

## Appendix B

### Shropshire Council Local Code of Corporate Governance

#### LOCAL CODE OF CORPORATE GOVERNANCE

##### INTRODUCTION

The International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) defines governance as follows:

*"Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved"*

The International Framework also states that:

*"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".*

*"Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders"*

##### GOOD CORPORATE GOVERNANCE

Shropshire Council is committed to achieving good corporate governance and this Local Code describes how the Council intends to achieve this in an open and explicit way. The local code is based upon the CIPFA SOLACE framework "Delivering Good Governance in Local Government" (April 2016). As laid out in the guidance it *"is intended to assist authorities individually in reviewing and accounting for their own unique approach. 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"*. Consequently, the local Code has been written to reflect the Council's own structure, functions, and the governance arrangements in existence.

*The local code is based on the following seven principles, the first two of which underpin the remaining five with the overall aim of **"Achieving the intended outcomes while acting in the public interest at all times"**.*

The principles are as follows:

Acting in the public interest requires a commitment to and effective arrangements for:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:

- 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

Many of the requirements of the code are included in the Council's constitution and the Council's key strategies and policies.

[Library folder - Shropshire Council Constitution — Shropshire Council](#)

### **MONITORING AND REVIEW**

The Code of Corporate Governance is subject to annual review. This review includes an assessment as to the effectiveness of the processes contained within the Code. This includes annual assessments such as:

- Annual review of the Constitution
- Annual reports of portfolio holders
- Annual reports of the Scrutiny Committees
- Head of Internal Audit Annual Report
- Audit Committee Annual Report
- Council Customer Feedback Report – Complaints, Compliments and Comments
- External Audit Annual Letter

The outcome of this review is reported in the Annual Governance Statement.

The following details how the Council meets the core principles and the systems, policies and procedures it has in place to support this.

## **Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

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

**Shropshire Council's commitment to achieving good governance is demonstrated below:**

### **Behaving with integrity**

- Code of Conduct for members to ensure that high standards of conduct are maintained.
- The Monitoring Officer will review any breaches of the Member Code of Conduct.
- The Localism Act 2011 abolished the requirement for the Council to have a statutory Standards committee though the Council has retained a non-statutory committee that can meet if required. Standards Committee. There have been no meetings of the standards Committee or Standards Sub Committee in the 2020/21 financial year.
- An Employee Code of Conduct sets down standards of behaviour and conduct the Council expects of its employees.
- Standard decision-making reporting format to ensure that all those responsible for taking decisions have the necessary information on which to do so.
- Code of Conduct in relation to the acceptance of gifts and hospitality and all instances must be recorded. Advice and guidance provided to staff and members on the intranet.
- In accordance with the Localism Act 2011 Registers of Members' pecuniary interests are recorded and published on the Council's website.
- Members' declaration of interests are a standing item on all agendas. Minutes show declarations of interest were sought, and appropriate declarations made.
- Protocols for members on Council Representation on various outside bodies.
- A Corporate Feedback Policy that is published on the Council's website and is supported by a Complaints, Compliments and Suggestion on-line form.
- A Policy for raising a concern "Speaking Up About Wrong-Doing" (Incorporating the Whistleblowing Policy) is in place to protect individuals.

### **Demonstrating strong commitment to ethical values**

- A Constitution which sets out delegations of the executive, committees and senior officers, and the decision-making process to be applied. It also emphasises that the Council will act within the law.
- Terms of Reference exist for all committees.
- The Council have both Contract Procedure Rules defining the Council's process for all contracts and Financial Rules defining the safeguards and controls in place for

managing public money and assets, these are reviewed on a regular basis.

- The Council use the "Big Conversation" to consult with stakeholders and other interested parties to seek feedback before developing key operational documents.
- 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.
- The employee survey shows an improved direction of travel for the ethical framework which is working<sup>1</sup> for the Council, however it is not fully embedded and working across all areas. Learning from the employee survey is being used to identify actions for improvement.

#### **Respecting the rule of law**

- The Constitution identifies the Chief Legal Officer as the Council's Monitoring Officer and sets out the role of the Monitoring Officer.
- An Anti-Fraud and Corruption Strategy supported by a Counter Fraud, Bribery and Anti-Corruption Policy which includes a Fraud Response Plan and a Speaking Up About Wrongdoing Policy "Whistleblowing Policy". The strategy is supported by a Whistleblowing hotline for use by both the members of staff and the public to report irregularity and fraud. The Audit Committee receive an annual report of whistleblowing activity.
- 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.
- Where there have been instances of non-compliance with Contract Rules, and where the recognised approval process has been circumvented these have been identified and escalated to the top of the Council for action.
- Where there have been breaches in Health and Safety Legislation these have been immediately actioned upon discovery.
- All Committee reports require their authors to address the impact of the recommendations with respect to human rights.

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<sup>1</sup> When looking at Leadership and Management; People; Processes and procedures; Culture, Values and Consistency; Assurance and Accountability. An ethical framework can be: Emerging within; Happening within; Working for; Embedded and integrated within; or Driving the council

## Core Principle B: Ensuring openness and comprehensive stakeholder engagement

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

**Shropshire Council's commitment to achieving good governance is demonstrated below:**

### **Openness**

- Adoption of a Publication Scheme that describes the kinds of information available and provides guidance about how to access personal information and submit a Freedom of Information request.
- The Council has a small Information Governance team committed to ensuring the principles of Data Protection, Freedom of Information and Transparency are followed and all staff are required to undertake data protection training on an annual basis.
- Adoption of a standard reporting format in relation to committee reports. The format includes a risk assessment and opportunities appraisal together with the financial implications attached to any recommendations, and appropriate background papers are cited to ensure full transparency.
- Council and Cabinet meetings are webcast. Agendas, reports and minutes are published on the Council's website. Meetings are open to the public except in the case of exempt items. In 2020/21 all public meetings have been held virtually in accordance with new legislation and due to the impact of Covid.
- Dates for submitting, publishing and distributing timely reports are set and adhered to.
- The Corporate Plan and Financial Strategy set out the Council's mission and priorities, the impact of Covid means that these will be revisited alongside delivery of a programme of Refocus.
- 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.

### **Engaging comprehensively with institutional stakeholders**

- The Council recognises the importance of communicating its vision and uses several channels to this effect.
- The Council aims for a consistent approach to communication, 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. Material produced should make this evident.

- Our website can help residents understand the Council's vision and purpose and how to access services on a day-to-day level.
- The Shropshire Newsroom ([www.shropshirenewsroom.com](http://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 response to Covid has seen an increased level of virtual communications.
- The Council uses the Voluntary and Community Sector (VCS) Assembly weekly news bulletin to promote consultations, policy news, engagement opportunities and partnership working opportunities across the voluntary and community sector.

**Engaging stakeholders effectively including individual citizens and service users**

- The Council seeks the views from individuals, organisations and businesses on several areas. All Council surveys are delivered online using the corporate approved consultation portal. Links to current consultations are published on the website. Some recent examples of consultations undertaken in 2020/21 are the Shrewsbury Tannery loading bay, pavement permit applications, school admission arrangements, budget consultation, statement of community involvement, draft local plan, one-way system and prohibition of vehicles. The full list of consultations undertaken is available on the Council website.
- Shropshire's Making It Real partnership was set up by Shropshire Council in response to the national 'Think Local Act Personal' initiative and Making it Real Framework. The aim of 'Making it Real' is for personalisation to be a reality for people who use adult social care services. This approach is driven through a series of 'I' statements outlining how adult social care should best meet people's needs; enabling people to live full and independent lives. The partnership works with the local authority to ensure this approach is adopted locally, through influencing and shaping adult social care services in Shropshire.
- 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 has a regular update from the Chief Executive to keep individuals abreast of major events such as flooding issue and the COVID 19 pandemic.

**Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits**

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

**Shropshire Council’s commitment to achieving good governance is demonstrated below:**

**Defining Outcomes**

- The Corporate Plan and Financial Strategy set out the Council’s vision and priorities together with its aims and actions.
- Core strategic plans (such as the Economic Growth, Commercial, Commissioning Strategies and Sustainability, Environment and Climate Change Policy) set out specific aims in detail and compliment the overall Corporate Plan.
- There is a clear reporting mechanism for performance information which is presented alongside the financial information for the corresponding period to the Performance Management Scrutiny Committee. 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 have established robust project management arrangements to monitor outcomes and outputs on projects such as Capital Investment and Commissioning and Assurance Boards, this will applied going forward to the Refocus Programme.

**Sustainable economic, social and environmental benefits**

- The Council has; an Environmental Policy Statement, Towards Zero Carbon, highlighting its commitment to sustainable environment; an Economic Growth Strategy which lays out its approach to sustainable development; a Commercial Strategy which lays out its approach to becoming a more commercially focused organisation embracing commercial culture in

<p>determining priorities for the finite resources available.</p>	<p>terms of how the Council acts to ensure the delivery of High Quality Services as efficiently and effectively as possible and a Social Value Charter, designed to assist commissioners and procurers to maximise opportunities to improve the social, economic and environment condition of our local area through effective commissioning and procurement.</p>
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**Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes**

<p><b>Rationale:</b> Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions</p>	<p><b>Shropshire Council’s commitment to achieving good governance is demonstrated below:</b></p> <p><b>Determining interventions</b></p> <ul style="list-style-type: none"> <li>• A standardised format of decision-making reports is used to ensure that all relevant information is considered such as analysis of options, resource implications, and outcomes of Equality and Social Inclusion Impact Assessment, etc. Options are clearly defined and analysed to ensure decisions are based on the best possible information.</li> <li>• The Commissioning Strategy is applied to ensure clear alignment to need and improving outcomes.</li> </ul> <p><b>Planning interventions</b></p> <ul style="list-style-type: none"> <li>• The Council sought opinions on future budget proposals for 2021/22. They set out what the issues were and invited the public to engage on them.</li> <li>• 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.</li> <li>• 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.</li> </ul> <p><b>Optimising achievement of intended outcomes</b></p> <ul style="list-style-type: none"> <li>• The annual budget is prepared in line with agreed priorities. The Council publishes its Financial Strategy annually to set an indicative three-year financial plan to fit the longer-</li> </ul>
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<p>made need to be reviewed frequently to ensure that achievement of outcomes is optimised.</p>	<p>term strategic vision as well as a detailed one year budget. This is intended to include realistic estimates of revenue and capital expenditure.</p> <ul style="list-style-type: none"> <li>Resources are employed to assist commissioners and procurers to demonstrate the range and amount of social value generated or the financial value to society as a result of the added social value.</li> </ul>
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**Core Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it**

<p><b>Rationale:</b> Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which</p>	<p><b>Shropshire Council’s commitment to achieving good governance is demonstrated below:</b></p> <p><b>Developing the entity’s capacity</b></p> <ul style="list-style-type: none"> <li>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. The member induction programme will be re-run following the May 2021 local elections.</li> <li>A Workforce Strategy was adopted in 2016/17 to ensure the Council has the right people with the right skills in the right place, at the right level and cost to enable the Council to meet its strategic objectives.</li> <li>The Council actively promotes the use of Leap into Learning, an online learning and training platform that allows courses to be tailored to individual officers. This has been extensively used to deliver e learning to a wide variety of employees and to support more conventional training methods by providing a booking and attendance system.</li> <li>The Council actively promotes the development of staff through work-based apprenticeship schemes.</li> <li>A workforce skills audit was undertaken in respect of the COVID 19 pandemic to allow redeployment of staff based on skills as required, redeployment is still operational in supporting the Council’s response to COVID19</li> </ul> <p><b>Developing the capability of the entity’s leadership and other individuals</b></p> <ul style="list-style-type: none"> <li>Protocol on Member/Officer Relations that assists both members and officers achieve good</li> </ul>
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<p>an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.</p>	<p>working relationships in the conduct of Council business.</p> <ul style="list-style-type: none"> <li>• Scheme of Delegation that is reviewed annually considering legal and organisational changes.</li> <li>• Constitution that sets out financial management arrangements through the Financial Regulations and Contract Procedure Rules.</li> <li>• Member Development is managed via the Group Leaders and training is provided as needed. Members are updated on legal and policy changes etc. as required.</li> <li>• Induction programmes for all members and employees.</li> <li>• Training for employees is made available through Leap into Learning which provides all employees with access to online training courses that can be tailored to the individual, dependent upon role undertaken.</li> <li>• Staff are regularly appraised which includes the identification of training and development needs and drawing up of training action plans to address these.</li> <li>• Apprenticeship Programme offering training, skills and experience in local government.</li> <li>• Health and Safety policies designed to protect and enhance the welfare of staff are actively promoted and monitored.</li> <li>• 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.</li> </ul>
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**Core Principle F: Managing risks and performance through robust internal control and strong public financial management**

<p><b>Rationale:</b> Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective</p>	<p><b>Shropshire Council’s commitment to achieving good governance is demonstrated below:</b></p> <p><b>Managing risk</b></p> <ul style="list-style-type: none"> <li>• Risk management arrangements that are embedded across all service areas and help inform decision making.</li> <li>• Risk and Opportunity Management Framework that is subject to annual review and reported to the Audit Committee on an annual basis.</li> <li>• Responsibilities for managing individual risks are contained within the Opportunity Risk Management Strategy.</li> <li>• The Senior Management Team regularly reviews the strategic risk register and seeks assurances that it is kept up to date and actions to mitigate risks are implemented.</li> <li>• Operational risks are reviewed by risk owners on a regular basis.</li> </ul>
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and efficient delivery of planned services.

Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision-making activities.

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

It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making

- 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 monthly.
- Business Continuity processes were invoked to manage the risks caused by flooding in January/February and the COVID 19 pandemic.

### **Managing performance**

- The Council has five established overview and 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 in 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 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.
- Reports, minutes and decisions under member consideration are published on the website and are available in hard copy in a variety of formats on request.
- Contract Procedure Rules and Financial Regulations set out the Council's arrangements and ensure that processes continue to operate consistently.
- An effective internal audit service is resourced and maintained. Internal Audit prepares and delivers a risk-based audit plan in line with Public Sector Internal Auditing Standards which is kept under review to reflect changing priorities and emerging risks.
- 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. This includes the use of peer reviews to ensure efficiency of operations.

### **Robust internal control**

- 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 (CIPFA's) Guidance.
- The Audit Committee, which is independent of cabinet, oversees the management of

and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

- governance issues, risk management framework, internal control environment, financial reporting and Treasury Management. Its performance is subject to annual self-assessment.
- An annual report is produced by Internal Audit which provides an opinion on the Council's control environment, and a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guide to the role of the Head of Internal Audit.
  - Anti-Fraud and Corruption Strategy which is subject to regular review and is approved by the Audit Committee.
  - Quarterly fraud reports summaries anti-fraud activity in the year.
  - An Annual Governance Statement (AGS) that is subject to review by the Audit Committee.
  - Training is provided to Audit Committee members on areas relevant to their role.
  - There are frameworks in place in relation to child and adult safeguarding.

### **Managing data**

- The Council has a small Information Governance team committed to ensuring the principles of Data Protection, Freedom of Information and Transparency are followed.
- Information governance and security awareness including individual responsibilities and good practice is raised and embedded with officers and elected members through the mandatory information governance training.
- The Council's Information Management Strategy provides guidance on the arrangements that must be in place to ensure personal data is kept protected and secure.
- Effective information sharing is undertaken in accordance with the Data Protection Act and the Council's Data Protection Policy.
- Data Subjects are informed why their personal information is being collected and how it will be processed (including when shared with other bodies) through the Council's overall Privacy Notices published on our website and individual Privacy Statements on forms, in booklets etc.
- A formal Data Sharing Framework Protocol between Shropshire and Telford and Wrekin Partnership in respect of jointly delivered health services.
- Data verification and validation processes are integrated within systems and processes.

### **Strong public financial management**

- 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.

- Compliance with CIPFA’s Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2015), is reviewed annually.
- Financial procedures are documented in the Financial Regulations.
- Financial Strategy in place.
- The financial position is reported quarterly to Cabinet.
- The Council invoked temporary measures in March 2020 in respect of the COVID 19 Pandemic in line with central government guidelines.

**Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

**Rationale:**

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

**Shropshire Council’s commitment to achieving good governance is demonstrated below:**

**Implementing good practice in transparency**

- Agendas, reports and minutes are published on the Council’s website.
- Adoption of a style guide document that outlines how to communicate more effectively and to ensure communications are consistent and clear.
- Adoption of the National Transparency Code.
- 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 must make decisions which are in line with the Council’s overall policies and budget. If it wishes to decide which is outside the budget or policy framework, this must be referred to the Council to decide.

**Implementing good practices in reporting**

- Annual Financial Statements are compiled, published to timetable and included on the Council’s website.
- 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 future.
- Completion of an Annual Governance Statement (AGS).
- A Business Plan and Financial Strategy setting out the Council’s mission and priorities.

**Assurance and effective accountability**

- The AGS sets out the Council's governance framework and the results of the annual review of the effectiveness of the Council's arrangements. The AGS includes areas for improvement.
- An effective internal audit service is resourced and maintained. The Service has direct access to members and provides assurance on governance arrangements via an annual report containing an opinion on the Council's internal control arrangements.
- External Audit provides an annual opinion on the Council's financial statements and arrangements for securing Value for money.
- The Council actively welcomes peer challenge, reviews and inspections from regulatory bodies.
- 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.

# Appendix B – Shropshire Council’s Corporate Governance Framework

‘The International Framework: Good Governance in the Public Sector’ defines ‘governance’ as comprising the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The framework also states that to deliver good governance in the public sector both governing bodies and individuals working for them must always try to achieve the Council’s objectives while acting in the public interest .							
Core Principles	(A) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	(B) Ensuring openness and comprehensive stakeholder engagement	(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 Council’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
Evidence of Good Governance	<u>The Constitution</u>	<u>Corporate Plan</u>	<u>Committee Reports</u>	<u>Forward plan</u>	<u>The Constitution</u>	<u>The Constitution</u>	<u>Audit Committee</u>
	<u>Schemes of delegation</u>	<u>Members roles and expectations</u>	<u>Corporate Plan</u>	<u>Budget Consultation</u>	Member and staff development	<u>Audit Committee</u>	<u>Committee Framework</u>
	<u>Audit Committee</u>	<u>Local Joint Committees</u>	<u>Committee Framework</u>	Stakeholder Engagement	Member Induction Programme	<u>Committee Framework</u>	<u>Councillors and decision making</u>
	<u>Councillors and decision making</u>	<u>Public Meetings and decisions recorded</u>	<u>Councillors and decision making</u>	Option Appraisals	Recruitment and Selection process	<u>Financial Procedure Rules</u> <u>Contract Procedure Rules</u>	<u>External audit of accounts and Value for money opinion (Item 40)</u>
	Statutory Officers Roles: Chief Executive, Chief Financial Officer, Monitoring Officer, Head of Paid Service. HR policies.	<u>Annual Statement of Accounts and Annual Governance Statement published</u>	<u>Procurement Strategy</u>	<u>Annual Governance Statement / Assurance Framework</u>	Staff Appraisal Process	<u>External audit of accounts and Value for money opinion</u> <u>Financial Strategy</u> <u>Annual Statement of Accounts and Annual Governance Statement published</u>	
	<u>Financial Procedure Rules</u> <u>Contract Procedure Rules</u> <u>Financial Strategy</u>	Council <u>website</u> records all council meetings and key decisions	<u>Public Sector Social Value Act 2012</u>	<u>Financial Strategy</u>	Peer Reviews / External Inspection	<u>Opportunity Risk Management Strategy</u>	<u>Annual Statement of Accounts and Annual Governance Statement published</u>
	<u>Members</u> (E1) and <u>Employees</u> Codes of Conduct	Corporate performance, financial and risk reporting framework	<u>Commissioning Strategy</u>	<u>Councillors and decision making</u>	Benchmarking	<u>Open Data and Transparency Code</u>	<u>Internal Audit Service Head of Audit’s Annual Opinion / Report (Item 12)</u>
	Members / Officers Register of Interests / Register of Gifts and Hospitality	<u>Open Data and Transparency Code</u>	<u>Financial Strategy</u>	<u>Opportunity Risk Management Strategy</u>	Internally led reviews / independent challenge	Strategic and Operational Risk Registers	<u>Financial Strategy</u>
	<u>Protocol for Member Officer Relations (E85)</u>	<u>Customer feedback / Complaints Policy</u>	<u>Social Value Charter</u>	Alternative Service Delivery Models	Alternative Service Delivery Models	<u>Risk Based Internal Auditing Service / Plan (Item 77)</u>	Strategic performance, financial and risk reporting framework
	<u>Counter Fraud, Bribery and Anti-Corruption Policy and Strategy (Item 54)</u>	<u>FOI Publication Scheme</u>	<u>Opportunity Risk Management Strategy</u>	Corporate performance, financial and risk reporting framework	<u>Commissioning Strategy</u>	<u>Internal Audit Service Head of Audit’s Annual Opinion / Report (Item 12)</u>	<u>Open Data and Transparency Code</u>
	<u>Whistleblowing Policy and hotline</u>	<u>Public Consultations</u>	Corporate performance, financial and risk reporting framework	Service Plans	Continuing Professional Development Programmes	Corporate performance, financial and risk reporting framework	<u>Website</u>
	<u>Opportunity Risk Management Strategy</u>	Shropshire <u>Compact</u>	<u>Corporate Climate Change Strategy</u>	Project Management	<u>Safety, Health and Wellbeing Internal health and safety</u>	<u>Counter Fraud, Bribery and Anti-Corruption Policy and Strategy (Item 54)</u> <u>Anti-Money Laundering Policy</u>	<u>FOI Publication Scheme</u>
	<u>Customer feedback / Complaints Policy</u>	<u>Voluntary and Community Sector Assembly</u>		<u>Whistleblowing Policy and hotline</u>	<u>Workforce Strategy</u>	<u>Emergency / Business Continuity Management</u>	<u>Complaints Annual Report</u>
		<u>Financial Strategy</u>		<u>Corporate Plan</u>	<u>Leap into Learning</u>	<u>Information Management Strategy</u>	