

Eden District Council
Accounts and Governance Committee
18 April 2019

Annual Governance Statement and Local Code of Governance 2018/19

Portfolio:	Resources
Report from:	Director of Corporate Services
Wards:	All Wards
OPEN PUBLIC ITEM	

1 Purpose

- 1.1 To set out the detail supporting the Council's Annual Governance Statement (AGS) and Local Code of Governance (Local Code). Members are asked to confirm that the AGS and Local Code fairly reflects the corporate governance arrangements in place at the Council.

2 Recommendation

1. Accounts and Governance Committee propose any further amendments and endorse the AGS, Local Code and Action Plan.

3 Report Details

Process

- 3.1 Publication of an AGS is a requirement under the Accounts and Audit Regulations 2015. The purpose of the AGS is to set out the annual review of effectiveness of the Council's systems of internal control (governance arrangements). This is set out at Appendix A.
- 3.2 The purpose of the Local Code is to set out the main features of the Council's corporate governance arrangements. This can be found at Appendix C, along with cross-references to evidence that the arrangements, as set out, were in place during 2018/19.
- 3.3 As part of the annual review, where elements of the Local Code or effectiveness of the controls could be improved, these have been included in the Action Plan at Appendix B. This also includes the items raised from 2017/18.
- 3.4 At this stage, Accounts and Governance Committee are being consulted on the content of the draft AGS and Local Code. The AGS will be signed by the Leader and Chief Executive and published alongside the unaudited Statement of Accounts by no later than 31 May 2019. Officers will continue to monitor and update the documents for any issues arising between the date of this report and 31 May 2019.
- 3.5 At the July 2019 meeting of Accounts and Governance Committee, a final version of the AGS, Local Code and Action Plan, including any amendments required from the external audit process, will be brought back for approval.

Findings

- 3.6 There have been no significant changes to the external governance requirements since 2017/18.
- 3.7 The single major change to the internal governance arrangements has been the Fit for Purpose Review of senior staff, which concluded in February 2019. This has resulted in some changes to roles and responsibilities of senior staff which need to be reflected within the Constitution. The technical review of the Constitution to reflect these changes is ongoing; it is not judged that this creates a significant governance issue.
- 3.8 A number of items were raised within the Action Plan following the 2017/18 review. These have generally been implemented. More detail on progress is provided in Appendix B. A detailed report on the items relating to the Heart of Cumbria Limited was presented to the Executive on 5 February 2019.

4 Policy Framework

- 4.1 The Council has four corporate priorities which are:
- Decent Homes for All;
 - Strong Economy, Rich Environment;
 - Thriving Communities; and
 - Quality Council.
- 4.2 This report meets the Quality Council corporate priority.
- 4.3 Whilst not part of the Council's Policy Framework, the AGS draws upon a number of control arrangements set out in the framework.

5 Consultation

- 5.1 There has been no consultation with Ward Councillors, or Portfolio Holders. Relevant Officers have fed into the annual review. Presentation of the draft AGS/Local Code to this Committee is part of the consultation process, with the final version to be approved in July.

6 Implications

6.1 Financial and Resources

- 6.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2015/19 as agreed at Council on 17 September 2015.
- 6.1.2 There are no direct financial implications. However, the AGS and Local Code set out a number of key financial controls.

6.2 Legal

- 6.2.1 It is a statutory requirement that all local authorities produce an AGS. Approval of the AGS is a function that is delegated to the Accounts and Governance Committee.

6.3 Human Resources

- 6.3.1 There are no Human Resources implications.

6.4 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Proper governance arrangements will ensure that equality and diversity issues are appropriately addressed
Health, Social Environmental and Economic Impact	There are no implications
Crime and Disorder	There are no implications
Children and Safeguarding	There are no implications

6.5 Risk Management

Risk	Consequence	Controls Required
There is a risk that Members and senior officers do not properly own the AGS and Local Code.	The documents are agreed without proper review and scrutiny.	Reporting on the AGS, with supporting detail: <ul style="list-style-type: none">• To Corporate Management Team; and• To the Accounts and Governance Committee as a separate document and not as part of the annual accounts.

7 Other Options Considered

7.1 No other options have been considered.

8 Reasons for the Decision/Recommendation

8.1 To ensure that the AGS and Local Code are properly supported by evidence and fairly reflect Members' understanding of the Council's corporate governance arrangements.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	5 April 2019
Monitoring Officer (or Deputy)	9 April 2019
Director	1 April 2019

Background Papers: **Delivering Good Governance in Local Government: CIPFA/SOLACE Framework**
Accounts and Audit Regulations 2015
CIPFA: The Role of the Chief Finance Officer in Public Sector Organisations

Appendices: **Appendix A: Annual Governance Statement (AGS) 2018/19**
Appendix B: Action Plan 2018/19
Appendix C: Local Code of Governance 2018/19

Contact Officer: **Pete Notley, Assistant Director Finance, 01768 212209**

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Annual Governance Statement (AGS) 2018/19

Scope of Responsibility

Eden District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, incorporating the system of internal control. This includes arrangements for the management of risk. The Council has established a Local Code of Governance which details these arrangements and is structured around the 7 Principles of Good Governance, as set out below. The AGS focuses on the effectiveness of these arrangements and so should be considered along side the Local Code of Governance.

A copy of the [Local Code of Governance](#) is available on the Council's website.

The Accounts and Audit (England) Regulations 2015 require every Council to agree and publish an Annual Governance Statement. CIPFA (Chartered Institute of Public Finance and Accountancy) have produced guidance to Delivering Good Governance in Local Government Framework (2016). In producing this AGS, this has been considered.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which it accounts to, engages with, and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, priorities, aims and objectives, and can therefore only provide reasonable and not absolute assurance, of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, priorities, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the year ended 31 March 2019, and up to the date of approval of this Statement.

The Principles of Good Governance

The CIPFA/SOLACE framework Delivering Good Governance in Local Government sets out seven core principles of good governance, these are:

- **Principle 1** – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- **Principle 2** – Ensuring openness and comprehensive stakeholder engagement.
- **Principle 3** – Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- **Principle 4** – Determining the interventions necessary to optimise the achievement of the intended outcomes.
- **Principle 5** – Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- **Principle 6** – Managing risks and performance through robust internal control and strong public financial management.
- **Principle 7** - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The Governance Framework

The Council's Governance Framework is set out in detail in its Local Code of Corporate Governance. This is aligned to the 7 Principles of Good Governance set out above. Although there are many detailed provisions of the Local Code, the key elements of the framework may be summarised as follows:

- A Council Plan that includes explicit outcomes. This is derived through stakeholder engagement and sets out the Council's aspirations. It drives strategic decision-making, financial planning and detailed service planning. The next iteration of the Council Plan (2019/23) is being developed to ensure it continues to reflect the Council's priorities;
- A comprehensive and regularly reviewed Constitution setting out how the Council operates. Officers and Members ensure that the protocols in the Constitution and other relevant statutes, regulations and guidance are both followed and lead to transparent, ethical and legal decision making. This ensures effective accountability and strong financial management. Work is ongoing to ensure the new management structure which came into place from February 2019 is reflected in the Constitution;
- A political structure, including Accounts and Governance Committee and Scrutiny Committees, which are independent of the Executive. These monitor delivery against both financial and Council Plan targets, as well as compliance with the Council's high ethical and behavioural expectations. Accounts and Governance Committee monitors internal control corporately, including the arrangements to manage risk. All committees are supported by qualified professional officers to provide timely, relevant information, which is open and transparent. The role of the Committee structures is further set out in the Review of Effectiveness below. During 2018/19, both the Accounts and Governance Committee and the Scrutiny committees have been subject to external review. Recommendations from these reviews will be implemented during 2019/20;
- The Council recognises a need for continued investment in technology, innovation and organisational development. The Council will pull together a number of transformation projects within the One Eden Programme, to ensure these are coordinated and working towards the same organisational goals; and

- The Council recognises the need to respond to regulatory changes that significantly impact on governance arrangements. The Council has made steps to ensure compliance with requirements of General Data Protection Regulations.

These show at a strategic level, that the Council's key governance arrangements are consistent with the 7 core principles. For further details, please refer to the Local Code of Corporate Governance.

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the work of the Chief Officers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, the work of the Scrutiny and Accounts and Governance Committees and also by comments made by the external auditors and other review agencies and inspectorates.

Key roles in maintaining and reviewing the effectiveness is performed by:

The Council

The Council has responsibility for the Budgetary and Policy Framework. A balanced budget was set for 2018/19, consistent with the prevailing Council Plan. Council also reviews and approves amendments to the Constitution.

The Executive

The Executive have received regular monitoring reports on revenue and capital budgets and performance.

Accounts and Governance Committee

The Committee acts as an audit committee, in line with Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2013). The Committee approved the Internal Audit Plan for 2018/19, considered all audit reports and will receive the annual report assessing the effectiveness of the system of internal audit. The Committee has monitored implementation of the recommendations of internal and external audit. During the year, the Committee also underwent an external review of effectiveness; this supported the function of the Committee and has raised some opportunities for future improvements.

The AGS has been reviewed by the Accounts and Governance Committee alongside the supporting evidence which is set out in a public report. The Committee has also considered all Standards and constitutional review matters.

Scrutiny Co-ordinating Board

The Committee has reviewed the Risk Register in full and approved the annual update of the Risk Management Strategy. It has scrutinised the Partnership Database, received regular reports on budget monitoring and Treasury Management.

Leader

The Leader has approved the annual update of Business Continuity and Emergency Plans and signs the AGS.

Senior Management

Corporate Management Team (CMT) includes all Assistant Directors with Heads of Service also attending; the Directors and Chief Executive meet as the Senior Leadership Team (SLT) with representatives attending CMT. The Monitoring Officer and Chief Finance Officer are part of CMT and have access to the SLT. The Monitoring Officer and Chief Finance Officer have performed governance checks on all committee reports. This supports the effective exercise of their duties as key statutory officers of the Council, particularly with reference to financial control and operating within legal powers. Senior management review the AGS to ensure that the governance arrangements set out therein are operating as stated.

Chief Financial Officer and Monitoring Officer

The Council complies with the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2015). The CFO reviews the AGS and the Local Code as part of Corporate Management Team. Under the revised management structure, which came into place from February 2019, the CFO and Monitoring Officer have access to the members, papers and minutes of SLT meetings and review any committee reports resulting from SLT decisions, through the governance checks process.

Internal Audit

An effective Internal Audit Service (IAS) is a fundamental element of the overall system of internal control. During the year, CIPFA performed an external review of the in-house element of the IAS and judged that it was generally compliant with Public Sector Internal Audit Standards. This was reported in detail to the Accounts and Governance Committee in February 2019.

The work of internal audit is set out in an annual plan. The 2018/19 plan was agreed by the Accounts and Governance Committee in February 2018. The IAS submits an opinion statement to the Accounts and Governance Committee on the overall adequacy and effectiveness of the Council's internal control environment. Based on the completed work to date, as reported through the Accounts and Governance Committee, it is anticipated that a satisfactory internal audit opinion will be issued on the overall control environment in June 2019.

The Council's internal audit arrangements comply with the CIPFA Statement on 'The Role of the Head of Internal Audit (2010)'. Under the new management structure, from February 2019, the Head of Internal Audit (HoIA) is the Assistant Director Finance; TIAA (external provider of internal audit services) and the Senior Auditor have direct access to the Chief Executive and the Accounts and Governance Committee should they feel that there is any conflict of interests of reporting through the HoIA.

External Audit

The external audit of the Council is provided by Grant Thornton LLP for the main accounts (including group accounts) and value for money opinions. Assurance over the Housing Benefit Subsidy claim is provided by Mazars LLP. Whilst external auditors are not required to form an opinion on the effectiveness of the Council's risk and control procedures, their work does give a degree of assurance.

Regular meetings take place with Officers to cover progress on the external audit plan and other key audit related issues. The external auditor also regularly attends Accounts and Governance Committee to update them on progress and to provide topical sector updates. The Council ensures it provides timely support, information and responses to External Auditors and fully considers their findings and recommendations.

The Audit Findings Report for 2017/18 recognised the progress made on governance issues around the Heart of Cumbria Limited, the Council's wholly owned company. A number of further recommendations were made around the company and these were addressed in an update report to the Executive in February 2019 (see also below and the Action Plan).

Progress since 2017/18

The 2017/18 annual review produced 3 recommendations. These are considered to have been mostly addressed in the year. One of the recommendations related to the governance arrangements for the Heart of Cumbria Limited. A detailed report was presented to the Executive in February 2019, which set out the progress against the recommendations contained in the audit findings report from 2017/18. The actions taken are judged to have substantially addressed the risks raised around the company, which is now successfully leasing the 7 properties it owns. The other recommendations related to a refresh of the asset strategy, which has been completed, and a review of effectiveness of the Accounts and Governance Committee, which was performed by CIPFA during the year.

Confidential Reporting Code Matters

There have been no breaches of the Code during the period and no cases in year have raised significant governance issues.

Significant Governance Issues

A small number of enhancements to existing arrangements were identified as part of the 2018/19 review of effectiveness, these have been included within the AGS Action Plan and their implementation will be monitored throughout 2019/20. No new significant governance issues have been identified.

Conclusion

It is judged that the governance arrangements provide adequate assurance over the operation of the authority and that the arrangements are fit for purpose. The Council is committed to monitoring the arrangements in place and will continue to do so throughout 2019/20.

Signed:

Councillor Kevin Beaty
Leader of the Council

Rose Rouse
Chief Executive

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Annual Governance Statement Action Plan

Reference	Issue to address	Responsible	Due by	Progress
Existing items				
Prior Year Audit Findings Report, Heart of Cumbria	<p>The prior year audit findings report raised a number of issues around Heart of Cumbria. In summary these related to:</p> <p>The level of information provided and accountability of the Company to Members.</p> <p>Putting in place the governance processes to ensure the company could operate effectively, including business planning and risk and performance management.</p> <p>Addressing risks already identified including Right to Buy legislation, managing conflict of interests, ensuring business planning is supported by relevant expertise.</p>	Management Team/Hoc Board	31/3/2018	<p>This was reported as partially implemented at the last reporting date. Since then, the company has obtained 7 properties which are fully let. Financial and risk management information are reported regularly through board and several updates have been provided to Council committees, the most recent being to Executive 5 February 2019. It is judged that the majority of issues raised have been addressed. The management of conflict is still under review but will be taken forward pending the outcome of local council elections. The measures put in place to prevent any conflict have operated successfully during the year.</p> <p>Implemented with some further review of managing conflict of interests.</p>
Local Code Principle 7, Assurance and Effective Accountability	Consider implementing an annual review/self assessment of the Accounts and Governance Committee; this would be useful evidence to support the overall annual review of effectiveness.	Director of Finance / Assistant Director Financial Services	31/3/2019 to feed into 2018/19 process	<p>This was superseded by an external review of the effectiveness of the Accounts and Governance Committee by CIPFA, which reported to AGC in February 2019. This provides assurance as to effectiveness of the committee for 2018/19. This item is considered implemented but a new item is added to follow up on the CIPFA recommendations, see below.</p> <p>Implemented.</p>
Local Code Principle 5, Developing the Entity's Capacity	The Local Code refers to the the asset strategy up to 2014/17; this should be refreshed.	Deputy Director Technical Services	31/3/2019 to feed into 2018/19 process	<p>The asset strategy has been updated.</p> <p>Implemented.</p>
New items				
Local Code Principle 7, Assurance and Effective Accountability	Accounts and Governance Committee received a report from CIPFA on the effectiveness of the Committee. A number of improvement opportunities were raised.	Chair of AGC, Chief Finance Officer, Monitoring Officer	31/3/2020	<p>The details of the recommendations can be found on AGC agenda for February 2019 with a response at the April AGC. Implementation of the agreed actions will be monitored through 2019/20.</p> <p>Not yet due.</p>
Local Code Principle 2. Engaging with individual citizens and service users effectively.	The Local Code includes reference to a consultation policy and programme. This was not updated for 2018/19. Consideration should be given the value this adds and how it sits with other new arrangements around communications.	Senior Leadership Team	31/9/2019	<p>SLT/CMT to consider where the consultation programme sits in terms of the governance framework.</p> <p>Not yet due.</p>

Local Code of Corporate Governance Review

Local Code provisions	2018/19 review
<p>The Principles of Good Governance</p> <p>The CIPFA/SOLACE framework Delivering Good Governance in Local Government sets out seven core principles of good governance, these are:</p> <ul style="list-style-type: none"> • Principle 1 – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law. • Principle 2 – Ensuring openness and comprehensive stakeholder engagement. • Principle 3 – Defining outcomes in terms of sustainable economic, social, and environmental benefits. • Principle 4 – Determining the interventions necessary to optimise the achievement of the intended outcomes. • Principle 5 – Developing the entity's capacity, including the capability of its leadership and the individuals within it. • Principle 6 – Managing risks and performance through robust internal control and strong public financial management. • Principle 7 - Implementing good practices in transparency, reporting, and audit to deliver effective accountability. 	<p>As per CIPFA/SOLACE framework 2016, Delivering Good Governance in Local Government, 2016 Edition, no updates for 2018/19 cycle.</p>

Local Code provisions	2018/19 review
Eden District Council has adopted a Local Code of Corporate Governance which is structured around these principles. The details are set out below:	No changes required to the structure of the Local Code.
Behaving with integrity (Principle 1). This is done by:	
<ul style="list-style-type: none"> Enabling Scrutiny to 'call-in' any Executive decisions contrary to the Budgetary and Policy framework 	Scrutiny have the ability to call in executive decisions, as set out in the constitution, p32, article 6.2.4, for example, special meeting of SCB 15/11/2018 to consider the Eden Development Portfolio Plan.
<ul style="list-style-type: none"> Having codes of conduct for officers and for Members in which there is guidance on officer/Member relationships 	Constitution (Codes and Protocols), part 5, E, page 317.
<ul style="list-style-type: none"> Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular, it is responsible for monitoring the corporate Complaints Procedure and Members Code of Conduct 	Responsibility for standards In place as per article 9 of the Constitution, complaints recently featured on the agenda, for example, Agc/27/9/18.
<ul style="list-style-type: none"> Maintaining an Independent Remuneration Panel (IRP) to advise the Council on allowances to be paid to Members 	Last report of IRP was to Council on 20 April 2017, item 8 to cover 2017/18 and subsequent 3 years. Details of the scheme are available via the 'Your Council' area of the website.

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> Having a Senior Leadership Team which includes the Chief Executive and Directors' Monitoring Officer and the Chief Financial Officer have access to papers and minutes. Corporate Management Team which includes all Assistant Directors meet bi weekly: key messages are published on the Council's Corporate Bulletin Board 	<p>Arrangements were modified during 2018/19. Key messages from CMT are published on SharePoint.</p>
<ul style="list-style-type: none"> Having published procedures to demonstrate compliance with the Freedom of Information Act and the Environmental Information Regulations 	<p>There is a specific area on the Council's website around FOI and data transparency.</p>
<p>Demonstrating strong commitment to ethical values (Principle 1). This is done by:</p>	
<ul style="list-style-type: none"> Having a Constitution which sets out clearly the roles and duties of the Council's statutory officers, that is, the Chief Executive, Chief Finance Officer (Director of Finance) and the Monitoring Officer (Deputy Chief Executive). The Constitution sets out key aspects of the Council's internal control mechanism, in particular, the Accounting and Audit Rules, the Procurement Rules and the Scheme of Delegation 	<p>Constitution (Articles of Constitution: Part 2)</p> <p>Constitution (Rules of Procedure).</p>
<ul style="list-style-type: none"> The Constitution being reviewed annually 	<p>Review: Council, April 2018 (CL/128/04/18).</p>
<ul style="list-style-type: none"> Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular, it is responsible for monitoring the corporate Complaints Procedure 	<p>As above; responsibility for standards in place as per article 9 of the Constitution, complaints recently featured on the agenda, for example, Agc/27/9/18.</p>

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> All reports have to be seen by the Chief Finance Officer and the Monitoring Officer. Completion of these governance checks has to be noted on the report 	<p>Governance check boxes are included in the committee report templates, at the end of all committee reports.</p>
<ul style="list-style-type: none"> Having a clear documented approach to fraud and whistleblowing, which is regularly updated and communicated to staff and is in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014) 	<p>Anti-Fraud, Theft, Bribery and Corruption Strategy and Response Plan; Annual Review AGC/24/9/18.</p> <p>Whistleblowing Policy, review AGC, 29/11/2018, item 8.</p> <p>All staff attend training events biennially. The last ones were May 2018.</p>
<ul style="list-style-type: none"> Having a policy on the Regulation of the Investigatory Powers Act (RIPA) 	<p>RIPA Policy reviewed by Executive on 5/6/2018 along with an update and amendment as to the use of RIPA by Council officers. An external inspection on the Council's RIPA procedures was completed in March 2019, any recommendations to improve these will be considered.</p>
<ul style="list-style-type: none"> Having a clear Complaints Procedure 	<p>Complaints Procedure through the website, monitored by Accounts and Governance Committee.</p>
<ul style="list-style-type: none"> Using complaints and compliments as a positive improvement tool 	<p>Annual Review: Accounts and Governance Committee, G27/09/18, appendix 4 details actions taken in response to complaints.</p>

Local Code provisions	2018/19 review
Respecting the rule of law (Principle 1). This is done by:	
<ul style="list-style-type: none"> Having a Constitution which sets out clearly the roles and duties of the Council's statutory officers, that is, the Chief Executive, Chief Finance Officer (Director of Finance) and the Monitoring Officer (Deputy Chief Executive). The Constitution sets out key aspects of the Council's internal control mechanism, in particular, the Accounting and Audit Rules, the Procurement Rules and the Scheme of Delegation 	See Constitution via website.
<ul style="list-style-type: none"> The Monitoring officer and S151 officer sign off every committee report. 	See details of Council structure via website and evidence of sign off on committee reports on all published agenda reports.
Openness (Principle 2). This is done by:	
<ul style="list-style-type: none"> Conducting as much Council business in public as possible 	For example, committee reports and agendas, transparency data on the website, responses to FOIs now published on the website, only using Part II reporting where necessary.
<ul style="list-style-type: none"> Providing full information on the Council's business on its website 	Home page.
<ul style="list-style-type: none"> The Council meets 9 times per year. The Executive meets monthly: committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all formal business is open to the public. Reports and minutes are publicly available 	Committee timetable; Corporate Management Team seek to minimise Part II exempt items. Members can challenge Part II status at formal meetings of the Council.
<ul style="list-style-type: none"> Clear recording of the reasons for member decisions 	Minutes published for each committee agenda via the Council website.

Local Code provisions	2018/19 review
Respecting the rule of law (Principle 1). This is done by:	
<ul style="list-style-type: none"> Having a clear Complaints Procedure 	Complaints Procedure on website, monitored by Accounts and Governance Committee as set out above.
<ul style="list-style-type: none"> Using complaints and compliments as a positive improvement tool 	As above; annual review of complaints: Accounts and Governance Committee, G27/09/18, appendix 4 details actions taken in response to complaints.
<ul style="list-style-type: none"> Ensuring all inspection and audit reports considered by Members are public documents. Any recommendations from such reports are tracked through regular reports to the Accounts and Governance Committee 	<p>Publication of all external assessments.</p> <p>Internal Audit reports presented regularly through Accounts and Governance Committee agenda, including monitoring of implementation of recommendations, for example, Agc 29/11/18, report F74/18.</p>
<ul style="list-style-type: none"> Having a Statement of Community Involvement 	<p>Agreed December 2013, see also 'Have your say' area on website.</p> <p>The statement of community involvement sits within consultation policy and programme not updated for 2018/19; item for action plan.</p>
Engaging comprehensively with institutional stakeholders (Principle 2). This is done by:	
<ul style="list-style-type: none"> Promoting citizenship by active involvement with local schools 	Regular contact maintained with both primary and secondary schools. Secondary schools are encouraged to visit Council to learn about the role of Local Government.

Local Code provisions	2018/19 review
Respecting the rule of law (Principle 1). This is done by:	
<ul style="list-style-type: none"> Actively consulting through a range of channels 	<p>‘Have your Say’ web page summarises and links through to all the Council's consultation work.</p> <p>Some elements of this page require updating, see the action plan.</p>
<ul style="list-style-type: none"> Holding a Community Conference, which includes a wider range of public, private and voluntary organisations to inform the Council Plan 	<p>Feedback from Community Conference on 22 November 2014 informed the 2015/19 Council Plan.</p> <p>The new Council plan for 2019 onwards is currently in development and is due to go out for public consultation. This may involve a number of different channels to ensure wide consultation.</p>
<ul style="list-style-type: none"> Using a range of customer feedback mechanisms including satisfaction surveys 	<p>On a quarterly basis, customer satisfaction questionnaires are sent to randomly selected customers who have used Council services through the website and contact centre. The Council uses public consultations for any significant changes to services.</p>
<ul style="list-style-type: none"> Maintaining and regularly updating a database of all major partnerships that the Council is involved in and that these are in accordance with the Council’s Partnerships’ Protocol 	<p>Report to Scrutiny Co-ordinating Board, 20 September 2018 (SCb/34/9/18).</p>
<ul style="list-style-type: none"> Members reviewing the database in public annually 	<p>As above.</p>

Local Code provisions	2018/19 review
Engaging with individual citizens and service users effectively (Principle 2). This is done by:	
<ul style="list-style-type: none"> Encouraging prospective candidates for election to come forward 	Significant work completed to address level of candidates for 2019 elections, see 'Stand in Eden' via front page of website.
<ul style="list-style-type: none"> Actively consulting through a range of channels 	'Have your Say' web page summarises and links through to all of the Council's consultation work.
<ul style="list-style-type: none"> Communicating to the public through effective use of the media, as set out in the Council's Communication Strategy 	Media Releases Social Media Protocol, Policy and Guidance Communication Strategy.
<ul style="list-style-type: none"> Holding a Community Conference, which includes a wider range of public, private and voluntary organisations to inform the Council Plan 	Feedback from the Community Conference on 22 November 2014 informed the 2015/19 Council Plan.
<ul style="list-style-type: none"> Using a range of customer feedback mechanisms including satisfaction surveys 	These are used by a variety of services, for example, Planning, Environmental Health, and Customer Services.
<ul style="list-style-type: none"> Having a Community Engagement and Consultation section on the website 	Yes, see website.
<ul style="list-style-type: none"> Having a consultation policy and programme 	Yes, see website, consultation policy and programme. This needs updating for 2018/19, included on action plan
<ul style="list-style-type: none"> Using the County Council hosted Consultation Finder on our website 	County Council website, search filter 'Eden'.

Local Code provisions	2018/19 review
Defining outcomes (Principle 3). This is done by:	
<ul style="list-style-type: none"> Having a Council Plan including strategic targets 	Council Plan 2015/19 in place, next iteration is in development.
<ul style="list-style-type: none"> Having an annually updated Corporate Procurement Strategy, based on the National Procurement Strategy for Local Government 	Report to Resources Portfolio, 26 April 2018 (item 2).
<ul style="list-style-type: none"> Council considering its Resources Plan annually 	Considered by Council, September 2018, F55/18.
<ul style="list-style-type: none"> Having a published Customer Charter 	Customer Charter published on website.
Sustainable economic, social and environmental benefits (Principle 3). This is done by:	
<ul style="list-style-type: none"> Having a comprehensive approach to emergency and disaster planning. The Council regularly updates its Business Continuity Plan and the Emergency Response Plan, both of which are regularly tested through an exercise 	<p>Business Continuity Plan, Leader Portfolio, 10 April 2018 (item 2).</p> <p>Emergency Response Plan, Leader Portfolio, 10 April 2018 (item 3).</p> <p>Annual Exercise, 22 March 2018.</p>
<ul style="list-style-type: none"> Having a regular Emergency Planning Group which is responsible for maintaining the Eden Emergency Response Plan 	Emergency Planning Group Minutes, on Director of Finance SharePoint site, for example, October 25 2018.
<ul style="list-style-type: none"> Having an 'out of hours' response service 	Duty Office contactable 24/7, via emergency telephone numbers section of website.
<ul style="list-style-type: none"> Having an Access to Services policy 	Equal access to services statement on website.

Local Code provisions	2018/19 review
Defining outcomes (Principle 3). This is done by:	
<ul style="list-style-type: none"> Considering the economic, social and environmental benefits as part of the decision making process. 	The impact needs to be commented on in all committee reports, 'part 6.4 statutory considerations'.
Determining interventions (Principle 4). This is done by:	
<ul style="list-style-type: none"> An Efficiency and Value for Money Policy (reviewed biennially) 	Resources Portfolio, 13 April 2017 (item 2).
<ul style="list-style-type: none"> Clear recording of the reasons for member decisions 	Minutes published for all committee meetings.
Planning interventions (Principle 4). This is done by:	
<ul style="list-style-type: none"> Stating clear and meaningful priorities and having effective arrangements in place to monitor progress against these 	Council Plan 2015/19, Council, 17 September 2015 (item 10), plus monitoring of Council plan objectives through Scrutiny Co-ordinating Board.
<ul style="list-style-type: none"> Setting clear targets which translate the agreed priorities into outcomes. These are regularly reviewed 	Portfolio Plans updated annually and linked to corporate priorities. Example: Resources Portfolio Plan 2018/19 at June 28 2018 Resources PH meeting - Half-yearly monitoring, Resources Portfolio, 29 November 2018.
<ul style="list-style-type: none"> A regular review of the Council's priorities 	Council Plan 2015/19, Council, 17 September 2015 (item 10). The next version of the Council Plan is being developed during 2018/19.

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> • Securing continuous improvement through regular savings/ income generation exercises and the annual programme of Scrutiny Committee reviews 	<p>Approval of Revenue and Capital Budgets 2018/19, 15 February 2018.</p> <p>Scrutiny Review programme 2018/19: Scrutiny Co-ordinating Board, 24 May 2018. Officer working group 20 December 2018.</p>
<ul style="list-style-type: none"> • Ensuring that the financial management of the Council is sound, by regular and timely reporting to budget holders, Management Team, Leaders and the Council as a whole. This includes both revenue and capital monitoring. It is the responsibility of the relevant budget holder to investigate and take action on any identified budget variance. Every budget is owned by a budget holder 	<p>Monthly revenue budgets report to Management Team and the Resources Portfolio Holder.</p> <p>Quarterly Revenue and Capital Monitoring reports to Management Team and Executive, for example, Q2 2018/19 report F73/18 reported to November Executive and Scrutiny Coordinating Board.</p>
<ul style="list-style-type: none"> • Regularly monitoring key service delivery indicators through regular reports to the Corporate Management Team and the Leader. Where below target performance is seen as significant, explanations and proposed corrective actions are requested 	<p>Key PI report to Management Team; Council Plan monitoring through Portfolio Holder meetings and Scrutiny Coordinating Board, for example, F77/18 Resources Portfolio Holder half yearly monitoring, reported to Scrutiny Coordinating Board 15 November 2018.</p>
<ul style="list-style-type: none"> • Providing strategic management through the monthly meeting of the Executive and weekly Leader and Chief Executive meetings 	<p>Executive minutes.</p> <p>Leader/Chief Executive notes.</p>
<ul style="list-style-type: none"> • Clearly placing policy development as the role of the Executive 	<p>Constitution (responsibility for functions) p107, para 6.1.</p>

Local Code provisions	2018/19 review
Optimising achievement of intended outcomes (Principle 4). This is done by:	
<ul style="list-style-type: none"> • Having an annually updated Corporate Procurement Strategy, based on the National Procurement Strategy for Local Government 	Report to Resources Portfolio, 26 April 2018.
<ul style="list-style-type: none"> • Council considering its Resources Plan annually 	Considered Council, 6 September 2018.
<ul style="list-style-type: none"> • Setting a medium term financial strategy based on regularly refreshed priorities 	MTFP reviewed bi annually as part of budget setting process. Budget report February Council 2018.
<ul style="list-style-type: none"> • Ensuring that any new bid for resources is judged against how far it advances corporate priorities and objectives 	Corporate Priorities are included within all committee reports; any bid for resources would need to be clear how it fits with these. Budget growth bids are considered by Portfolio Holders and then approved by Executive, for example, see December 11 2018 budget report to Executive.
<ul style="list-style-type: none"> • Securing continuous improvement through regular savings/ income generation exercises and the annual programme of Scrutiny Committee reviews 	<p>Approval of Revenue and Capital Budgets 2018/19, 15 February 2018.</p> <p>Scrutiny Review programme 2018/19: Scrutiny Co-ordinating Board, 24 May 2018.</p> <p>Officer working group 20 December 2018.</p>

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> Ensuring that the financial management of the Council is sound, by regular and timely reporting to budget holders, Management Team, Leaders and the Council as a whole. This includes both revenue and capital monitoring. It is the responsibility of the relevant budget holder to investigate and take action on any identified budget variance. Every budget is owned by a budget holder 	<p>Monthly revenue budgets report to Corporate Management Team and the Resources Portfolio Holder.</p> <p>Quarterly Revenue and Capital Monitoring reports to Corporate Management Team and Executive, for example, Q2 2018/19 report F73/18 reported to November Executive and Scrutiny Coordinating Board.</p>
<p>Developing the entity's capacity (Principle 5). This is done by:</p>	
<ul style="list-style-type: none"> Having clear, published employee policies 	<p>Codified through Constitution with further detailed policies as required.</p>
<ul style="list-style-type: none"> Maintaining and updating a triennial Asset Management Plan 	<p>Asset Management Plan 2018/21 completed.</p>
<ul style="list-style-type: none"> Holding a regular cross departmental Asset Management Group 	<p>Asset Management Group meetings, last held 1/11/2018.</p>
<ul style="list-style-type: none"> Considering cost against a 'family' group of local authorities 	<p>Report to Scrutiny Co-ordinating Board, 5 April 2018 F18/8.</p>
<ul style="list-style-type: none"> Adopting a 'what works' basis to service provision by using in-house provision, outsourcing, sharing service provision and partnership arrangements as appropriate 	<p>Outsourcing of blue collar services, leisure management, pest control, internal audit (part) and arboriculture, major capital scheme management. Provision by another local authority of services, for example, car parks (enforcement and cash collection), procurement and emergency planning support. Shared IT Service with South Lakeland District Council.</p>

Local Code provisions	2018/19 review
Developing the capability of the entity's leadership and other individuals (Principle 5). This is done by:	
<ul style="list-style-type: none"> • Providing strategic management through the monthly meeting of the Executive and weekly Leader and Chief Executive meetings 	<p>Executive minutes.</p> <p>Leader/Chief Executive notes.</p>
<ul style="list-style-type: none"> • Clearly setting out the rules for the Executive, Scrutiny Committee and the regulatory committees in the Constitution 	<p>Constitution (responsibility for functions/rules of procedure).</p>
<ul style="list-style-type: none"> • The Executive meets monthly: committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all committee business is open to the public. Reports and minutes are publicly available 	<p>Committee timetable.</p>
<ul style="list-style-type: none"> • Providing job descriptions for all Member roles within the Constitution 	<p>As set out in the Constitution, part 3 schedule 1, page 117.</p>
<ul style="list-style-type: none"> • Having a Constitution which sets out clearly the roles and duties of the Council's statutory officers, that is, the Chief Executive, Chief Finance Officer (Director of Finance) and the Monitoring Officer (Deputy Chief Executive). The Constitution sets out key aspects of the Council's internal control mechanism, in particular, the Accounting and Audit Rules, the Procurement Rules and the Scheme of Delegation 	<p>As codified in the Constitution.</p>
<ul style="list-style-type: none"> • Clearly stating powers delegated to officers and ensuring that these are maximised 	<p>As codified in the Constitution.</p>
<ul style="list-style-type: none"> • Having a Scheme of Delegation which clearly sets out decisions delegated to officers. This is annually reviewed and updated 	<p>As codified in the Constitution, annual review Council, 19 April 2018 G35/18.</p>

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> Giving effective induction training to new Elected Members and staff including Senior Officers 	<p>Training is delivered on a regular basis for Members. Planning and Licensing training is compulsory every year for any member of those committees. Training sessions are provided on other topics such as Annual Accounts, Universal Credit and any other topic which may be beneficial for Members.</p> <p>A full training induction programme will be provided for all Councillors after the May 2019 elections.</p> <p>Monitored through Accounts and Governance Committee as reported in February 2019.</p>
<ul style="list-style-type: none"> Providing proactive Member training 	<p>Annual Member training timetable.</p> <p>Training is a standing item on the agenda of all group meetings</p>
<ul style="list-style-type: none"> Having a performance and appraisal system so that all members of staff know what is expected of them. In addition, an annual training plan is agreed as part of the appraisal process 	<p>The corporate performance management system is currently under review, including individual appraisals. Not added to AGS action plan as included within management top 20 monitoring through SLT/CMT.</p>

Local Code provisions	2018/19 review
Managing Risk (Principle 6). This is done by:	
<ul style="list-style-type: none"> The Executive receives regular reports on budgets, capital scheme progress and the Risk Register 	<p>Budgets: for example, Executive 11 December 2018.</p> <p>Risk Register: e-mailed out quarterly for review and put on the Corporate Bulletin Board.</p>
<ul style="list-style-type: none"> The Council having a Risk Management Strategy which is annually reviewed and updated 	<p>Risk Management Strategy in place, updated May 2018: Risk Management Strategy</p>
<ul style="list-style-type: none"> The Council maintaining a Risk Register. This is reviewed quarterly by the Management Team and Executive. It is scrutinised annually by the Scrutiny Co-ordinating Board and the Management Team. After each quarterly update, all staff are reminded of its presence. New risks are often identified outside the quarterly reviews, mainly through Management Team discussion on particular issues 	<p>Scrutiny Co-ordinating Board, 24 May 2018 F31/18.</p>
<ul style="list-style-type: none"> Having a 'Risk Management Implications' section in all committee reports 	<p>Forms part of the reports template, see examples on any agenda.</p>

Local Code provisions	2018/19 review
Managing performance (Principle 6). This is done by:	
<ul style="list-style-type: none"> Enabling Scrutiny to ‘call-in’ any Executive decisions contrary to the Budgetary and Policy framework Having codes of conduct for officers and for Members in which there is guidance on officer/Member relationships 	Call-in procedures are set out in Scrutiny Procedure rules within the constitution. Protocol on Officer/Member relations also included in the Constitution, Part 5, E.
<ul style="list-style-type: none"> Maintaining and updating a triennial Asset Management Plan 	Asset Management Plan refreshed during 2018/19.
<ul style="list-style-type: none"> Holding a regular cross departmental Asset Management Group 	Asset Management Group meetings held regularly, for example, 1/11/2018.
Robust internal control (Principle 6). This is done by:	
<ul style="list-style-type: none"> Having a Confidential Reporting Code which clearly documents the procedure for staff to report matters of concern, which is regularly updated and communicated to staff 	Confidential Reporting Code 2017, reviewed by Accounts and Governance Committee: see AGc/19/9/17.
<ul style="list-style-type: none"> Having an annually updated Anti-Fraud, Theft, Bribery and Corruption Policy which is in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014) 	<p>Anti-Fraud, Theft, Bribery and Corruption Strategy and Response Plan; Annual Review AGc/24/9/18.</p> <p>Whistleblowing Policy, review AGC, 29/11/2018, item 8.</p>
<ul style="list-style-type: none"> Maintaining an effective internal audit function 	<p>Internal Audit Charter Annual Review by Accounts and Governance Committee, June 2018, AGc/6/06/18.</p> <p>CIPFA external review of internal audit function reported November 2018 AGc/40/11/18.</p>

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> Maintaining robust financial control with a suitably qualified section 151 Officer. 	<p>The Council complies with the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). Additional commentary is included in the AGS about local arrangements following the Fit for Purpose Review.</p>
<p>Managing data (Principle 6). This is done by:</p>	
<ul style="list-style-type: none"> Having a Data Quality Statement 	<p>Approved by Management Team, 15 March 2016 (item 7).</p>
<ul style="list-style-type: none"> Having a clear and effective policy on data protection 	<p>Data Protection Policy reviewed at Exec December 4th 2018, E83/12/18</p>
<ul style="list-style-type: none"> Having clear and effective information governance policies, systems and procedures 	<p>This will include effective records management policies, systems and procedures, including a Retention Schedule.</p> <p>For example, E/7/6/18 updated privacy policy.</p>
<ul style="list-style-type: none"> Having clear and effective information security policies, systems and procedures 	<p>Revised policies and agreements adopted at Executive on 3 April 2018.</p>
<ul style="list-style-type: none"> Having and maintaining an ICT Services Risk Register 	<p>An internal document held by IT Services used to help manage risks around electronic data sources.</p>

Local Code provisions	2018/19 review
Strong public financial management (Principle 6). This is done by:	
<ul style="list-style-type: none"> Setting a medium term financial strategy based on regularly refreshed priorities 	MTFP reviewed twice a year as part of budget setting process. To be presented as part of February 2019 Council papers.
<ul style="list-style-type: none"> Considering cost against a 'family' group of local authorities 	Report to Scrutiny Co-ordinating Board, 5 April 2018, F18/18.
<ul style="list-style-type: none"> Ensuring that any new bid for resources is judged against how far it advances corporate priorities and objectives 	Resources plan considered Council September 2018, CI/39/9/18.
<ul style="list-style-type: none"> Securing continuous improvement through regular savings/income generation exercises and the annual programme of Scrutiny Committee reviews 	<p>Annual budget process and external audit Value for Money assessment.</p> <p>Scrutiny Work Programme reviewed regularly at SCB, for example, G85/18, 15 November 2018.</p> <p>A Commercial Plan is in place and forms part of the Council's Policy Framework.</p>
<ul style="list-style-type: none"> Ensuring that the financial management of the Council is sound, by regular and timely reporting to budget holders, Management Team, Leaders and the Council as a whole. This includes both revenue and capital monitoring. It is the responsibility of the relevant budget holder to investigate and take action on any identified budget variance. Every budget is owned by a budget holder 	Quarterly Revenue and Capital Monitoring reports to Management Team and Executive (for example, Q2 monitoring 2018/19 presented to Executive, 6 November 2018, F73/18).

Local Code provisions	2018/19 review
<ul style="list-style-type: none"> The Executive receives regular reports on budgets, capital scheme progress and the Risk Register 	See Executive agendas for quarterly budget monitoring. Risk Register: e-mailed out quarterly for review
Implementing good practice in transparency (Principle 7). This is done by:	
<ul style="list-style-type: none"> Providing full information on the Council's business on its web 	See Home page.
<ul style="list-style-type: none"> Compliance with the Local Government Transparency Code and Open Data 	https://www.eden.gov.uk/your-council/council-business/open-data/
<ul style="list-style-type: none"> The Council meets nine times per year. The Executive meets monthly: committees and panels meet regularly as set out in the Constitution. Apart from exempt items, all committee business is open to the public. Reports and minutes are publicly available 	Committee timetable and Constitution set out when items will be discussed and reasons for any Part II items.
Implementing good practices in reporting (Principle 7). This is done by:	
<ul style="list-style-type: none"> Conducting as much Council business in public as possible 	Committee agendas show few reports in private.
<ul style="list-style-type: none"> Clear recording of the reasons for member decisions 	Minutes produced and published on the website for all committee meetings.
<ul style="list-style-type: none"> The Scrutiny Co-ordinating Board is responsible for risk management arrangements 	Established and functioning as per the Constitution.

Local Code provisions	2018/19 review
Assurance and effective accountability (Principle 7). This is done by:	
<ul style="list-style-type: none"> Maintaining an Accounts and Governance Committee that meets regularly and takes an active interest in the maintenance of standards across the Council. In particular, it is responsible for monitoring the corporate Complaints Procedure 	Terms of Reference for AGC are set out in the constitution. CIPFA external review of AGc function reported February 2019.
<ul style="list-style-type: none"> Council considers the Annual Audit Letter from the external auditor 	Reported to Council, September 2018, CI/40/09/18.
The Accounts and Governance Committee:	
<ul style="list-style-type: none"> Approves the annual accounts 	Constitution, Part 3. See AGC agenda 26 July 2018, F54/18
<ul style="list-style-type: none"> Approves the Annual Governance Statement 	See AGC agenda 26 July 2018, F54/18.
<ul style="list-style-type: none"> Receives all reports from the Internal Audit service and the external auditor 	Constitution, Part 3, for example, see F82/18 and F76/18 on 29 November 2018 AGC agenda.
<ul style="list-style-type: none"> Approves the Anti-Fraud, Theft and Corruption Strategy which is in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014) 	Anti-Fraud, Theft, Bribery and Corruption Strategy and Response Plan; Annual Review AGc/24/9/18.