



## Code of Corporate Governance

### Document Record

<b>Release:</b>	Version 4
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<b>Ownership:</b>	Resources Directorate

### Document History

This code replaces the previous Code of Corporate Governance.

### **Document Location**

A copy of the policy is available on the Fylde Council web site.

The original master copy is stored on the network drive belonging to the Director of Resources.

### **Revision History**

Date of next revision:

Revision Date	Previous version number	Previous revision date	Summary of changes
27/3/16	1	3/4/08 (Adoption of version 1)	Changes to reflect changes to national guidance and to the council's systems of managerial and political governance
21/9/17	2	16 June 2016 (adoption of version 2)	Changes to reflect the 2016 edition of CIPFA's "Delivering

			Good Governance in Local Government Framework”
27/7/20	3	21 <sup>st</sup> September 2017	Periodic Review

### Approvals

This policy requires the following approvals:

Audit and Standards Committee 24<sup>th</sup> September 2020

### Distribution

This code requires each head of service to review arrangements within his or her own service for securing proper corporate governance and sign an assurance statement. Additionally, the Leader of the Council and Chief Executive are required to sign an Annual Governance Statement, whose content will need to be informed by the assurance statement of each head of service.

## **1. WHAT IS GOVERNANCE AND THE LOCAL CODE?**

- 1.1 For Fylde Council, governance comprises the arrangements put in place to ensure that the Council defines and achieves its intended outcomes for stakeholders. To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.
- 1.2 This local code sets out the arrangements that comprise Fylde's system of governance, the principles of good governance that it has adopted and the procedures that are in place to review whether the council is delivering good governance and to improve governance.

## **2. WHAT ARE THE PRINCIPLES OF GOOD GOVERNANCE?**

- 2.1 The principles of good governance are set out in the publication "Delivering Good Governance in Local Government: Framework" (2016), published by CIPFA and SOLACE. This local Code shows how Fylde Council will comply with the CIPFA SOLACE Framework.
- 2.2 The Framework sets out seven core principles of good governance. The core principles are:
  - A Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
  - B Ensuring openness and comprehensive stakeholder involvement
  - C Defining outcomes in terms of sustainable economic, social and environmental benefits
  - D Determining the interventions necessary to optimise the achievement of the intended outcomes
  - E Developing the entity's capacity including the capability of its leadership and the individuals within it
  - F Managing risks and performance through robust internal control and strong public financial management
  - G Implementing good practices in transparency, reporting and audit to deliver effective accountability
- 2.3 Each core principle divides into a number of sub-principles. The following paragraphs set out the behaviours and actions that demonstrate how Fylde Council will comply with each sub-principle:

### 3. WHAT ARE FYLDE COUNCIL’S GOVERNANCE ARRANGEMENTS?

- 3.1 The Council’s investment and activities are focused on achieving our corporate priorities, which are:
- Value for money: Spending public money in the most efficient way to achieve excellent services
  - Clean and green: Delivering services that customers expect of an excellent council
  - A vibrant economy
  - A great place to live: Making sure that Fylde continues to be one of the most desirable places to live
  - A great place to visit: Promoting Fylde as a great destination to visit
- 3.2 Fylde’s decision-making structures are set out in the council’s [constitution](#) and other protocols and procedures:
- 3.3 The following tables identify the structures, protocols and procedures by which Fylde Council demonstrates its compliance with the core and supporting principles of its Code of Corporate Governance, along with examples of the evidence associated with them.

<b>A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Behaving with integrity	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	<ul style="list-style-type: none"> <li>• Code of Conduct for Members</li> <li>• Code of Conduct for Officers</li> <li>• Induction for Officers and Members</li> <li>• Member Development Process</li> <li>• Staff Appraisal Process</li> <li>• Competency Framework</li> </ul>
	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).	<ul style="list-style-type: none"> <li>• Communication of shared values to members, staff, residents and partners</li> <li>• Corporate Plan</li> <li>• Audit &amp; Standards Committee</li> <li>• Chairmanship of council meetings</li> </ul>
	Leading by example and using the above standard operating principles or values as a	<ul style="list-style-type: none"> <li>• Declarations of interests in meetings</li> <li>• Conduct at meetings</li> <li>• Audit &amp; Standards Committee</li> <li>• Independent persons</li> </ul>

	framework for decision making and other actions.	<ul style="list-style-type: none"> <li>Monitoring Officer role</li> </ul>
	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that effectively.	<ul style="list-style-type: none"> <li>Council's constitution</li> <li>Anti-fraud Policy</li> <li>Register of staff interests</li> <li>Register of gifts and hospitality</li> <li>Whistleblowing Policy</li> <li>Complaints policies</li> <li>Recorded declaration of interests at meetings</li> <li>Corporate Governance Group</li> </ul>
Demonstrating strong commitment to ethical values	Seeking to establish, monitor and maintain the organisation's ethical standards and performance	<ul style="list-style-type: none"> <li>Audit &amp; Standards Committee</li> <li>Council's Constitution</li> <li>Internal Audit Charter</li> <li>Corporate Governance Group</li> </ul>
	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	<ul style="list-style-type: none"> <li>Competency Framework</li> <li>Code of Conduct for Members</li> <li>Code of Conduct for Officers</li> </ul>
	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.	<ul style="list-style-type: none"> <li>Procurement rules</li> <li>Contract Procedure Rules</li> <li>HR arrangements and rules</li> </ul>
	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation.	<ul style="list-style-type: none"> <li>Partnership Protocol</li> <li>Contract Procedure rules</li> <li>Guide to Buying for the Council</li> </ul>
Respecting the rule of law	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.	<ul style="list-style-type: none"> <li>Constitution</li> <li>Schemes of delegation</li> <li>Monitoring Officer role and protocol</li> <li>Section 151 Officer role</li> <li>Head of Governance role</li> <li>Transparency code</li> </ul>
	Creating the conditions to ensure that the statutory officers, other key post holders, and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	<ul style="list-style-type: none"> <li>Constitution</li> <li>Constitution Review Working Group</li> <li>Job description/person specifications</li> <li>Terms of reference for Committees</li> <li>Democratic services</li> <li>Compliance with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government</li> <li>Compliance with Public Sector Internal Audit Standards</li> </ul>

	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.	<ul style="list-style-type: none"> <li>• Reports to Committees include legal implications</li> <li>• Open data website</li> </ul>
	Dealing with breaches of legal and regulatory provisions effectively	<ul style="list-style-type: none"> <li>• Monitoring Officer Protocol</li> <li>• Disciplinary policy</li> <li>• Standards framework</li> <li>• Independent persons</li> <li>• Chief Officer Employment Committee</li> </ul>
	Ensuring corruption and misuse of power are dealt with effectively.	<ul style="list-style-type: none"> <li>• Audit &amp; Standards Committee</li> <li>• Anti-fraud and Corruption policy</li> <li>• Whistleblowing policy</li> <li>• Anti-Bribery policy</li> </ul>
<b>B- Ensuring openness and stakeholder involvement</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Openness	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.	<ul style="list-style-type: none"> <li>• Publication Scheme/Compliance with the Local Government Transparency Code 2015</li> <li>• Opportunity for public speaking provided in Committee Meetings</li> <li>• Published Committee agendas, papers and minutes</li> <li>• Variety of communication channels available; Customer Service Centres, Online Reporting and Forms, Social Media and Customer Call Centres</li> <li>• Pay policy statement</li> <li>• Authority's website</li> <li>• Corporate Plan</li> <li>• Financial Statements</li> <li>• Commitment to freedom of information</li> </ul>
	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If this is not the case, a justification for the reasoning for keeping a decision confidential should be provided.	<ul style="list-style-type: none"> <li>• Published Committee agendas, papers and minutes including decisions</li> <li>• Committee report format</li> <li>• Infrequent and exceptional use of exempt information procedures</li> </ul>
	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about criteria, rationale and considerations used. In due course, ensuring that the	<ul style="list-style-type: none"> <li>• Decision making (Constitution Article 11)</li> <li>• Committee report format</li> <li>• Published Committee agendas, papers and minutes including decisions</li> <li>• Published calendar of meetings</li> <li>• Guide to Good Report Writing</li> </ul>

	<p>impact and consequences of those decisions are clear.</p> <p>Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/course of action.</p>	<ul style="list-style-type: none"> <li>• Consultation Strategy 2014 (update required)</li> <li>• Publication of current and past consultations</li> <li>• Pre-budget consultation strategy</li> <li>• Consultation on HR Issues/processes</li> </ul>
Engaging comprehensively with institutional stakeholders	<p>Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</p>	<ul style="list-style-type: none"> <li>• Partnership Protocol</li> <li>• Consultation Strategy</li> <li>• Liaison Groups and statutory Partnerships</li> </ul>
	<p>Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</p>	<ul style="list-style-type: none"> <li>• Partnership Protocol</li> </ul>
	<p>Ensuring that partnerships are based on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit.</p>	<ul style="list-style-type: none"> <li>• Partnership Protocol</li> <li>• Commissioning Plans</li> <li>• Documented partnership arrangements; Service Level Agreements, Memorandums of Understanding, Terms of Reference etc.</li> </ul>
Engaging with individual citizens and service users effectively	<p>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</p>	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Equality Analysis (e.g. Working Age Council Tax Support Scheme Equality Assessment)</li> <li>• Communications Group</li> </ul>
	<p>Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.</p>	<ul style="list-style-type: none"> <li>• Communication Strategy</li> <li>• Member Development Training Programme – Effective Use of Social Media training</li> </ul>
	<p>Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.</p>	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Website</li> <li>• District/Parish Liaison Committee</li> <li>• Residents’ survey</li> <li>• Local Government Boundary Commission</li> </ul>
	<p>Implementing effective feedback mechanisms in order</p>	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Published Consultation results</li> </ul>

	to demonstrate how views have been taken into account.	
	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Published Committee agendas, papers and minutes including decision record</li> <li>• Residents’ survey</li> </ul>
	Taking account of the impact of decisions on future generations of tax payers and service users.	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Sustainability assessment of relevant reports</li> </ul>
<b>C – Defining outcomes in terms of sustainable economic, social and environmental benefits</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Defining outcomes	Having a clear vision, which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation’s overall strategy, planning and other decisions.	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Annual Budget</li> </ul>
	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Service/Team Plans</li> </ul>
	Delivering defined outcomes on a sustainable basis within the resources that will be available.	<ul style="list-style-type: none"> <li>• Performance Reporting</li> <li>• Sustainable Procurement Policy</li> <li>• Annual budget</li> </ul>
	Identifying and managing risks to the achievement of outcomes.	<ul style="list-style-type: none"> <li>• Performance Reporting</li> <li>• Risk Management Strategy and Policy</li> <li>• Strategic Risk Management Group</li> <li>• Audit reports and action plans</li> <li>• Medium Term Financial Strategy</li> </ul>
	Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available.	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Communication Strategy</li> <li>• Open data website</li> <li>• External Audit - VFM Conclusion</li> <li>• Complaints procedure</li> </ul>
Sustainable economic, social and environmental benefits	Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decision about service provision.	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Capital Programme</li> <li>• Annual Budget</li> <li>• Reports to Committees include environmental impact implications</li> <li>• Risk Assessment Strategy</li> </ul>
	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Commercial Strategy</li> <li>• Sustainable Procurement Policy</li> <li>• Risk Management Strategy and Policy</li> </ul>



	intended outcomes and short-term factors such as the political cycle or financial constraints.	<ul style="list-style-type: none"> <li>Strategic Risk Management Group</li> </ul>
	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.	<ul style="list-style-type: none"> <li>Risk Management Strategy and Policy</li> <li>Strategic Risk Management Group</li> <li>Corporate Plan</li> <li>Medium Term Financial Strategy</li> <li>Pre-budget consultation strategy</li> </ul>
	Ensuring fair access to services.	<ul style="list-style-type: none"> <li>Equality and Diversity Policy</li> </ul>
<b>D – Determining the interventions necessary to optimise the achievement of the intended outcome</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Determining interventions	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided.	<ul style="list-style-type: none"> <li>Project Management</li> <li>Published Committee agendas, papers and minutes including decisions</li> <li>Risk Management Strategy and Policy</li> <li>Committee report format</li> <li>Guide to Good Report Writing</li> </ul>
	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.	<ul style="list-style-type: none"> <li>Corporate Plan</li> <li>Consultation Strategy</li> <li>Medium Term Financial Strategy</li> <li>Pre-budget consultation strategy</li> <li>Opportunity for public speaking provided in Committee Meetings</li> </ul>
Planning interventions	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	<ul style="list-style-type: none"> <li>Calendar of Committee Meetings</li> <li>Project Management</li> <li>Performance management framework</li> <li>Medium term financial strategy</li> </ul>
	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.	<ul style="list-style-type: none"> <li>Consultation Strategy</li> <li>Project Management</li> <li>Engagement with external auditors</li> <li>District/Parish Liaison Group</li> </ul>
	Considering and monitoring risks facing each partner when working collaboratively, including shared risks.	<ul style="list-style-type: none"> <li>Risk Management Strategy and Policy</li> <li>Partnership Protocol</li> </ul>
	Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be	<ul style="list-style-type: none"> <li>Chief Executive as driver of change</li> <li>Flexible working</li> </ul>

	adapted to changing circumstances	
	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.	<ul style="list-style-type: none"> <li>• Performance Reports</li> <li>• Corporate performance management systems</li> </ul>
	Ensuring capacity exists to generate the information required to review service quality regularly	<ul style="list-style-type: none"> <li>• Management team</li> <li>• Heads of Service Group</li> <li>• Internal Audit</li> <li>• Corporate performance and Improvement Team</li> </ul>
	Preparing budgets in accordance with objectives, strategies and the medium term financial plan	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Capital Programme</li> <li>• Annual Budget</li> <li>• Quarterly Performance Reports</li> </ul>
	Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.	<ul style="list-style-type: none"> <li>• Project Management</li> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Capital Programme</li> <li>• Annual Budget</li> <li>• Performance Reports</li> </ul>
Optimising achievement of intended outcomes	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Capital Programme</li> <li>• Annual Budget</li> </ul>
	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.	<ul style="list-style-type: none"> <li>• Pre-budget consultation strategy</li> <li>• Medium Term Financial Strategy</li> <li>• Budget Working Group and Annual Budget Process</li> <li>• Budget right-sizing</li> </ul>
	Ensuring the medium term financial strategy sets the context for ongoing decision on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.	<ul style="list-style-type: none"> <li>• Medium Term Financial Strategy</li> <li>• Annual Budget</li> <li>• Performance Reports</li> </ul>
	Ensuring the achievement of “social value” through service planning and commissioning.	<ul style="list-style-type: none"> <li>• Procurement Strategy</li> <li>• Partnership work with registered providers of social housing</li> </ul>
<b>E – Developing the entity’s capacity, including the capacity of its leadership and the individuals within it</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Developing the entity’s capacity	Reviewing operations, performance and use of assets	<ul style="list-style-type: none"> <li>• Performance Reports</li> </ul>

	on a regular basis to ensure their continuing effectiveness	
	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently.	<ul style="list-style-type: none"> <li>• Internal audit reports</li> <li>• External audit reports</li> <li>• Estates Team</li> <li>• Performance management software</li> <li>• Peer reviews</li> </ul>
	Recognising the benefits of partnerships and collaborative working where added value can be achieved.	<ul style="list-style-type: none"> <li>• Partnership Protocol</li> <li>• Shared services</li> </ul>
	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.	<ul style="list-style-type: none"> <li>• Competency Framework</li> <li>• Staff Appraisals</li> </ul>
Developing the capacity of the entity's leadership and other individuals	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Job description/person specification</li> <li>• Protocol on Member/Officer Relations</li> <li>• Members' Code of Conduct</li> <li>• Officers' Code of Conduct</li> <li>• Leadership Board meetings</li> </ul>
	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.	<ul style="list-style-type: none"> <li>• Constitution</li> </ul>
	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a clear structure and provide a balance for each other's authority. Members are mainly responsible for the political direction and leadership of the Authority; the determination of strategies, policies and plans; and major decisions (including almost all Key Decisions) to implement those strategies, policies and plans. Officers are responsible for day to day managerial and operational decisions in line with those strategies, policies and plans.	<ul style="list-style-type: none"> <li>• Constitution</li> </ul>
	Developing the capabilities of members and senior management to achieve	<ul style="list-style-type: none"> <li>• Induction for Members</li> <li>• Staff Induction</li> <li>• Staff Appraisal</li> </ul>

	<p>effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risk by:-</p> <ul style="list-style-type: none"> <li>• Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.</li> <li>• Ensuring members and offices have the appropriate skills, knowledge resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.</li> <li>• Ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.</li> </ul>	<ul style="list-style-type: none"> <li>• Competency Framework</li> <li>• Member development framework</li> <li>• Vocational Qualifications policy</li> <li>• i-Pool training</li> <li>• Greengage Future Leadership Management Programme</li> </ul>
	<p>Ensuring that there are structures in place to encourage public participation.</p>	<ul style="list-style-type: none"> <li>• Consultation Strategy</li> <li>• Opportunity for public speaking provided in Committee Meetings</li> </ul>
	<p>Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.</p>	<ul style="list-style-type: none"> <li>• Member development framework</li> <li>• Greengage Future Leadership Management Programme</li> </ul>
	<p>Holding staff to account through regular performance reviews which take account of training or development needs.</p>	<ul style="list-style-type: none"> <li>• Staff appraisal</li> <li>• Personal development process</li> </ul>
	<p>Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in</p>	<ul style="list-style-type: none"> <li>• Wellness at Work Sessions</li> <li>• Health and Safety regime</li> <li>• Occupational Health</li> <li>• Operational Risk Management</li> </ul>

	maintaining their own physical and mental wellbeing.	<ul style="list-style-type: none"> <li>• Respecting People at Work Framework</li> <li>• Work life Balance through Flexible Working Policy</li> <li>• Job Share Policy</li> </ul>
<b>F – Managing risks and performance through robust internal control and strong public financial management</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Managing risk	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.	<ul style="list-style-type: none"> <li>• Risk management Strategy and Policy</li> <li>• Committee report format</li> </ul>
	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.	<ul style="list-style-type: none"> <li>• Risk management Strategy and policy</li> <li>• Reports to Audit and Standards Committee</li> <li>• Annual Governance Statement</li> </ul>
	Ensuring that responsibilities for managing individual risks are clearly allocated.	<ul style="list-style-type: none"> <li>• Risk management Strategy and Policy</li> <li>• Strategic risk register</li> <li>• Service risk registers</li> </ul>
Managing performance	Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	<ul style="list-style-type: none"> <li>• Quarterly Performance Reports</li> <li>• Internal Audit reports</li> </ul>
	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.	<ul style="list-style-type: none"> <li>• Risk management strategy and policy</li> <li>• Committee report format</li> <li>• Project Management</li> </ul>
	Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making.	<ul style="list-style-type: none"> <li>• Procedural Standing Orders for Council and Committees</li> <li>• Published Committee agendas, papers and minutes</li> <li>• Member training and development</li> <li>• Opportunity for public speaking provided in Committee Meetings</li> <li>•</li> </ul>
	Providing members and senior management with regular reports on service delivery plans on progress towards outcome achievement.	<ul style="list-style-type: none"> <li>• Performance Reports</li> <li>• Calendar of Committee Meetings</li> <li>• Committee report format and clearance procedure</li> </ul>
	Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements).	<ul style="list-style-type: none"> <li>• Financial Procedure Rules</li> <li>• Contract Procedure Rules</li> </ul>
Robust internal control	Aligning the risk management strategy and policies on	<ul style="list-style-type: none"> <li>• Risk management strategy and policy</li> </ul>

	internal control with achieving objectives.	
	Evaluating and monitoring risk management and internal control on a regular basis.	<ul style="list-style-type: none"> <li>• Risk management strategy and policy</li> <li>• Reports to Audit and Standards Committee</li> </ul>
	Ensuring effective counter fraud and anti-corruption arrangements are in place.	<ul style="list-style-type: none"> <li>• Anti-Fraud and Corruption Strategy</li> <li>• Whistleblowing Policy</li> <li>• Anti-Bribery Policy</li> <li>• Anti-Money Laundering Policy</li> <li>• Reports to Audit and Standards Committee</li> </ul>
	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> <li>• Maintaining and resourcing an effective internal audit function</li> <li>• Reports to Audit and Standards Committee</li> </ul>
	Ensuring an audit committee or equivalent group/function, which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>• Provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>• That its recommendations are listened to and acted upon.</li> </ul>	<ul style="list-style-type: none"> <li>• Terms of reference of Audit and Standards Committee</li> <li>• Annual effectiveness review of Audit and Standards Committee</li> </ul>
Managing data	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.	<ul style="list-style-type: none"> <li>• Information Governance Assurance policy</li> <li>• Data Retention policy</li> <li>• Data Assurance policy</li> <li>• Information Asset Register</li> </ul>
	Ensuring effective arrangements are in place and operating effectively, when sharing data with other bodies.	<ul style="list-style-type: none"> <li>• Data sharing protocol</li> </ul>
	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	<ul style="list-style-type: none"> <li>• Data Assurance Policy</li> <li>• Annual Audit plan</li> </ul>
Strong public financial management	Ensuring financial management supports both long term achievement of outcomes and	<ul style="list-style-type: none"> <li>• Corporate Plan</li> <li>• Medium Term Financial Strategy</li> <li>• Budget Working Group</li> </ul>

	short-term financial and operational performance.	<ul style="list-style-type: none"> <li>• Budget monitoring arrangements</li> <li>• Quarterly Performance Reports</li> </ul>
	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	<ul style="list-style-type: none"> <li>• Medium Term Financial Strategy</li> <li>• Budget Working Group</li> <li>• Budget monitoring arrangements</li> <li>• Quarterly Performance Reports –</li> </ul>
<b>G – Implementing good practices in transparency, reporting and audit to deliver effective accountability</b>		
<b>Supporting principles</b>	<b>Behaviours and actions that demonstrate good governance</b>	<b>Evidenced in practice at Fylde Council by:</b>
Implementing good practice in transparency.	Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	<ul style="list-style-type: none"> <li>• Committee report format</li> <li>• Published Committee agendas, papers and minutes including decisions</li> <li>• Open data website</li> </ul>
	Striking a balance between providing the right amounts of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.	<ul style="list-style-type: none"> <li>• Compliance with the Local Government Transparency Code 2015</li> <li>• Open data website</li> <li>• Committee report format</li> </ul>
Implementing good practices in reporting	Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way.	<ul style="list-style-type: none"> <li>• Annual financial statements</li> <li>• Annual Governance Statement</li> <li>• External Audit reports</li> <li>• Quarterly performance reports</li> </ul>
	Ensuring members and senior management own the results reported.	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> <li>• Reports to Audit and Standards Committee</li> <li>• Published Committee agendas, papers and minutes including decisions</li> </ul>
	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement).	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> </ul>
	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> </ul>
	Ensuring the performance information that accompanies the financial statements is	<ul style="list-style-type: none"> <li>• Publication of financial statements in line with best practice guidance</li> </ul>

	prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations.	
Assurance and effective accountability	Ensuring that recommendations for corrective action made by external audit are acted upon.	<ul style="list-style-type: none"> <li>• External Audit reports</li> <li>• Reports to Audit and Standards Committee</li> </ul>
	Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon.	<ul style="list-style-type: none"> <li>• Internal Audit annual report</li> <li>• Reports to Audit and Standards Committee</li> <li>• Self/external assessment of the Internal Audit function against the best practice guidance; "Public Sector Internal Audit Standards"</li> <li>• Internal Audit Charter</li> </ul>
	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.	<ul style="list-style-type: none"> <li>• Assurance gathering process for the Annual Governance Statement</li> <li>• Reports to the Audit and Standards Committee</li> </ul>
	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> </ul>
	Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.	<ul style="list-style-type: none"> <li>• Partnership Protocol</li> </ul>

#### 4. HOW DOES FYLDE COUNCIL REVIEW ITS GOVERNANCE?

- 4.1 As required by the CIPFA SOLACE Framework, the Council prepares an annual governance statement in order to report publicly on the extent to which it complies with its own code of governance, consistent with the principles set out in the Framework.
- 4.2 The Corporate Governance Group has responsibility for overseeing a detailed self-assessment of compliance with the above core principles and sub-principles, which informs the annual governance statement. Much of the required evidence is taken from the following key systems and processes:
- Strategic and business planning;
  - Communication;
  - Performance management;
  - Risk management;



- Value for money;
- Probity;
- Financial strategy;
- Financial standing;
- Financial management;
- Asset management.

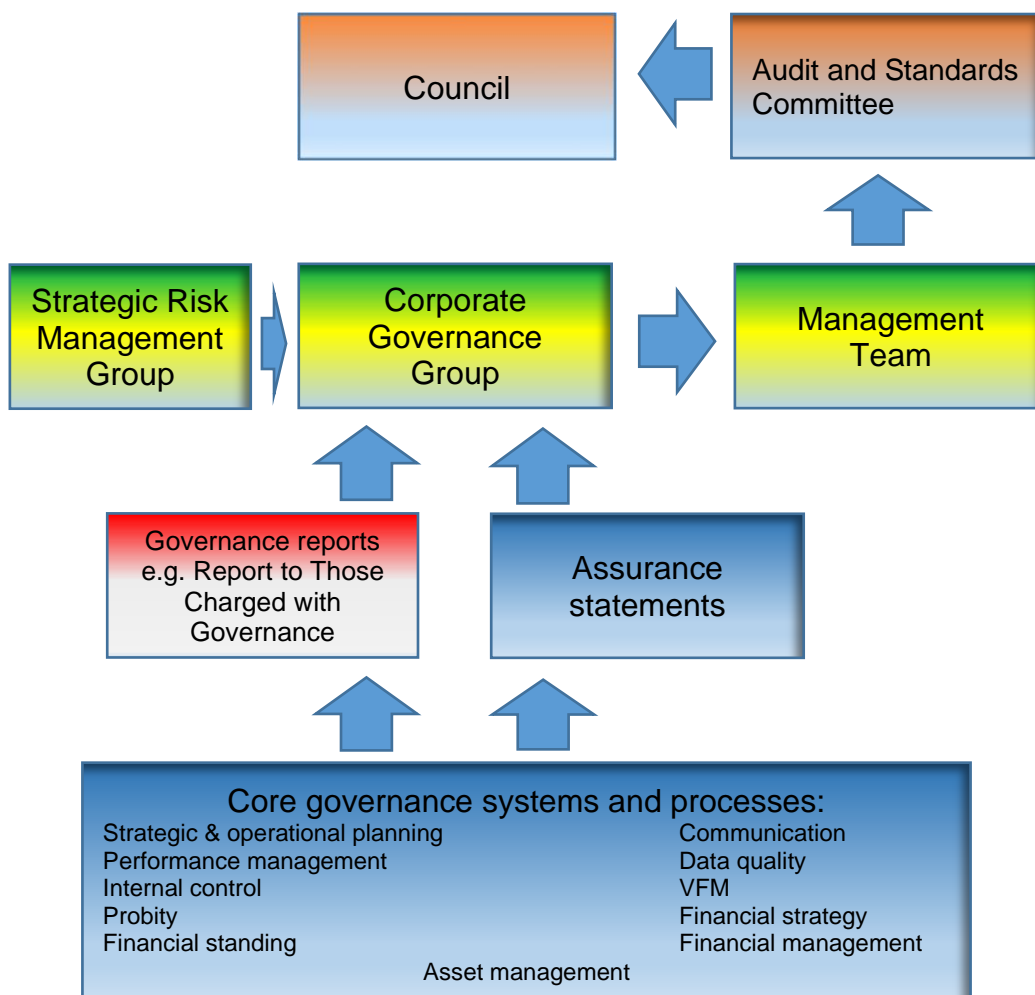
4.3 The key officers involved of the group are:

- Director of Resources (Monitoring Officer)
- Chief Financial Officer (Section 151 Officer)
- Head of Governance
- Shared Head of Internal Audit

4.4 The Director of Resources has corporate responsibility for governance including oversight of compliance with the CIPFA SOLACE Framework and the process leading to the publication of the Annual Governance Statement.

4.5 Any significant non-compliance issues identified in the self-assessment process are disclosed within the Annual Governance Statement and fed into the service planning process. This means that they are subjected to systematic monitoring which in turn ensures their resolution.

4.6 The Annual Governance Statement is also reported to the Management Team and is submitted to Audit and Standards Committee for approval. In addition, the Audit and Standards Committee has responsibility for oversight and scrutiny of governance matters written into its terms of reference. The overall reporting system for corporate governance is shown below. This also indicates that the Corporate Governance Group acts as a conduit for any governance issues identified through external audit and inspection reports.



## 5. ANNUAL GOVERNANCE STATEMENT

5.1 The Council Annual Governance Statement includes the following information:

- a. an acknowledgement of responsibility internal financial control
- b. an indication of the level of assurance that a system of internal financial control can provide
- c. a brief description of the main features of the system of internal financial control including controls relating to group activities where the activities are significant

- d. a brief description of the role of internal audit and the management and reporting arrangements for internal audit
  - e. Details of any other reviews informing the assessment of the effectiveness and operation of internal financial control undertaken during the year
  - f. A concise explanation of any identified significant weaknesses in the system of internal financial control, together with the actions undertaken or planned to address these
  - g. A specific statement on whether the authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government; Framework; and, where they do not, an explanation of how they deliver the same impact.
- 5.2 The annual governance statement covers all significant corporate systems, processes and controls, spanning the whole range of the Council's activities, including in particular those designed to ensure:
- the authority's policies are implemented in practice
  - high-quality services are delivered efficiently and effectively
  - the authority's values and ethical standards are met
  - laws and regulations are complied with
  - required processes are adhered to
  - performance statements and other published information are accurate and reliable
  - human, financial and other resources are managed efficiently and effectively
- 5.3 It therefore covers performance issues – good governance promotes good service but poor service performance reflects a failure of governance. Consequently, approval and ownership of the governance statement should be at a corporate level and should be confirmed by the most senior officer (chief executive or equivalent) and the most senior member (leader or equivalent) signing the statement on behalf of the authority.
- 5.4 The Leader and Chief Executive therefore sign the Annual Governance Statement on behalf of Fylde Council.
- 5.5 The Annual Governance Statement will be approved by the Audit and Standards Committee by the end of June each year and published with the financial statements so that the publication timetable for the financial statements drives the governance statement approval timetable.

## **6. ASSURANCE STATEMENTS**

- 6.1 As Section 5 above indicates, those signing the Annual Governance Statement will seek assurances that the views of the statutory officers have been taken into account, and they have in turn sought the views of auditors (internal & external) and other inspectorates as to the adequacy and effectiveness of the Council's system of governance.
- 6.2 However in reviewing and approving the Annual Governance Statement, members will also require assurances on the effectiveness of the governance framework from managers across the Council, as it is they who are charged with embedding corporate governance systems within their service areas.
- 6.3 The Council has therefore adopted a system of Assurance Statements (Appendix 1) which are compiled on an annual basis and approved by directors to coincide with the production of the Annual Governance Statement. These require service managers to review the operation of a wide range of governance systems and procedures within their service areas and indicate whether there are any significant non-compliance issues.
- 6.4 The Corporate Governance Group is then charged with analysing the completed Assurance Statements to ascertain whether there are any common areas of concern, and if so, whether these constitute significant governance issues. Any significant non-compliance issues emerging from the Directorate Statements will be included in the Annual Governance Statement.

## APPENDIX 1

### GOVERNANCE ASSURANCE STATEMENT

The Council publishes an Annual Governance Statement alongside the financial statements, which must be signed by the Leader and Chief Executive on behalf of the authority. This Statement must include any significant areas of weakness and action plans to address such weaknesses. The Corporate Governance Group conducts a corporate self-assessment each year of the extent to which the Council complies with guidance issued by CIPFA & SOLACE, which sets out best governance practice. In addition to the corporate self-assessment, assurance is also sought from Heads of Service, as it is they who are responsible for implementing the respective corporate governance systems and procedures within their directorates. Therefore, Governance Assurance Statements need to be compiled on an annual basis to coincide with the production of the Annual Governance Statement. These require Heads of Service to review the operation of a range of corporate policies and procedures within their directorates and indicate whether there are any significant non-compliance issues. Internal Audit will analyse the completed Governance Assurance Statements to ascertain whether there are any common areas of concern, and if so, whether these constitute significant governance issues. Any significant non-compliance issues emerging from the Governance Assurance Statements will be included in the Annual Governance Statement itself.

1.I am, as a Head of Service of Fylde Council, satisfied that, except for the specific matters arising from this questionnaire, a sound system of governance has been in place throughout the year ended 31st March 2020 and is ongoing. I also propose to take steps to address the matters arising to enhance the Service's system of governance and I will be monitoring their implementation and operation on an ongoing basis. Please enter name below

Multi Line Text

Enter your answer

▲  
▼

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2.A service plan for 2019/20 was prepared and managed according to corporate guidance.

- Yes
- No

3.If you have answered no to question 2, please explain why

Enter your answer

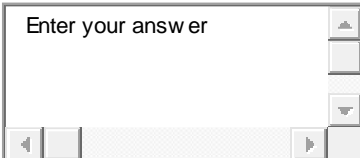
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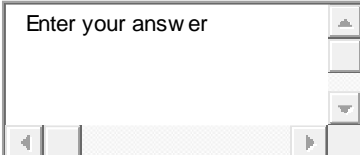
4.The Council's project management guidance has been applied to all the directorate's key projects, including capital developments.

- Yes
- No

5.If you have answered no to question 4, please explain why

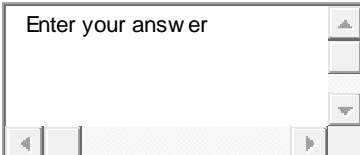
6.If response is yes, please list all applicable projects including capital developments.

7.All partnering arrangements have been managed in accordance with the council's arrangements for partnership working.

- Yes
- No

8.If you have answered no to question 7, please explain why

9.If response is yes, please list your significant partnerships. A partnership is deemed significant if it meets the following criteria: •Financial responsibility – based on a threshold for the council's annual contribution, or for directing council funding of £30k (excluding staffing costs); and/or •Strategic importance – the partnership being critical to the delivery of key council objectives or statutory obligations, or is a fundamental component of council priorities and functions and the council's reputation could be damaged by the partnership's failure to deliver

- 1
- 2
- 3
- 4

10.The Service has established feedback mechanisms to ensure that the views of service users, partners and stakeholders are taken into account.

- Yes
- No

11.If you have answered no to question 10, please explain why

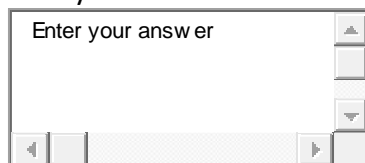
12.The corporate team briefing process is operating effectively within the directorate.

- Yes

No

13.If you have answered no to question 12, please explain why

Enter your answer



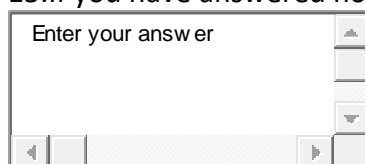
14.Arrangements are in place to ensure that all employees are responsive to complaints received and comply with the Council's complaints procedures.

Yes

No

15.If you have answered no to question 14, please explain why

Enter your answer



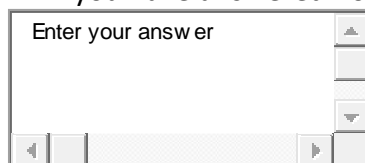
16.The service has monitored progress against its service plan on a quarterly basis.

Yes

No

17.If you have answered no to question 16 please explain why

Enter your answer



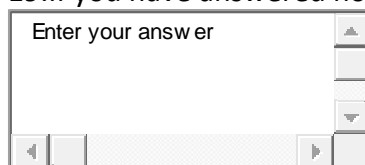
18.Please confirm that all staff appraisals were completed, where appropriate.

Yes

No

19.If you have answered no to question 18 please explain why

Enter your answer



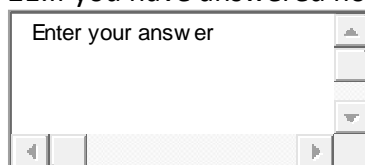
20.Corporate absence management procedures are adhered to in all instances

Yes

No

21.If you have answered no to question 20 please explain why

Enter your answer



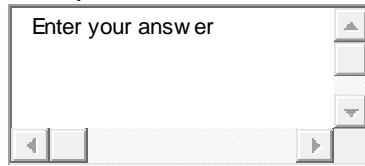
22.The service has complied with corporate policies for staff recruitment

Yes

No

23.If you have answered no to question 22 please explain why

Enter your answer



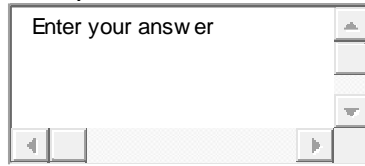
24.All employees comply with the Flexible Working Hours Policy (Flexitime scheme) where applicable.

Yes

No

25.If you have answered no to question 24 please explain why

Enter your answer



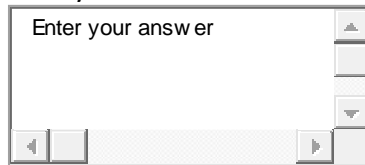
26.All employees have been made aware of their general responsibilities under equalities legislation.

Yes

No

27.If you have answered no to question 26 please explain why

Enter your answer



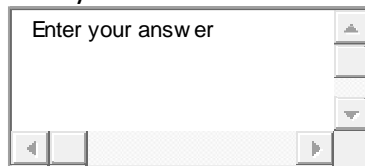
28.All employees have clearly defined job descriptions

Yes

No

29.If you have answered no to question 28 please explain why

Enter your answer



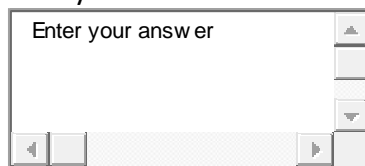
30.The service has effective procedures for the calculation and collection of any service performance indicators.

Yes

No

31.If you have answered no to question 30 please explain why

Enter your answer





32.Key controls over systems and procedural arrangements are in place to ensure that the council is safeguarded from error or irregularity.

- Yes
- No

33.If you have answered no to question 32 please explain why

34.All employees are aware of documented procedures and guidance notes where they exist to support the provision of the service.

- Yes
- No

35.If you have answered no to question 34 please explain why

36.Agreed recommendations by relevant inspectorates, auditors and other review agencies have been implemented within the agreed timescales.

- Yes
- No

37.If you have answered no to question 36 please explain why

38.All risks within my Service are being appropriately managed and recorded

- Yes
- No

39.If you have answered no to question 38 please explain why

40.There are up-to-date business continuity plans in place for the directorate, where appropriate.

- Yes
- No

41.If you have answered no to question 40 please explain why

42.Corporate health & safety policies and procedures are being complied with.

- Yes
- No

43.If you have answered no to question 42 please explain why

44.All relevant staff are aware of the Council's 'Guide to Buying' guidance.

Yes

No

45.If you have answered no to question 44 please explain why

46.All procurement has complied with the councils contract procedure rules and any procurement policy.

Yes

No

47.If you have answered no to question 46 please explain why

48.All employees have access to the Council's Constitution which sets out the basic rules governing the conduct of business and the expected behaviour of individuals.

Yes

No

49.If you have answered no to question 48 please explain why

50.All employees are made aware of their obligations under the Officers' Code of Conduct, and are believed to be in compliance.

Yes

No

51.If you have answered no to question 50 please explain why

52.All members of my staff are aware of the Anti Fraud and Corruption Strategy and they know who to contact if they suspect that fraud, corruption or other irregularities have occurred.

Yes

No

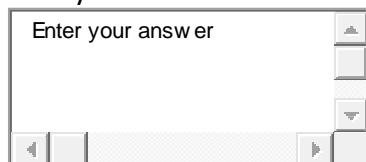
53.If you have answered no to question 52 please explain why

54.All employees are aware of and have access to the Council’s Whistleblowing policy and know who to report a concern to.

- Yes
- No

55.If you have answered no to question 54 please explain why

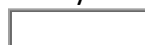
Enter your answer



56.The service regularly monitors its budget.

- Yes
- No

57.If you have answered no to question 56 please explain why

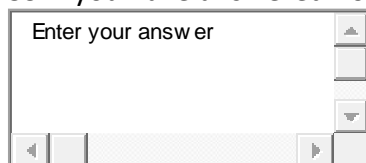


58.Purchase orders have been raised for all items of expenditure where appropriate.

- Yes
- No

59.If you have answered no to question 58 please explain why

Enter your answer

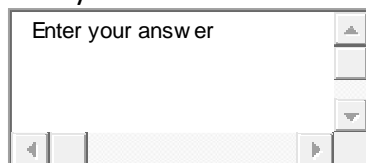


60.All income is collected and expenditure is processed in accordance with corporate systems and control arrangements.

- Yes
- No

61.If you have answered no to question 60 please explain why

Enter your answer

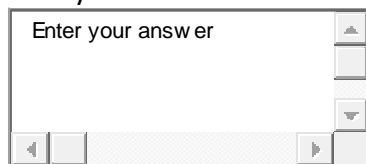


62.Asset registers or inventories have been compiled and maintained in accordance with corporate procedures.

- Yes
- No

63.If you have answered no to question 62 please explain why

Enter your answer



64. All fixed or portable devices used to store or otherwise process personal data are adequately secured or protected to prevent personal data being accessed by unauthorised persons.

- Yes
- No

65. If you have answered no to question 64 please explain why

66. All employees have been made aware of their general responsibilities under the data protection and freedom of information legislation, and are believed to be in compliance.

- Yes
- No

67. If you have answered no to question 66 please explain why

68. An Information Asset Owner and Information Asset Administrator has been identified for each information asset for which the service is responsible.

- Yes
- No

69. If you have answered no to question 68 please explain why

70. All personal data processing activities have been documented in the council's record of processing activity (RoPA).

- Yes
- No

71. If you have answered no to question 70 please explain why

72. No personal data has been processed unless there was a lawful basis for the processing under article 6 (and, if the data is special category data, article 9) of the General Data Protection Regulation (GDPR).

- Yes
- No

73. If you have answered no to question 72 please explain why

74. All personal data breaches have been notified to the council's Data Protection Officer.

Yes

No

75.If you have answered no to question 74 please explain why

76.Any new operation that processes personal data and which is likely to result in a high risk to the rights and freedoms of individuals has been subjected to a formal data protection impact assessment

Yes

No

77.If you have answered no to question 76 please explain why

78.Has Covid 19 impacted upon the governance arrangements within your service area. For example, have you implemented service specific arrangements to ensure continued service delivery. Examples could include; – Over-ride of established controls, policies, procedures, processes, authorisations etc: – Implementation of new processes; – Temporary combination of duties that would normally be separated in key roles

Yes

No

79.If you have answered yes to question 78, please provide details of alternative arrangements introduced:

80.Please confirm that any temporary changes in the control environment as a result of COVID19 will be normalised as soon as is practicable

Yes

No

81.List any other source of independent assurance that your Service has obtained during the last financial year from a service / organisation other than Internal Audit, whether internal or external to the council. E.g., IIP, ISO, Lexcel.

Required to answer

Single choice

1

2

3

4

82.Thank you for completing the questionnaire.

Date