Committee and Date	Item
Audit Committee 23rd June 2016 9:30am	 Public

REVIEW OF SHROPSHIRE COUNCIL'S CODE OF CORPORATE GOVERNANCE 2015/16

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1. Summary

Shropshire Council is committed to the principles of good corporate governance. The attached review of Shropshire Council's Code of Corporate Governance was developed using the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) guidance and identifies how, as a Council, we achieved effective corporate governance in 2015/16.   Compliance with our Governance Code supports the Council's review of the effectiveness of its system of internal controls as required by the Accounts and Audit Regulations 2015 3 and 6(Part 2). This in turn informs the Annual Governance Statement which accompanies the Annual Statement of Accounts, signed by the Leader of the Council and the Head of Paid Service.

From the 1st April 2016 the new CIPFA Framework for Governance takes effect and future assessments will be completed against this.

2. Recommendations

The Committee is asked to consider and approve, with appropriate comment, the Internal Audit conclusion that the Council has strong evidence of compliance with the Code of Corporate Governance. The detailed code, incorporating evidence, is contained in **Appendix A.**

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1   Corporate Governance is part of the overall internal control framework and contributes to the Council's strong governance arrangements.

3.2   The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998 and the Accounts and Audit Regulations 2015.

3.3   There are no environmental consequences of this proposal and consultation has been used to inform the review of the Code of Corporate Governance by seeking assurances and evidence from senior officers as to the effectiveness of internal controls and governance processes.

4. Financial Implications

4.1   There are no financial implications arising from this report.

5. Background

5.1   The Audit Committee's terms of reference include a requirement to review and report on the adequacy of the Council's Corporate Governance arrangements. This report looks at the Corporate Governance arrangements we had in place for last year to enable the Audit Committee to deliver its year end assurance report.

5.2   The Shropshire Council Code of Governance forms part of the Constitution. Internal Audit have completed a review of the code and examined the relevant evidence to assess whether the Council has followed its adopted code of governance.

5.3   The CIPFA/SOLACE guidance entitled "Delivering Good Governance in Local Government – Framework" contains six core principles, each of which is supported by sub-principles to provide a governance framework. The guide identifies best practice for authorities to adopt when establishing their own local Code of Corporate Governance. Shropshire Council's Code of Corporate Governance is entirely based on this and further guidance provided in the CIPFA "Delivering Good Governance in Local Government: Framework Addendum 2012".

5.4   CIPFA and SOLACE have refreshed the guidance in 2016: "Delivering Good Governance" incorporating aspects of the "International Framework: Good Governance in the Public Sector" from the International Federation of Accountants. This new framework is intended to assist authorities individually in reviewing and accounting for their own unique approach to governance. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities. This Framework applies to annual governance statements prepared for the financial year 2016/17 onwards.

5.5   The fundamental principles of Corporate Governance are: Openness and Inclusivity, Integrity and Accountability. These principles are entirely consistent with the Council's values. The six core principles identified in The CIPFA/SOLACE guidance are:

> ➢ Focussing on the purpose of the authority and on outcomes for the community, and creating and implementing a vision for the local area.

> ➢ Members and Officers working together to achieve a common purpose with clearly defined functions and roles.

> ➢ Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

> ➢ Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

> ➢ Developing the capacity and capability of members and officers to be effective.

> ➢ Engaging with local people and other stakeholders to ensure robust public accountability.

5.6 Under each of the six core principles and their sub-principles the audit review of the code shown at **Appendix A** demonstrates how we address and meet these principles in accordance with the best practice identified by CIPFA/SOLACE.

5.7 The Monitoring Officer and Section 151 Officer are responsible for ensuring an annual review of compliance with this Code and Internal Audit independently reviews the governance process. In conducting the review, evidence is collated from prime documents and, following discussions with and statements from key officers, this information is compared to known results of Internal Audit reviews. The assurance is then circulated publically through Audit Committee which allows for further member and officer challenge. The results of this review are included in the Audit Service Manager's annual report and form a part of the overall assurance for the Annual Governance Statement.

5.8 On a practical basis, the Code contains a corporate governance map defining our framework by reference to key processes, procedures and documents which contribute to our aspiration of excellent corporate governance in Shropshire. This is felt to be a very useful way of illustrating how the Council achieves good corporate governance.

6. Conclusion

6.1 The Council's formally adopted Code of Corporate Governance is compliant with CIPFA/SOLACE guidance. The Code was reviewed to determine whether the Council complied with the approved Code of Corporate Governance; the evidence in Appendix A demonstrates strong compliance and no material breaches of the Code were identified.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

CIPFA / SOLACE: Guidance Note – Delivering Good Governance in Local Government – Framework.
CIPFA/SOLACE: Application Note to Delivering Good Governance in Local

Government: a Framework 2010.
CIPFA: Delivering Good Governance in Local Government: Framework Addendum 2012
CIPFA/ SOLACE: Delivering Good Governance in Local Government Framework 2016 edition
CIPFA/ SOLACE: Delivering Good Governance in Local Government Guidance notes for English Authorities 2016 edition

Cabinet Member (Portfolio Holder)
Malcolm Pate, Leader of the Council, and Tim Barker, Chairman of Audit Committee.

Local Member
All Members.

Appendices
Appendix A – Code of Corporate Governance.

SHROPSHIRE COUNCIL

CODE OF CORPORATE GOVERNANCE

Introduction

Shropshire Council is committed to the principles of good corporate governance which are set out in a Code of Corporate Governance based on the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) document entitled "Delivering Good Governance in Local Government – Framework". The Shropshire Code of Corporate Governance forms part of the Constitution and applies to all aspects of the Council's business.

Corporate governance in Shropshire is the systems and processes, culture and values, by which we, the local Council, direct, monitor and control our functions and account to, engage with and, where appropriate, lead our community. Put simply, good governance enables us to do the right things in the right way, for the right people in a timely, inclusive, open and accountable manner.

The Council is dependent on our members and staff delivering excellent corporate governance which requires them to conduct themselves in accordance with the high standards expected by the citizens of Shropshire.

The fundamental principles of corporate governance are openness and inclusivity, integrity and accountability. The CIPFA/SOLACE document identifies six core principles supported by numerous sub principles to the corporate governance framework. Our code includes the documents, systems, processes and actions the Council undertake to fulfil our commitment to, and compliance with, the code.

The Cabinet, in consultation with the Audit Committee is responsible for approving this Code and the Head of Paid Service and Monitoring Officer are responsible for ensuring that it is kept up to date by reviewing it annually.

The Monitoring Officer and Section 151 Officer are responsible for ensuring an annual review of compliance with this Code and Internal Audit will independently audit the process. The results of this review will be included in the Audit Service Manager's annual report and form a part of the overall assurance for the Annual Governance Statement signed by the Leader and the Head of Paid Service.

On a practical basis, the Code contains a corporate governance map at Appendix 1 defining our governance framework by reference to key processes, procedures and documents which contribute to our aspiration of excellent corporate governance in Shropshire.

There is a copy of the Code of Corporate Governance in the Constitution (Pages 100 to 106 Section E). There have been no proposed changes to the format of this from recognised bodies for the 2015/16 financial year. From the 1st April 2016 the new CIPFA Framework for Governance takes effect and future assessments will be completed against this.

<u>Principle1</u> - Focussing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

1.1. **Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users.**

    1.1.1. **Develop and promote the authority's purpose and vision.**

- ➤ The Council has continued to deliver the integrated Business Plan and Financial Strategy 2014-17. This has helped to keep the Council flexible and responsive to emerging local issues and significant national developments such as the Care Act during 2015/16.

- ➤ The revised performance framework that was developed with elected Members during early 2014 has progressed over 2015/16, continuing to use dashboards to provide a visual picture of progress around a number of targeted measures related to the Councils outcomes.

- ➤ Quarterly reporting is presented to Cabinet and Scrutiny committees, sharing progress and exceptions relating to the delivery of the Council's outcomes. The more detailed dashboards are presented to Scrutiny committees to support them to drill down into specific issues and identify lines of enquiry. 2015/16 has seen a focus on the exceptions being highlighted to scrutiny using year on year trends and additional information during presentations and discussion at the Committee.

- ➤ The dashboard developed with Health and Adult Social Care Scrutiny Committee to track and display the impact of the Adult Social Care (ASC) New Operating Model (NOM), is reported on a six month basis alongside Complaints data and other available information e.g. statutory consultation results. This provides a view of the service and the impacts of the NOM from a number of different perspectives, and has enabled Members to focus on specific issues and areas of interest.

- ➤ Areas where reported performance raises concerns are highlighted in the quarterly reports and monitored, as recommended by Cabinet e.g. that the portfolio holder and director report back to Cabinet with an action plan to bring performance back to the expected standard. Cabinet may refer issues of continuing concern to Scrutiny for review.

    1.1.2. **Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements.**

- ➤ The Local Code of Corporate Governance is reviewed annually and reported to Audit Committee.

- ➤ During 2015/16 the Council launched the Big Conversation; an engagement approach to develop a sustainable mechanism to

communicate with and hear from communities, businesses, partners and providers. The first phase of the Big Conversation has run from mid November 2015 to the end of March 2016, focusing on the three year Financial Strategy 2016/17 to 2018/19. This first phase has used surveys, focus groups, and action planning workshops and there will be a final report with conclusions, recommendation and next steps which will be published at a feedback event. The next steps will inform how the Council (and partners) progress working together to explore and deliver the actions required. By designing and delivering the second phase of the Big Conversation the Council will put in place a sustainable engagement framework for the next three to five years, and the vision is that this will be used by and of value to partners.

➤ Through the Directors group and Cabinet, work has started during 2015/16 to establish a new Corporate Plan, including a review of the vision, mission, priorities and objectives of the Council. Running alongside of this is work on refreshing the Council's outcome framework which in turn will inform a refresh of the Performance Management Framework. The findings from the first phase of the Big Conversation will inform the development of the new Corporate Plan and the outcome framework, and the implementation of the second phase of the Big Conversation will produce insights and information for performance and progress reporting, as well as informing a future review of the Council's vision.

➤ During 2015/16 the Council put in place a Commissioning Support Unit to bring together the functions that would support the Council to be intelligence driven, whether as commissioner, provider or partner. The new Unit brings together expertise on Performance Management, Research, Intelligence, Customer Feedback and Insight, Engagement, Accessing and Managing data, procurement, contract management and Strategic Commissioning advice. The unit is able to have a clear view of the challenges faced and the types of interventions that will help to tackle them and, for example, reduce demand on services.

1.1.3. Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.

➤ The Big Conversation has been designed to gather feedback and encourage the involvement of all those with an interest in the work of Shropshire Council: local people, local businesses, community groups, voluntary organisations, town and parish councils and public sector organisations. The Big Conversation has been used to communicate the challenges Shropshire is facing to ensure a shared understanding and way forward. A Big Conversation survey was used until January 2016 to allow stakeholders to identify spending priorities and give their views on actions that may be undertaken to manage budget pressures. This has been followed by a comprehensive programme of engagement events and workshops. Further work will continue through 2016/17.

➢ The Shropshire Compact is a set of shared principles and guidelines for effective partnership working between Shropshire's public sector bodies and the Voluntary and Community Sector (VCS). It acts as guidance to ensure shared understanding of responsibilities and obligations and works towards best practice in partnership arrangements. A Change and Compact Group leads compact work for the County (see Compact web pages: http://vcsvoice.org/the-compact/). This group is a cross sector group responsible for ensuring the Compact is considered in all strategic change projects, new policies and integrated into cross-sector projects.

➢ The Shropshire VCS Assembly is well established as the voice of the voluntary and community sector in Shropshire. The Assembly has around 250 members with a Board and 16 forums of interest. Forums of interest are groups of voluntary and community sector organisations with a common interest (for example heritage, arts, disability, health and social care, housing, mental health, older people etc.). The Assembly undertakes regular communication activity to involve its members in events, tender opportunities, consultations and to promote funding opportunities.

➢ The VCS Assembly works to develop new policy and guidance designed to establish a common vision and set out new partnership approaches and expectations. Public sector representatives join the VCS Assembly Board regularly in addition to supporting joint work through task groups.

➢ Shropshire Providers Consortium (SPC) works closely with Shropshire VCS Assembly. SPC is a Community Interest Company established to facilitate joint bidding for public sector contracts and funding opportunities. Membership is open to any member of the Shropshire VCS Assembly. The consortium has achieved success in a range of partnership bids. See: http://www.shropshireprovidersconsortium.co.uk/

1.1.4. Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance.

➢ An audited and signed Statement of Accounts is published on an annual basis containing:
  - A statement of responsibilities for the Statement of Accounts.
  - A statement of the Council's accounting policies.
➢ An Annual Governance Statement signed by the Leader of the Council and the Chief Executive Officer/Head of Paid Service.

1.2. Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.

1.2.1. 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.

➢ Specific service areas seek customer feedback both through systematic customer feedback and through annual surveys. For example the Adult Social Care Survey continues to engage with service users. The results help us to understand and evidence what has been achieved for local people, supporting local service and enabling people to make better choices about care and the Council is using the 'Making It Real' approach to check progress towards this.

➢ A survey targeting carers is carried out every other year. The results tell us what is working well and where improvements can be made to ensure that our resources are being used to their full potential.

➢ The Council also works with service users, enabling them to participate in the design and planning of services within the Council's objectives whilst achieving value for money. For example, Partnership Boards are in place for people with learning disabilities, family carers, older people, mental health and people with disabilities. The boards bring together service users, family carers and senior managers from the public, private, community and voluntary sectors to ensure effective local coordination and strategic planning to improve the lives of vulnerable people and family carers.

➢ The Council regularly consults on strategic decisions and service developments via an email list of people who have signed up to provide feedback to the Council. This includes those members of what was known as the People's Panel. Examples where these people have been used include consulting on Shropshire's town traffic management proposals, taxi licensing fees, and service specific changes such as opening hours and future delivery options.

➢ The Business Plan and Financial Strategy is under constant review and reported upon publicly; it sets out resource allocations aligned to the Council's policy framework.

1.2.2. Put in place effective arrangements to identify and deal with failure in service delivery.

➢ There is a clear reporting mechanism for performance information which is presented alongside the financial information for the corresponding period. Areas of concern are identified and reported quarterly and exceptions are monitored more frequently e.g. on a monthly basis, providing greater detail and explanation of the issues and actions being taken. The reports are presented to senior managers and Cabinet. The underlying detailed dashboards are also available to Scrutiny members who can identify specific issues they may want to consider. Cabinet may ask Scrutiny to look at specific issues of on-going concern.

➢ The Council has a clear, well publicised complaints procedure which requires complaints to be dealt with rigorously and promptly. Complaints are monitored by management and Cabinet, together with improvement actions arising from them.

1.3. Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.

  1.3.1. Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.

  ➢ The Council has balanced its budget in 2015/16 whilst delivering savings targets.

  ➢ The Financial Strategy, which is under constant review, sets out resource allocations aligned to the Council's policy framework.

  ➢ Having gone through a number of years of service redesign to meet the financial challenges, the Council is progressing with being intelligence driven. This has the additional benefit of being able to demonstrate to and bring on board partners to meet the next challenges where there are shared outcomes, priorities and benefits. For example, the scale of the challenge related to an aging population impacts on the Council, Hospitals, Primary Care, the independent care sector, Voluntary Community and Social Enterprise Sector, the Ambulance Service, Police and Fire.

  ➢ The Council promotes and applies social value through its procurement, and in doing so has a view of the additional social, economic and environmental value that will be delivered. During 2015/16 a well-attended and positively received Social Value event including speakers and a market place was held as part of the Social Value in Health development and promotion that the Council, Voluntary and Community Sector Assembly (VCSA) and Clinical Commissioning Group have taken forwards following successfully attracting external support.

  ➢ The Council's performance framework links directly to the Council's outcomes. Performance is reported quarterly to Members through Cabinet, and in more detail to Scrutiny Committees. Corresponding financial information on projected spend against budget is included.

  ➢ The Council's locality commissioning work, introduced during 2012/13 has progressed with the introduction of a focus on work to develop resilient communities. Alongside this the Local Joint Committees have been considered to look at how they can take on local commissioning roles. One such area that is progressing is Positive Activities for young people, where local areas will decide how to use available money to fund activities for young people in their area.

Principle 1

There is evidence which confirms that the Council is continuing to focus on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

Principle 2 - Members and Officers working together to achieve a common purpose with clearly defined functions and roles.

2.1. **Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.**

2.1.1. **Set out a clear statement of the respective roles and responsibilities of the cabinet and of the cabinet members individually and the authority's approach towards putting this into practice.**

➢ Article seven of the Constitution lays down the role of the Cabinet. Part three sets out in more detail specific duties and functions of the Cabinet, chief officers, statutory officers and portfolio holders. Member roles, rights and duties are specified in Article two and in Part five, the Protocol for Member and Officer Relations.

➢ The specific role of a Cabinet Member is laid down in Part nine (I13) of the Constitution.

2.1.2. **Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers.**

➢ Member roles and responsibilities are clearly defined throughout the Constitution, specifically their roles, rights and duties are specified in Article two and in Part five, the Protocol for Member and Officer Relations. In addition, Part nine clearly lays out the role and expectations of members both generally and with special responsibilities. Member remuneration is laid down in Part six the Members' Allowances Scheme.

➢ Part two Article 12 of the Constitution (B19 -22) sets out clearly the functions and responsibilities of all Chief Officers and specifically the Head of Paid Service (12.2) the Monitoring Officer (12.3) and the Chief Finance Officer (12.4). Delegations to specific officers are documented at Part eight of the Constitution.

2.2. **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.**

2.2.1. **Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required.**

➢ The Constitution generally and Article 13 sets out the responsibilities and procedures for decision making. Key decisions, Cabinet, Scrutiny and other committees and full Council reserved decisions are defined in Part three and four of the Constitution. The

fundamental principles to be adopted in all decision making are also laid out as follows:

- Proportionality (i.e. the action must be proportionate to the desired outcome).
- Due consultation and the taking of professional advice from officers.
- Respect for human rights.
- A presumption in favour of openness.
- Clarity of aims and desired outcomes.
- Consideration of alternative options.
- Recording reasons for the decision, including details of any alternative options considered and rejected.
- That, in relation to decisions of the Cabinet, these are lawful and consistent with the powers delegated by the Council.

➤ In order to allow the Council to make decisions that are required on a daily basis, responsibilities for certain decisions are delegated to officers as identified in Section 8 of the Constitution "Delegations to Officers". Part 3, Responsibilities for Executive Functions sets out how Portfolio Holders undertake their responsibilities taking advice from the relevant senior officer.

2.2.2. Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management.

➤ Article 12 of the Constitution states the Chief Executive (Head of Paid Service) is responsible for "overall corporate management and operational responsibility (including overall management responsibility for all officers)" and this is reiterated in the Head of Paid Service's job description.

2.2.3. 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.

➤ Part five of the Constitution clearly lays out the protocol for member/officer relations (Constitution page E86).

➤ The Chief Executive, the Leader and Deputy Leader meet weekly at the Leader Briefing with directors attending as required. The Chief Executive updates directors following this meeting. The Chief Executive's appraisal is conducted by the Leader.

2.2.4. Make a senior officer (the S151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.

➤ The functions of the Chief Finance Officer are stipulated in article 12.4 of the Constitution and statutory duties are listed under Financial Rules. The Chief Finance Officer is the Council's S151 Officer (Financial Rules 4.14) and has statutory duties in relation to the financial administration and stewardship of the Council. Financial

Rule 4.15 outlines the principles critical to the achievement of the Section 151 Officers' statutory responsibilities in that he:

- Is a key member of the Leadership Team, helping it develop and implement strategy and to resource and deliver the Council's strategic objectives sustainably and in the public interest.
- Is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are considered and align with the authority's overall financial strategy.
- Leads the promotion and delivery by the whole Council of good financial management and that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.
- Leads and directs a finance function that is resourced to be fit for purpose.
- Is professionally qualified and suitably experienced.

➢ Duties and responsibilities are also included in the Chief Finance Officer's job description.

➢ In accordance with Section 114 of the Local Government Finance Act 1988 the Section 151 Officer reports to Council, Cabinet and the external auditors.

➢ In accordance with Section 25 of the Local Government Act 2003 the Section 151 Officer reports to members on the robustness of estimates and the adequacy of reserves.

➢ The role also operates to best practice principles established in CIPFA's statement on the Role of the Director of Finance in Local Government 2010.

2.2.5. Make a senior officer (usually the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.

➢ Article 12.3 (B20) of the Constitution clearly defines the functions of the Monitoring Officer which include ensuring the lawfulness and fairness of decision-making. A protocol for the role of Monitoring Officer is included within Part five (E13-15) of the Constitution.

➢ The Monitoring Officer is the Corporate Head of Legal and Democratic Services, whose role and responsibilities are included in the job description.

2.3. Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other.

2.3.1. Develop protocols to ensure effective communication between members and officers in their respective roles.

➢ Part five of the Constitution clearly lays out the protocol for member/officer relations (E86).

2.3.2. Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel (if applicable)

➢ Member remuneration is clearly laid down in Part six of the Constitution, the Members' Allowance Scheme.

➢ There is an independent Members Remuneration Panel for determining members' allowances of at least three persons who are not members of the Council (Part three, C38).

➢ Remuneration for Chief Officers is set on appointment by elected members at the relevant committee of the Council.

2.3.3. Ensure that effective mechanisms exist to monitor service delivery.

➢ Council, Cabinet and Scrutiny meet on a regular pre-scheduled basis to set the strategic direction of the Council and to monitor service delivery. The Council's Business Plan and Financial Strategy 2014-17 and the Forward Plan of Decisions continued to provide the focus for emerging issues and topics for decision and scrutiny during 2015/16. The new Financial Strategy for 2016/17 to 2018/19 will fulfil a similar role for 2016/17 onwards.

➢ A revised performance management framework based around the Council's outcomes was introduced in early 2014/15 establishing a clear reporting mechanism. The framework is reported using outcome dashboards setting out graphs, charts and infographics.

➢ The performance management framework looks at sharing and communicating the performance information using approaches appropriate to the audience and how they might use the information to fulfil their roles. For example, the presentation of the quarterly performance reports to Scrutiny includes detailed outcome dashboards to enable Scrutiny members to consider a wider view and drill down. For Cabinet, the report uses two presentations, the first is a small dashboard setting out four measures that reflect what the Council is working to achieve including delivering balanced budgets each year (thereby delivering the savings), and ensuring that services are delivered by the right and the best providers. The second is infographic based and draws out two key measures for each outcome to provide a focused view of progress and emerging issues.

➢ The quarterly reports are publicly available, being reported to the Council's senior managers, Cabinet, and to all members. Areas of concern are identified and reported quarterly and monitored by the relevant director(s) and portfolio holder(s). Continued issues with performance are highlighted in subsequent performance reports. Issues may also be referred to Scrutiny for review.

➢ Information is made available at different levels for Directors, Senior Managers, Service and Team Managers and teams to enable them to understand their performance and manage it as required. An

example of this is a matrix being developed for Children's Social Care, and a Data Quality report developed for Adult Social Care to support effective management and the accuracy of case recording. Appropriate dashboards have also been developed for partnership structures such as the Shropshire Safeguarding Board and Children's Trust.

➤ Different ways of understanding service delivery and the impact of change are used wherever appropriate. Standard deviation and control charts are used to track and present variation in activity and enable a focus to be taken on overall delivery rather than snapshot views for judgement purposes.

➤ The Council continues to benchmark its services to assist in identifying areas for review and to ensure that as many performance indicators as possible are performing to the standards that the Council sets. Benchmarking services used include:

- Society of County Treasurers (SCT)
- Association for Public Service Excellence (APSE)
- Chartered Institute of Public Finance Accountants (CIPFA)
- Association of Local Authority Risk Managers (ALARM)
- Adult Social Care National Data
- Children's Social Care National Data
- School attainment results
- HouseMark

2.3.4. Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.

➤ The Big Conversation was launched in November 2015. It is an engagement framework that has been put in place to seek views and feedback on the Financial Strategy in the first instance until the end of March 2016, and then to provide a sustainable mechanism for engagement for the next three to five years, and possibly beyond. The approach has used surveys, focus groups and action planning workshops, and the second phase which will run from April 2016 aims to include partners, and will also involve developing innovative and accessible mechanisms for frontline staff from the Council and partners to collect feedback from people as they meet them fulfilling their roles. The emphasis is on a two way conversation and will include feeding back e.g. you said, we did, explain the reasons for any decisions.

➤ The results from the first phase of the Big Conversation have already been used to inform and change thinking on the Financial Strategy 2016/17 – 2018/19, and will be informing the development of the Council's new Outcomes Framework and the new Corporate Plan.

➤ The Constitution also sets out the citizen's rights in their dealings with the Council under Part two, Article three.

➢ Consultation and engagement is achieved through a number of routes. Some examples are:
- Member surgeries.
- Local Joint Committees.
- Locality commissioning.
- Scrutiny panels.
- Service specific engagement.
- Engagement with the online consultation group.
- One-off public consultation and participation events on topics such as transport, and the Local Development Framework.
- Health and Well-being Board.
- Members of Youth Parliament.
- Established links and regular meetings with local interest groups/forums e.g. Senior Citizens Forums, Shropshire Youth Association, Tenant Groups, Parents and Carers of Children with Disabilities.
- Shropshire VCS Assembly and its 16 Forums of Interest.
- Partnership Boards including the Children's Trust and Safer, Stronger Communities Partnership.
- Business Board.

➢ Local consultation has taken place using specific consultation and engagement activity for services and service areas. Locality commissioning activity involves engagement with communities and service user groups, as well as through structures such as the Local Joint Committees. These have helped to identify the needs and priorities of our citizens and make these our key areas for service delivery. Feedback from such events is used to develop strategic plans, priorities and targets. Widespread local consultation has taken place via service user and customer feedback surveys, public meetings, local partnerships and Local Joint Committees to identify the needs and priorities of our citizens and make these our key areas for service delivery.

➢ The Council recognises the importance of communicating its vision and uses a number of channels to this effect.
- The Council aims for a consistent approach to communication across the Council, reaching and targeting the key customers, stakeholders and partners in the most appropriate way.
- The Council aims to improve engagement through consistent branding, so that our stakeholders know what we do and who to contact. This ensures compliance with the Code of Recommended Practice on Local Authority Publicity March 2011. This requires all Council publicity aimed at the public to be clearly and unambiguously identified as being produced by the council. Printed material should make this evident on the front cover.
- Our website can help residents understand the Council's vision and purpose and to access services on a day-to-day level.
- The Shropshire Newsroom (www.shropshirenewsroom.com) hosts all the latest Council news stories with podcasts, videos and photographs available from the corporate Flickr account.

- The Council works with colleagues in the local, regional and national media to complement Shropshire Newsroom and ensure people have access to information about the Council.
- The Council uses relevant social media, as a method of disseminating our information and listening to feedback on issues as they arise.
- The Council uses its Customer Services telephone and face-to-face points as the main first point of contact enabling people to be more efficiently directed to the services they need.
- The Council uses the VCS Assembly weekly news bulletin to promote consultations, policy news, engagement opportunities and partnership working opportunities across the voluntary and community sector.

2.3.5. When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority.

➢ The Shropshire Compact has been effective in supporting the relationships between Shropshire Council, other public sector bodies and the voluntary and community sector. It acts as an aid to problem solving by clearly setting out roles, responsibilities and commitments. The Shropshire Compact was refreshed in 2013/14 in order to both update the document, but also to allow new public sector partners to join. Memorandums of Understanding relating to the Compact have been developed to engage new partners. Supporting documents and briefings are produced to help build awareness of new policies and good practice ways of working.

➢ A range of joint working initiatives is underway to improve service performance and delivery. Examples of working in partnership are:
- Shropshire Voluntary and Community Sector Assembly.
- Supporting People in Shropshire.
- Shropshire Children's Trust Executive.
- Health and Wellbeing Board and a Health and Wellbeing Strategy.
- Sure Start.
- The Safer Stronger Communities Partnership.
- Drug and Alcohol Action Team.
- Integrated Offender Management programme.
- Local Resilience Forum.
- Shropshire Business Board and the Marches Enterprise Partnership.
- Telford and Wrekin for Adoption Services and for Youth Offending Services.
- Working with carers in Shropshire.
- Place Based Intervention Pilots**.**

➢ The Members Code of Conduct provides guidance on pecuniary interests and declarations (Part five – Interests E2 – E3).

2.3.6. When working in partnership:

- **Ensure that there is clarity about the legal status of the partnership.**

- **Ensure that representatives of organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.**

➢ The Council enters into formal partnership agreements where necessary which clearly formalise aims of the partnership and respective obligations and liabilities. Delegated powers are contained in Part three of the Constitution.

Principle 2

There is evidence which confirms that Members and Officers are working together to achieve a common purpose with clearly defined functions and roles.

Principle 3 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

3.1. **Ensuring members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.**

3.1.1. **Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.**

The Council is committed to the principles of good corporate governance and to this end has adopted this Code of Governance which is reviewed annually by Internal Audit and a compliance report produced for the Audit Committee.

➢ The Shropshire Council Business Plan and Financial Strategy 2014-2017 defines the Council's mission as "our customers at the centre of everything we do"

➢ Complaints procedures are available on the Council's website.

➢ The contract procedure rules contained in the Constitution contain a list of standard clauses for ordinary and major contracts. These include:
  - Anti-bribery and corruption.
  - Public interest disclosure ('whistle blowing').
  - Equalities; human rights.
  - Health and safety.
  - Freedom of information, confidentiality and data protection.

> The Council encourages both staff and contractors to "speak up about wrongdoing" and provides a confidential hotline for raising concerns.

3.1.2. Ensure that standards of conduct and personal behaviour expected of members and officers, of work between members and officers and between the authority, its partners and the community, are defined and communicated through codes of conduct and protocols.

> The Constitution (Part 5) contains the following codes and protocols for members and officers:
>   - Members Code of Conduct.
>   - Standards Procedures.
>   - Protocol for the Role of Monitoring Officer.
>   - Local Protocol for Officers and Members Dealing with Regulatory Matters.
>   - Local Protocol for Councillors and Officers Dealing with Licensing Matters.
>   - IT Code of Practice for Members.
>   - Local Members' Protocol.
>   - Employee Code of Conduct.
>   - Speaking up about Wrong Doing (whistle-blowing policy).
>   - Data Protection Policy.
>   - Counter-Fraud, Bribery and Anti-Corruption Strategy.
>   - Protocol for Member / Officer Relations.
>   - Guidance for Gifts and Hospitality.
>   - Protocol for Official Visits.
>   - Protocol on the Use of Council Facilities.
>   - Code of Corporate Governance.
>   - Protocol for Members Attendance at Conference and Training.
>   - Protocol for Task and Finish Groups.
>   - Protocol for Task and Finish Groups (including Scrutiny Ground Rules – Work Planning).
>   - Protocol for Opposition Briefings.
>   - Protocol for Media Work.
>   - Guidance for Acceptable use of Shropshire Councillor Webpages.
>   - Guidance for Audio and Video recording, photography and social media during council meetings.

> Annual reminders on gifts and hospitality and whistleblowing are issued by email and placed on the intranet. Whistleblowing arrangements are in place and any irregularities identified are investigated by Internal Audit or the appropriate officers within the Service area. Audit Committee are responsible for the monitoring and overview of the "Speaking up about Wrongdoing Policy" and receive an annual report.

> The Employee Handbook and the HR pages on the Intranet contain policy statements and guidance on:
>   - Discipline.
>   - Grievances.
>   - Harassment and Bullying.

- Speaking up about Wrongdoing.
- Managing Employee Performance.
- Expectations and Standards of Conduct.
- Diversity (Equalities).
- Health, Safety and Wellbeing.
- Performance, Learning and Development.

➤ There is a clear and fully documented staff disciplinary process to deal with breaches in any code or protocol.

➤ Complaints procedures are available on the Council's website.

3.1.3. Put in place arrangements to ensure that members and officers of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.

➤ Both members and employee codes of conduct stipulate that members and employees of the Council must not be influenced by prejudice, bias or conflicts of interest in any matter relating to the Council. There are numerous references throughout the Constitution to this issue, in particular in the Members Code of Conduct, Part five, Interests (E1 – E4).

➤ In accordance with The Localism Act 2011 all members have registered and disclosed their pecuniary interests, these are available on the Council's website.

➤ In addition the Council has declarations of interest books both centrally and locally to help ensure members and staff do not get involved in decisions or processes where they may have a conflict of interest. Individual member declarations can be viewed on line and a hard copy is retained.

➤ The standard meeting agenda includes a standing item for declarations of pecuniary interest.

➤ There is a code of conduct in relation to gifts and hospitality and all instances must be recorded. Advice and guidance is provided on the Intranet.

➤ Any breaches of the Members' Code are referred to the Monitoring Officer who will determine whether the matter should be formally investigated.

➤ Staff are encouraged to "blow the whistle" under the "Speaking up about wrong doing policy" with a dedicated hotline to report issues anonymously. Staff are reminded annually of the hotline and policy.

3.2. Ensuring that organisational values are put into practice and are effective.

3.2.1. Develop and maintain shared values including leadership values for both the organisation and officers reflecting public expectations, and communicate these with members, officers, the community and partners.

➢ The Council's Constitution Part 5 contains the Codes and Protocols which includes Codes of Conduct for members and employees.

3.2.2. 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.

➢ The Council has individual policy statements on Equality in Employment in place covering the following areas:
  - Sexual Orientation.
  - Disability.
  - Gender.
  - Race.
  - Religion.
  - Age.

➢ The Council has a formal process (available on its website) for the reporting of any instances of harassment and hate crime/incidents.

➢ The Council has a standardised recruitment policy and processes including employee reference, identity checks and mandatory Disclosure and Barring Service (DBS) checks for designated posts.

➢ The Council are committed to having an ongoing local commitment to equality, diversity and social inclusion. Service areas use Equality and Social Inclusion Impact Assessments (ESIIA) to help identify if any proposed changes to policy or services are likely to either adversely or positively impact on particular groups of people, and whether the human rights of individuals may be affected. These assessments include actions for reviewing and mitigating against or enhancing the effect upon particular groups of people if the changes are implemented.

➢ The ESIIA replaced the previous Equality Impact Needs Assessment (EINA) in 2014/15. The new assessments include social inclusion and allow the Council to consider all groups and communities in Shropshire, to ensure that actions taken meet the legal requirements under the Equalities Act 2010.

➢ The Council publishes completed ESIIA on the website, and examples of areas reviewed include:
  – Hackney Carriage and Private Hire Licensing Policy;
  – Commissioning of Community Hub Services;
  – Discretionary Housing Payments Policy;
  – Local Welfare Provision;
  – Location of Registration Services.

3.2.3. Develop and maintain an effective standards committee.

> The Localism Act 2011 abolished the requirement for the Council to have a statutory Standards committee, though the Council has retained a non-statutory Standards committee which meets as and when required.

3.2.4. Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority.

> The Council ensures all our members have received training and on-going support to ensure that there is 'due regard' to equalities in our entire decision making as part of the Members Induction Program. The Diversity in Employment policy underpins both an employee's responsibilities and expectations.

3.2.5. 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.

> The Shropshire Compact provides partnership values and agreed ways of working; it is focused on commissioner and provider relationships. As Shropshire Council changes the way it works to demonstrate a more clearly defined commissioner/provider split, work will take place through the Shropshire Compact to more clearly communicate shared expectations of commissioners and providers. The Shropshire Compact offers an opportunity to challenge perceived poor practice and brings commissioners from across the public sector together to share learning and best practice.

> Shropshire Council is also working to communicate its values through pre-commissioning engagement activity and the development of Market Position Statements. It is working to ensure that the provider market understands the Council and vice versa. This work is designed to further strengthen and develop robust provider/potential provider and commissioner relationships based on evidence based and intelligent commissioning.

Principle 3

There is evidence which confirms that the Council is demonstrating the values of good governance through upholding high standards of conduct and behaviour.

Principle 4 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

4.1. Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.

4.1.1. Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible.

➢ The Council has five established scrutiny committees which operate under clear terms of reference and rules of procedures laid down in the Constitution. Scrutiny Committee chairs and members have clearly laid down accountabilities and duties in Part four (D60 - 68) and Part nine (I15 - 16) of the Constitution. Members may not participate in the scrutiny of decisions they were involved in.

➢ The Council is part of a long standing and effective Joint Health Overview and Scrutiny Committee with Telford and Wrekin Council. This reflects the reality that most substantial changes to services covered by the statutory duties for Health Scrutiny affect services across both local authority areas and as such would need to be looked at jointly, in line with regulatory direction.

➢ There is an effective apolitical Audit Committee, whose purpose is, to provide independent assurance as to the adequacy of the Council's governance, risk management framework, associated internal control environment, financial reporting and treasury management.

4.1.2. Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.

➢ Decision making is clearly laid down in Article 13 of the Constitution.

➢ There is a standardised format for all committee reports which includes background to the report, any recommendations that decisions need to be made upon together with reasons behind those recommendations.

➢ The Cabinet is the Council's key decision making body and makes decisions within the policy framework approved by Full Council. It is made up of the Leader, who is elected by the Council, and up to nine members. When key decisions are to be discussed or made, these are published in the Cabinet forward plan in so far as they can be anticipated. If these key decisions are to be discussed with Council officers at a meeting of the Cabinet, this will be open for the public to attend except where personal or confidential matters are being discussed. The Cabinet has to make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

➢ In addition to Cabinet meetings there are also decision making sessions in respect of each portfolio holder. These meetings are not open to the public though the public can submit questions for consideration.

➢ All committee meetings are independently minuted by trained staff working to a common format. Minutes will include any debate, motions, results of votes and decisions resolved. These are available electronically via the website or Intranet in addition to paper copies.

4.1.3. Put in place arrangements to safeguard members and officers against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.

➢ The standard meeting agenda includes a standing item to remind members that they must not participate in discussion or voting on any matter which they have a disclosable pecuniary interest and should leave the room prior to the commencement of the debate.

➢ Both the members and employee codes of conduct stipulate that members and employees of the Council must not be influenced by prejudice, bias or conflicts of interest in a matter relating to the Council.

➢ Individual member's pecuniary interest disclosures can be viewed on line and a hard copy is retained.

4.1.4. Develop and maintain an effective audit committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee.

➢ There is an effective apolitical Audit Committee with clear terms of reference which are reviewed annually and based on the Chartered Institute of Public Finance and Accountancy's Guidance.

➢ The Audit Committee meets at least four times a year and undertakes regular training aimed at helping members discharge their function effectively. The Section 151 Officer and Head of Audit are required to attend.

➢ External Auditors for the Council regularly attend Audit Committee meetings and have commented that the Audit Committee is effectively discharging its duties.

4.1.5. Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.

➢ There are clearly documented complaints procedures and advice to staff on how to deal with complaints. Complaints can be made electronically using an online form, in writing or verbally.

➢ The Complaints procedure includes an undertaking that the Council will respond to corporate complaints within 12 weeks (to cover stages 1 and 2), depending on the issue (statutory complaints for adults and children's services are handled in line with those timescales). If any extension is required these will be discussed with the complainant.

➢ Complaints are processed and monitored centrally by the Customer Feedback and Complaints Team who review and monitor customer satisfaction and complaints handling.

➢ Complaints are monitored centrally by the Senior Management Board. Reports include customer satisfaction levels and improvements in services put in place as a result of complaints. Reports in respect of complaints for Children's Services or Adult Social Care are provided to the appropriate Scrutiny Committee on an annual basis. Reports on Corporate Complaints are produced to members as requested.

➢ The Council advise complainants that if they are dissatisfied with its response, they have the option to refer the matter to the Local Government Ombudsman. The Ombudsman's address, telephone number and their website address is provided.

4.2. Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.

4.2.1. Ensure that those making decisions whether for the authority 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.

➢ The Cabinet has a forward plan, and Scrutiny Committees a work programme, which officers work to in the production of relevant reports and advice in order to facilitate the decision making process.

➢ The duties of chief officers are laid down in the Constitution and their respective job descriptions. These include the giving of relevant and timely advice.

4.2.2. Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.

➢ There is a standard committee reports template which provides a framework for officers to draft reports.

➢ Cabinet and Scrutiny Committee reports are reviewed by the Council's Chief Finance Officer and the Corporate Head of Legal and Democratic Services (the Council's Monitoring Officer) or their designated representatives for both financial and legal implications. In addition all reports are considered by Senior Management Team for approval before issue.

4.3. Ensuring that an effective risk management system is in place.

4.3.1. Ensure that risk management is embedded into the culture of the authority; with members and managers at all levels recognising that risk management is part of their jobs.

➢ The requirement to develop and maintain proactive and robust systems for identifying and evaluating all significant risks are clearly laid out in Financial Rules, Section six, Financial Rule 3 and Appendix C, Risk Management and Control of Resources. In particular:
  - Strategic risks have been identified and robust controls to manage the risks put in place, further controls are implemented as required to provide the necessary assurances that our exposure to risk is effectively managed and minimised.
  - Operational risks are monitored, reviewed and updated regularly.
  - Routine monitoring of insurance claims and other losses is undertaken.

➢ The Council has an Opportunity Risk Management Strategy which sets out roles, responsibilities and the procedures for managing risks within the Council. The Strategy is signed and endorsed by the Chief Executive.

➢ Council strategic risks have been identified, aligned to the Annual Governance Action Plan and a member of the Senior Management Team assigned as the risk owner. Risk profile and actions plans have been put in place to ensure the risks are mitigated effectively and are reviewed on a monthly basis.

➢ All Committee Reports include a section on risk assessment and opportunities appraisal.

➢ Internal Audit conducts an independent review of the risk management process annually which is reported to the Chief Finance Officer and the Audit Committee.

➢ An Annual Report is provided to the Audit Committee summarising the year's activities, challenges and achievements.

4.3.2. **Ensure that effective arrangements for whistle-blowing are in place to which officers, and all those contracting with or appointed by the authority have access.**

➢ The Council have a well-publicised whistleblowing policy available on the website and in leaflet form. Information is available for our partners and major contractors for their staff to encourage and facilitate speaking up about wrongdoing. Audit Committee receive reports on fraud and special investigations include those relating to whistleblowing cases.

➢ There is a whistleblowing hotline located in Audit Services for people to ring in confidence and report their concerns either openly or anonymously.

➢ On line fraud awareness training is available to staff and members but is not compulsory.

4.4. Using their legal powers to the full benefit of the citizens and communities in their area.

    4.4.1. Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine (beyond the legal powers of the council) but also strive to utilise their powers to the full benefit of their communities.

    4.4.2. Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on authorities by public law.

    4.4.3. 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.

> ➢ The Council has a Monitoring Officer whose duties, laid down in the Constitution under Article 12; include ensuring the lawfulness and fairness of decision making (Article 12.3B). The Monitoring Officer is also the Corporate Head of Legal and Democratic Services.

> ➢ The Monitoring Officer, or their delegated representative, attends the key decision-making meetings of members, including Council and Cabinet.

> ➢ Officers in Legal and Democratic Services play a key role in ensuring that the principles enshrined in the Constitution, sustainable decision making, robust scrutiny, rules of natural justice, standards of conduct, efficiency, transparency, legality and high standards of corporate governance are delivered in practice through the Council's decision-making process. The Service provides advice and guidance on the interpretation of legal developments, is Lexcel accredited and possesses specialist legal officers who are experts in specific areas of Council activities.

> ➢ All Committee reports require their authors to address the impact of the recommendations with respect to human rights.

Principle 4

There is evidence which confirms that the Council is taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Principle 5 - Developing the capacity and capability of members and officers to be effective.

5.1. Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.

    5.1.1. Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.

> ➢ There is a member induction programme in place, supporting and developing newly elected members. A Community Leadership and Development Framework provides comprehensive development opportunities, and essential sessions. Development interventions are designed in the context of what individual members say they require during their one to one development reviews, and what their roles and responsibilities dictate they need. Member secretaries provide support, and the Member and Officer Protocol clearly stipulates officers' duties to provide professional and technical advice. The Local Member Protocol guides members and officers to behave in a way that promotes excellent communication.

> ➢ A comprehensive Member Induction programme was planned and delivered over a twelve month period from May 2013. It is open to all 74 members of Shropshire Council.

> ➢ One to one development interviews are offered to all members (although these are not compulsory). The purpose is to review members' learning and development activities and their impact on the member role and to agree further learning needs.

> ➢ An induction framework is in place for all new staff; this includes a corporate welcome and information session and a role induction supported by day 1 induction guidance for managers.

> ➢ A management development programme commenced in February 2016. This has been designed to meet the needs of organisational change at Shropshire Council. Core topics include managing absence, handling redundancy, managing capability and managing grievances and disciplinaries.

> ➢ The management programme is supported by continued advice, guidance, support and coaching from HR&D. All managers receive a toolkit – this includes updated policy documents and guidance for implementing policy and procedures.

> ➢ A core skills development programme is available for all employees. This can also be accessed by managers as they continue to identify further development needs. For example, recruitment training and essential conversations, commercial awareness, customer service and diversity awareness feature as part of the core skills programme. The on line offer includes handling sensitive information and fraud prevention.

> ➢ A coaching connections network group has been established to build a pool of people who are skilled in facilitating personal development tools and to develop internal coaching capacity. This

network provides group and individual personal development and coaching support to help people through change.

➤ All staff can access on line assessment toolkits such as 'my skills portrait' and 'my leadership toolkit', these are also made available to support the management development programme. Staff can discuss development needs with their manager and identify relevant training from our core skills programme.

5.1.2. Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority.

➤ The Council are required to provide the Monitoring Officer and the Chief Finance Officer with such officers, accommodation and other resources as are in their opinion sufficient to allow them to perform their duties (Article twelve, 12.5).

➤ Implementation of the Council's values and behaviours starts at induction. All learning and development programmes are underpinned by the values and behaviours.

➤ The Council have recruitment and selection policies and guidelines for managers, and associated training is available. All posts have job descriptions and person specifications detailing the essential and desirable abilities, qualifications and experience necessary to undertake the duties of the post.

➤ The Council have compulsory Continuous Professional Development (CPD) in specialist areas such as finance.

➤ Each new senior team undergoes leadership development and concentrates on clarification of roles responsibilities and expectations.

➤ A CPD programme is being drafted with a view to this being offered to schools.

5.2. Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group.

5.2.1. Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.

➤ An annual programme of development seminars is provided as part of the Continuous Member Development Programme (CMDP). They are designed in the context of what individual members say they require during their one to one development reviews. Member secretaries provide support, and the Member and Officer Protocol clearly stipulate officers' duties to provide professional and technical advice.

➢ Specialist development is also available for members of particular committees, such as Audit, Planning, Licensing and the Pensions Committee to improve knowledge on technical issues and update members on new developments. The Audit Committee Terms of Reference include a requirement to undertake specialist training in order to fulfil its function effectively.

➢ A management development programme commenced in February 2016, to provide managers with the knowledge, skills and understanding to perform their roles in areas such as absence, redundancies, grievance, disciplinary and capability.

➢ A core skills development framework is available to all staff, made up of ten priority themes. "Core skills" is effectively a Council wide training programme with offerings available for staff and managers at all levels. The range of development methods includes workshops, on line learning, coaching and mentoring.

➢ A high performance team programme is offered to managers and their teams, this is a bespoke solution designed to develop leadership capacity, management ability and the engagement of teams. Senior managers are supported by a Business Partner responsible for People Development, to identify 'new team' and individual development needs and a bespoke training package is designed and delivered on a team basis to meet corporate objectives. Recent examples of this have been leadership development programmes in three service areas, bespoke customer service training, commercial awareness, diversity, performance management training and support through change using windmills tools.

➢ Regular catch ups, team meetings and in some areas supervision sessions are conducted throughout the year.

➢ A performance review scheme is in place across the Council. The scheme continues to focus on the quality of discussion between manager and employee with a requirement to review previous year's performance, agree objectives and behaviours for the coming year and identify development needs to support the achievement of objectives as well as career aspirations.

➢ In 2015 a commissioning skills programme outline was created working in partnership with the University Centre Shrewsbury. Commissioning skills support was also provided as a one day workshop for managers by the New Economic Foundation.

➢ The Council has a commitment to train and develop our staff; staff performance reviews occur at least once a year where training needs are identified and personal development plans agreed. Senior managers are supported by a Business Partner responsible for People Development, to identify team and individual development needs and a bespoke training package is designed and delivered on a team basis to meet corporate objectives. Training is also provided on

generic areas such as opportunity risk management, data protection, freedom of information and human resource issues.

5.2.2. 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.

➢ Our Scrutiny Panels and performance monitoring and reporting system provide the vehicles for robust scrutiny and challenge.

➢ Our comprehensive programme of officer and member development facilitates challenge; this results in improved performance at an operational level.

➢ Our commitment to member and staff training helps to ensure that members and officers have the necessary skills to effectively challenge and improve existing policies and performance.

➢ The Council have compulsory Continuous Professional Development (CPD) in specialist areas such as finance.

➢ The Council readily uses outside expert advice in those areas where specialist knowledge is required such as our Pension Fund Investment Managers, Waste Private Finance Investment specialists, construction professionals, energy and water consultants and external expert legal advice when required.

5.2.3. 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.

➢ The Community Leadership and Development Framework provides members with what they need to deliver their expanded role to the best of their ability.

➢ Executive members may undertake the LGID (Idea) Leadership academy.

5.3. Encouraging new talent for officers and members of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.

5.3.1. 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 the authority.

➢ The Council has documented recruitment and selection policies and guidelines for managers. All posts have job descriptions and person specifications detailing the essential and desirable abilities, qualifications and experience necessary to undertake the duties of the post. Shropshire Council values the diversity of its workforce. It

will not tolerate less favourable treatment on grounds of: gender, race, colour, ethnic or national origin, disability, marital status, sexual orientation, responsibility for dependents, age, trade union or political activities, religion/beliefs, or any other reason which cannot be shown to be justified. Recruitment training for managers is designed to ensure that these policies and the guidance is implemented.

➢ The Shropshire Voluntary and Community Sector Assembly brings voluntary and community sector groups and organisations together to offer a collective and strong voice. The Assembly's Forums of Interest are open to organisations but they have strong links to groups of interest where individuals are represented. For example, the Pan Disability Forum offers a link to Shropshire's Deaf and Hard of Hearing Group and Visual Impairment Forum and there are links between the Health and Social Care Forum and Shropshire's Carers Forum. Similarly the Older People's Assembly links to Senior Citizens Forums across the county.

➢ Training and briefings on equality, diversity and social inclusion is available for Members and Officers.

➢ The Council has the following in place to facilitate effective engagement with and participation from all sections of the community, partners and providers:
  - Hate Crime Reporting Group.
  - Equality and diversity included in the induction framework.
  - Public Sector Equality Duty.
  - Local Joint Committees.
  - Making it Real (Adult Social Care).
  - Governor Opportunities and Training.
  - Gypsy Liaison Team.

5.3.2. **Ensure that career structures are in place for members and officers to encourage participation and development.**

➢ Staff are annually appraised which includes the identification of training and development needs and the drawing up of training action plans to address these.

➢ The Council has a core skills development programme including management and leadership development for the development of existing and new managers.

➢ In response to business need, a new HR Management Development programme and a Commissioning skills programme have been developed. Alongside these is a skills analysis for the Commissioning Council. The Core Skills Development Programme continues to be informed by generic development needs.

➢ The Council has compulsory CPD in specialist areas such as Finance which is also included in job descriptions.

> ➤ The Council has an ongoing Member Development programme in place; particular attention is paid to training/developing newly elected members, members and officers of Overview and Scrutiny; Community Leadership in action; members of regulatory committee's; statutory duty and ethical governance.

> ➤ Graduates on our Shropshire Graduate Development Programme continue to develop their knowledge and skills; contributing to succession planning for the future of Shropshire Council.

Principle 5

There is evidence which confirms that the Council is developing the capacity and capability of members and officers to be effective.

Principle 6 - Engaging with local people and other stakeholders to ensure robust public accountability.

6.1. Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.

6.1.1. Make clear to themselves, all officers and the community to whom they are accountable and for what.

> ➤ This is clearly enshrined in the Constitution, the purpose of the Constitution in Article One includes:
>   - To enable the Council to provide clear leadership to the community in partnership with citizens, business and other organisations.
>   - To support the active involvement of citizens in the process of local council decision making.

> ➤ The Business Plan and Financial Strategy 2014-17 which sets out the Council's mission and priorities.

6.1.2. Consider those stakeholder bodies to whom the authority is accountable and assess the effectiveness of the relationships and any changes required.

> ➤ The Council is accountable to the Department of Communities and Local Government (CLG) and other key government departments such as the Department for Education.

> ➤ Partnership action and delivery takes place through the individual organisations and joint working. Thematic partnerships such as the Health and Wellbeing Board, Safer Stronger Communities Partnership, Children's Trust Executive and Housing Strategy Group take forward, identify and agree how to address issues together.

➤ Through the Shropshire Change and Compact Group, and the VCS Assembly Board, the Council works to assess its relationship with the voluntary and community sector. A bi-annual 'State of the Sector' survey is carried out (based on similar issues to the National Survey of Charities and Social Enterprises last carried out in 2010).

➤ The Change and Compact Group is currently leading on work to maintain strong cross sector relationships through a period of intensive change.

6.1.3. Produce an annual report on the activity of the scrutiny function.

➤ The Council has well established Scrutiny arrangements that provide the opportunity to challenge delivery of policy and services and hold the Cabinet accountable for their decisions.

➤ An item is included on the agenda for every ordinary Council meeting to facilitate the review of both the Executive and Scrutiny functions of the Council's work; this will cover the work of the committees and their key achievements. An annual report from each of the scrutiny committees is presented to Council alongside reports from the portfolio holders; the scrutiny reports detail the past work of the Committees, the present work and the plans for the future.

6.2. Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.

6.2.1. 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.

➤ Customer Services help ensure that all of our communications are appropriately written and communicated in a way to maximise engagement. Together with the Written Style Guide it helps the Council achieve more effective communications.

➤ Shropshire Council's Brand Rules set out how the Council can deliver effective communications through a consistent approach and meet the requirements of the Code of Recommended Practice on Local Authority Publicity March 2011.

➤ Internal Communication channels include:
   - Staff Intranet.
   - Latest staff information e-mails.
   - Team meetings and staff briefings.
   - Ad hoc information sessions on specific areas.

6.2.2. Hold meetings in public unless there are good reasons for confidentiality.

➢ Article 3 of the constitution states "Citizens have the right to attend meetings of the Council, Cabinet and its committees, except where confidential or exempt information is likely to be disclosed and the meeting is therefore held in private" these exceptions are clearly defined. The public will only be excluded where the public interest in maintaining an exemption outweighs the public interest in disclosing the information.

➢ The Council also have very clear rules within the Constitution governing access to information and the grounds on which information should be excluded from the public domain (Constitution Part four, pages D26-39).

6.2.3. Ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognize that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands.

➢ The Council has many ways of communicating with our citizens and stakeholders such as:
  - Publications and leaflets.
  - Customer Service Centre.
  - Face to face points.
  - Shropshire Council website.
  - Local Joint Committees.
  - Established links and regular meetings with local interest groups/forums such as Older Peoples Forum, Youth Parliament.
  - Public and stakeholders open budget consultation meetings, single issue and geographical area issue consultation meetings.
  - Council tax spend online information.
  - Social media channels.

➢ Marketing and communications strategies are being developed that reflect the need to carefully target communications and marketing activity and link to the new corporate plan.

6.2.4. 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.

● The Council consults regularly on strategic decisions and service developments via an email list of people who have signed up to provide feedback to the Council. All public consultations are listed on the Council's Consultation Portal.

➢ Some recent examples of consultation the Council has undertaken are:

  - The Big Conversation Survey.
  - Budget Proposals 2016-17.

- Shrewsbury Quarry Swimming Pool Options.
- Adult social care users' survey.
- Adult social care carers' survey.
- Outdoor recreation users' annual survey.
- Customer contact centres user survey.
- Taxi licence fees survey.
- Library Services.
- Children's centre satisfaction survey.

6.2.5. On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.

➢ Our framework establishes a clear reporting mechanism for performance of corporate priorities and the Council's outcomes. The quarterly reports are available publicly, being reported to the Council's senior managers, Cabinet and members to identify any issues they may want to have considered through Scrutiny. They build quarter on quarter with the quarter four report providing the full year view.

➢ In addition to the performance report each Portfolio Holder provides an annual report to Council on progress in their area of responsibility, with issues and future plans, going to the July and September meetings. The corresponding Scrutiny Chairs also provide a report on the work of their Scrutiny Committee to provide the full picture around decision making and holding to account.

6.2.6. Ensure that the authority as a whole is open and accessible to the community, service users and its officers 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.

➢ The rules concerning confidentiality are clearly laid down in the Constitution Part 4 with a presumption that items will remain open to the public unless they meet specific confidentiality criteria.

➢ Partners' responsibilities are clearly stated in Financial Rules (Section E1, DD67-69) and in the partnership guidance document.

➢ The Council has a small Information Governance team committed to ensuring the principles of Data Protection, Freedom of Information and Transparency are followed.

6.3. Making best use of human resources by taking an active and planned approach to meet responsibility to staff.

6.3.1. Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.

➢ The Chief Executive provides a regular update for all staff via email on key issues including relevant information from the senior management team. Staff without access to email, are updated by their managers.

➢ The Intranet is used widely to communicate information and also as a mechanism to involve staff in providing feedback on particular issues.

➢ The performance review process provides a one to one opportunity for staff to discuss performance, achievements and issues as well as an opportunity to discuss how things are working in their area. From this work, objectives and personal development plans are produced.

➢ There is a Joint Consultative Council which consists of elected trade union representatives, members and senior management. This meets regularly to review and agree key employment policies.

➢ The Council has monthly informal meetings with trade unions to manage issues of concern, discuss emerging issues and policy changes. In addition a regular meeting between Human Resources and trade unions is held to discuss current issues at the Council, in a less formal environment than the Joint Consultative Committee.

➢ Focus groups are held with trade union representatives to discuss and contribute to key employment policies whilst they are being drafted as part of the consultation process.

➢ Issues which need consultation and approval over policy changes are discussed through a quarterly 'Policy Forum' prior to the items then going to the next Joint Consultative Committee.

➢ Managers hold regular team meetings where staff have the opportunity to provide comments on their service and contribute to policy and service delivery issues in their own service area. Managers also have regular individual meetings (known as catch ups, one to ones or supervision) which provide another mechanism for consultation.

Principle 6

There is evidence which confirms that the Council is engaging with local people and other stakeholders to ensure robust public accountability.

Revised April 2016

SHROPSHIRE COUNCIL FRAMEWORK OF CORPORATE GOVERNANCE

Council Mission: As soon as possible everything is as efficient as it can be, focusing on the customer, prevention and partnership. The priorities are:

- Growing: Help to manage our environment (in a way that helps Shropshire thrive).
- Protecting: Strive to keep people from harm (in a way that doesn't compromise on their choices).
- Helping: Help people, communities and businesses to help themselves (in a way that helps them to make the most of the choices available to them).

The Shropshire system by which we direct and control our functions and relate to our community.

Principal 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6
Focussing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area	Members and Officers working together to achieve a common purpose with clearly defined functions and roles.	Promoting values for the authority & demonstrating the values of good governance through upholding high standards of conduct and behaviour.	Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.	Developing the capacity and capability of members and officers to be effective.	Engaging with local people and other stakeholders to ensure robust public accountability.
Budget Book	Shropshire Council Business Plan and Financial Strategy 2014-17	Shropshire Council Business Plan and Financial Strategy 2014-17	Cabinet Forward Plan	Members Induction	Locality Commissioning
Shropshire Council Business Plan & Financial Strategy 2014-17	Shropshire Compact	Speaking Up about Wrongdoing	Key Decision Process	Specialist Member Training	Shropshire Council Business Plan and Financial Strategy 2014-17
Shropshire Compact	Local Joint Committee Meetings	Fraud and Corruption Hotline	Speaking Up about Wrongdoing	Member Development Programme	Shropshire Voluntary and Community Sector Assembly
Local Joint Committee Meetings	Shropshire Website, including. e-Shrop Intranet	Complaints Procedure	Fraud and Corruption Hotline	Shropshire Voluntary and Community Sector Assembly	Annual Scrutiny Chairs Report
Shropshire Website, Shropshire Newsroom. e-Shrop Intranet	Locality Commissioning	Register of Pecuniary Interests	Complaints Procedure	Recruitment and Selection Process	Shropshire Website, Shropshire Newsroom. e-Shrop Intranet
Council Tax Leaflet	Record of Decisions	Gifts and Hospitality Register	Register of Pecuniary Interests	HR Development Team	Customer First
Shropshire Business Board	**Local** Governance	Freedom of Information	Gifts and Hospitality Register	Training and Development Courses	Local Joint Committees
Locality Commissioning	Constitution	Partnership Guidance – Shropshire Compact	Opportunity Risk Management Strategy	Continuous Professional Development	Council Tax Leaflet
Constitution	Head of Paid Service	IT Code of Practice for Employees	Freedom of Information	Member Officer Protocol	Budget Book
Local Governance	Chief Finance Officer	Constitution	Constitution	Job Descriptions	Constitution
Annual Statement of Accounts	Financial Rules	Monitoring Officer	Chief Finance Officer	Scrutiny Process	Local Governance
Annual Governance Statement	Monitoring Officer	Code of Corporate Governance	Monitoring Officer	Audit Committee	Scrutiny Process
Commissioning Strategy	Member / Officer Relations Protocol	Contract Procedure Rules	Job Descriptions	Performance Framework	Performance Framework
Scrutiny Process	Members Code of Conduct	Counter-Fraud, Bribery and Anti-corruption Strategy	Scheme of Delegation	Professional Development	Staff Briefing and Consultation
Internal and External Audit	Employee Code of Conduct	Member / Officer Relations Protocol	Members Code of Conduct		
Inspectorates	Scheme of Delegation	Members Code of Conduct	Employee Code of Conduct		
Scrutiny Process	Job Descriptions	Employee Code of Conduct	Scrutiny Process		
Internal and External Audit	Contracts of Employment	Harassment and Disciplinary Policies	Audit Committee		
Inspectorates	Performance Framework	Recruitment Process and DBS checks	Medium Term Financial Plan		
	Scrutiny Process	Internal and External Audit	Performance Framework	**KEY**	
		Performance Framework	Insurance	Openness and inclusivity	
		Scrutiny Process	Scrutiny Process	Accountability	
				Integrity	