partnerships are based on trust and a shared commitment to change. • A culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit. • The Senior Management Team are members of various strategic groups.

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	B3. Engaging with individual citizens and service users effectively	<ul style="list-style-type: none"> • Although the Council doesn't currently have a Consultation & Engagement strategy setting out how the Council will consult with or involve communities, individual citizens, service users and other stakeholders, this will form part of the new Communications Strategy to be launched in 2018/19. • Effective communication methods to ensure that members and officers are clear about their roles with regard to community engagement. • Collection and evaluation of the views and experiences of communities, citizens, service users and organisations of different backgrounds. • Feedback from more active stakeholder groups is balanced with other stakeholder groups to ensure inclusivity. • Account is taken of the impact of decisions on future generations of tax payers and service users.
<p>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</p> <p><i>The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation's purpose, contribute to intended benefits and outcomes, and remain</i></p>	C1. Defining outcomes	<ul style="list-style-type: none"> • The Fit For the Future provides an agreed formal statement and a clear vision of the organisation's purpose and intended outcomes including appropriate performance indicators. • Service plans that set out the priority actions to deliver the Council's overall objectives. • Executive reports describe what outcome a particular decision is seeking to achieve. • Risks are identified and managed to assist in the achievement of outcomes. • Service Management Team receives performance management reports at quarterly intervals.

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<i>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.</i>	C2. Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> • The combined economic, social and environmental impact of policies and plans are considered and balanced when taking decisions about service provision. • A longer-term view is taken 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. • Conflicting interests between economic, social and environmental benefits, is managed through consultation where possible, in order to ensure appropriate trade-offs. • An Equality & Diversity Policy is in place to provide fair access to services.
D. Determining the interventions necessary to optimise the achievement of the intended outcomes <i>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.</i>	D1. Determining interventions	<ul style="list-style-type: none"> • Decision-makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks, thus ensuring best value is achieved however services are provided. • Senior officers work closely with the administration to deliver its policy and service objectives. • Ongoing monitoring of interventions takes place to ensure that the delivery of outcomes is on track.
	D2. Planning interventions	<ul style="list-style-type: none"> • Planning and control cycles that cover strategic and operational plans, priorities and targets. • Considering and monitoring risks facing each partner when working collaboratively, including shared risks. • Flexible and agile arrangements so as to deliver goods and services in changing circumstances. • Performance indicators and milestones are identified within service and project plans in order to assess the progress of services and projects. • Budgets are prepared in accordance with objectives, strategies and the medium term financial strategy. • Medium and long term resource planning is informed by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy. • Feasibility studies and options appraisals are undertaken to determine the approach to interventions.

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	D3. Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • The annual budget is prepared in line with agreed priorities and the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints. • The Council publishes its Financial Strategy annually to set an indicative five-year financial plan to fit the longer term strategic vision as well as a detailed one-year budget. This is intended to include realistic estimates of revenue and capital expenditure for both the General Fund and the Housing Revenue Account. • The budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term, both revenue and capital, and how it will be funded. • 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. • Service planning and commissioning ensures the achievement of 'social value'. • Budget monitoring and review is undertaken on an ongoing basis.
<p>E. Developing the entity's capacity, including the capability of its leadership and the individuals within it</p> <p><i>Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government</i></p>	E1. Developing the entity's capacity	<ul style="list-style-type: none"> • A clear vision and direction is underpinned by capable leadership and focused talent management. • An effective workforce strategy enhances the strategic allocation of resources. • Through the Asset Management Plan the Council reviews the use of its assets on a regular basis to ensure their continuing effectiveness. • Benchmarking and other techniques are used to improve resource use so that defined outcomes are achieved effectively and efficiently. • The Council actively promotes and recognises the benefits of partnerships and collaborative working where added value can be achieved.

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<p><i>organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.</i></p>	<p>E2. Developing the capability of the entity's leadership and other individuals</p>	<ul style="list-style-type: none"> • The Constitution includes a protocol on Member relations to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained. • A statement is published that specifies the types of decisions that are delegated and those reserved for the collective decision-making of the governing body. • The leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority. • A Scheme of Delegation is reviewed and updated annually on an ongoing basis in light of legal and organisational changes. • The Constitution sets out financial management arrangements through the Codes of Financial Practice and Procurement Practice. • Mandatory induction programmes are in place for all new employees. • An Apprenticeship Programme offers training, skills and experience in Local Government. • A Development Programme develops the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: <ul style="list-style-type: none"> ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged; ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis; ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external; Ensuring that there are structures in place to encourage public participation; Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections; Holding staff to account through regular performance reviews which take account of training or development needs; Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
<p>F. Managing risks and performance through robust internal control and strong public financial management</p> <p><i>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.</i></p> <p><i>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.</i></p> <p><i>It is also essential that a culture and structure for scrutiny are in place as a key part of decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and</i></p>	F1. Managing risk	<ul style="list-style-type: none"> • Risk management is an integral part of all activities and must be considered in all aspects of decision making. • The Risk Management Policy and Strategy confirms responsibilities for managing risks. • The Senior Management Team reviews and updates its corporate and strategic risk register (known as SBRR) on a quarterly basis. • The Finance & Audit Scrutiny Committee reviews the risk and contract registers and seeks assurances that the registers are up-to-date and that actions to mitigate risks are implemented. • Risk section on report template seeks to ensure that risks are explicitly reported and considered as part of the decision process. • Risk management training provided for Members and Officers, one example being a recent workshop on risk appetite.
	F2. Managing performance	<ul style="list-style-type: none"> • Service delivery including planning, specification, execution and independent post implementation review is monitored. • Decisions are made 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. • Scrutiny Committees have opportunities to challenge and debate policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and encouraging effective and constructive challenge and debate to support balanced and effective decision-making. • Executive reports back to Scrutiny Committee where the Scrutiny recommendations are not accepted, with explanation thereof. • Members and senior management are provided with regular reports on service delivery plans and on progress towards outcome achievement. • Regular Service reports to Overview and Scrutiny Committee on the performance of respective services. • Agendas and minutes of committee meetings are published on the Council's website.

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<p><i>successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.</i></p>	<p>F3. Robust internal control</p>	<ul style="list-style-type: none"> • An effective internal audit service is resourced and maintained. Internal Audit prepares and delivers a risk-based audit plan in line with professional auditing standards that is kept under review to reflect changing priorities and emerging risks. • Codes of Financial Practice and Procurement Practice set out the Council's arrangements and ensure that processes continue to operate consistently. • Risks and their related internal controls are evaluated and monitored on a regular basis. • Effective counter fraud and anti-corruption arrangements are in place. • An annual report is produced by Internal Audit which provides an opinion on the Council's control environment, and a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guide to the role of the Head of Internal Audit. • The Annual Governance Statement (AGS) is produced for approval by the Finance & Audit Scrutiny Committee. • Relevant training is provided to the Finance & Audit Scrutiny Committee members. • There are frameworks in place in relation to child and adult safeguarding. • 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"> A Finance & Audit Scrutiny Committee that is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment. The Finance & Audit Scrutiny Committee recommendations are listened to and acted upon. Where Executive does not accept the Scrutiny recommendations, this is reported back to the Scrutiny Committee.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
	F4. Managing data	<ul style="list-style-type: none"> • Procedures for the secure collection, storage, use and sharing of data, including processes to safeguard personal data are set out in the Council's Data Protection Policy. • The Council's ICT and Information Security Policy provides guidance on the arrangements that must be in place to ensure personal data is kept protected and secure. • Effective information sharing arrangements are in place and operating effectively when sharing data with other bodies in accordance with the Data Protection Act and the Council's Data Protection Policy. • Information Sharing Agreements are reviewed on a regular basis • The quality and accuracy of data used in decision-making and performance monitoring is reviewed and audited regularly.
	F5. Strong public financial management	<ul style="list-style-type: none"> • Other than a very small number of exceptions, the Council's financial management arrangements conform to the CIPFA Statement on the Role of the Chief Financial Officer. The extent of the compliance and the exceptions, together with the mitigations in place, are reported within the Annual Governance Statement. Compliance is reviewed annually. • Financial management supports both long term achievement of outcomes and short-term financial and operational performance. • A Medium Term Financial Strategy is in place and regularly reported to the Executive. • Financial management is integrated at all levels of planning and control, including the management of financial risks. Budget owners are assigned to all items of income expenditure. • Monthly budget and savings reports are produced and reviewed by the Senior Management Team and by the Executive. • A statement of accounts is produced annually that is audited externally, and has received an unqualified opinion for the last X years.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability <i>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.</i>	G1. Implementing good practice in transparency	<ul style="list-style-type: none"> • Agendas, reports and minutes are published on the Council's website. • Reports for the public and other stakeholders are written and communicated in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. • A balance is struck 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. • The Council publishes documents and information in line with the Local Government Transparency Code. • The Council's website is acknowledged as one of the most accessible in the local government sector.
	G2. Implementing good practices in reporting	<ul style="list-style-type: none"> • Reports on performance, value for money and stewardship of resources to stakeholders are compiled at least annually in a timely and understandable way. • Members and senior management own the results reported. • Robust arrangements for assessing the extent to which the principles contained in this Framework have been applied are published, including an action plan for improvement and evidence to demonstrate good governance, namely the Annual Governance Statement). • This Framework is applied to jointly-managed or shared service organisations as appropriate. • 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. • As part of the audit of the Statement of Accounts, the External Auditors produce a Value for Money Conclusion which is reported to members.

Principles	Sub-principles	Behaviour and actions that demonstrate good governance in practice:
	G3. Assurance and effective accountability	<ul style="list-style-type: none"> • The AGS sets out the Council's governance framework and the results of the review of the effectiveness of the Council's arrangements. The AGS includes areas for improvement. • Recommendations for corrective action made by internal audit, external audit and other scrutiny functions are presented to Senior Management Team and to the relevant Council Committees and these bodies ensure that such recommendations are acted upon. • An effective internal audit service with direct access to members is in place, providing assurance on governance arrangements. • The Council actively welcomes peer challenge, reviews and inspections. • Assurance is gained on risks associated with delivering services through third parties. This assurance is evidenced in the AGS. • Partnership arrangements provide clear accountability for actions.