



Isle of Wight Council

Annual Governance Statement

2017 - 18

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Addendum A: Local governance framework

Addendum B: 2017 – 2018 Self-assessment

1. Introduction

Governance within an organisation in its simplest form is about who has authority to act, who can take decisions and how the organisation is kept accountable for the decisions it makes. These basic principles are translated into processes that facilitate the making and implementing of decisions. This is not about making “correct” decisions but about having processes in place that assist with making the best possible decisions and ultimately better outcomes being secured. It can be said that good decision making processes and therefore good governance share several characteristics which include:

- **Good governance is accountable** – local government has an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the communities it represents
- **Good governance is transparent** – people should be able to follow and understand the decision making process. This means that they will be able to clearly see how and why a decision was made, what information, advice and consultation was considered together with any risks identified, mitigating actions and legislative requirements (where relevant) were taken into account.
- **Good governance follows the rule of law** – which means that decisions are consistent with relevant legislation or common law and are within the powers of the council to act.
- **Good governance is responsive** – local government should always seek to serve the needs of all its communities and the priorities identified by them (as reflected in the council’s business plan), while balancing competing interests in a timely, appropriate and responsive manner.
- **Good governance is equitable and inclusive** – a community’s wellbeing stems from all of its members feeling that their interests have been considered by the council in its decision making process. This means that all groups, particularly the most vulnerable, should have opportunities to participate in the process.
- **Good governance is effective and efficient** – local government should implement decisions and follow processes that make the best use of available resources and time to ensure the best possible outcomes are secured against its agreed priorities.
- **Good governance is participatory** – anyone affected by or interested in a decision should have the opportunity to participate in the process for making that decision. This might be by being provided with information, asked for their opinion or given the opportunity to make recommendations to be taken into consideration.

In order to evaluate good governance in practice, there is a statutory requirement under the Accounts and Audit (England) Regulations for every local authority to prepare and publish an annual governance statement. This provides members of the public with an open assessment of how effective the council’s governance arrangements are considered to be against a code of corporate governance entitled “Delivering Good Governance in Local Government (2016)”. This document is published by CIPFA/SOLACE as recognised national lead bodies for public services. The code takes into account the characteristics of good governance set out above and translates them into specific core activities, including how a council:

- Upholds high standards of conduct and behaviour
- Engages with local people and other stakeholders to ensure robust public accountability
- Creates and implements a vision for the local area

- Determines the interventions necessary to optimise the achievement of agreed outcomes
- Develops the capacity and capability of members and officers to be effective
- Takes informed and transparent decisions that are subject to effective scrutiny and risk management
- Has members and officers that work together to achieve a common purpose

This document therefore provides:

- An overview of the Isle of Wight Council's, including the Isle of Wight Fire & Rescue Service's governance arrangements in place against the core activities set out in the code of corporate governance and characteristics of good governance set out above, underpinned by an honest self-assessment of their effectiveness for the period 2017/18
- An action plan for the coming year to address any identified areas of concern,
- A report on progress made against those areas highlighted for improvement in its 2016/17 annual governance statement.

In its preparation, the statement contained within this document, covers the council's significant corporate systems, processes and controls that are designed to ensure that:

- Laws and regulations are complied with
- Council policies are implemented in practice
- Required processes are adhered to
- High quality services are delivered efficiently and effectively
- The council's values and ethical standards are met
- Performance and financial statements and other published information are accurate and reliable
- Human, financial and other resources are managed efficiently and effectively

2. The Council's responsibilities

As a public body, the council is responsible for carrying out its business in line with the law and proper standards and ensures that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. There is also a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way the council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness. To do this, there must be in place a robust set of arrangements for the governance of its affairs and in facilitating the effective delivery of its functions, including arrangements for the management of risk and for dealing with any issues that may arise from them.

3. The purpose of a governance framework

To assist with the delivery of good governance, each council has a local governance framework that brings together all the relevant legislative requirements, governance principles and activities (as described above), corporate strategies and policies, business systems, management processes together with an operating culture and set of values upon which business is conducted. The quality of these arrangements underpins the level of trust in public services and is fundamental to the delivery of the council's statutory and democratic obligations. A governance framework therefore allows the council to be clear about how it discharges its responsibilities.

A system of 'internal control', designed to give assurance of operational effectiveness, is a significant part of operating the council's governance framework and is also designed to assist with the management of risks to a tolerable level. However, it is important to note that it is not possible to eliminate all risks and can only serve to demonstrate reasonable assurance of effectiveness. The management of risk is an ongoing process designed to identify and prioritise the risks associated with the achievement of the council's key priorities, policies, aims and objectives, to evaluate the likelihood of those risks occurring and to manage their impact should they happen.

4. The Isle of Wight Council's governance framework

The Isle of Wight Council's local governance framework is designed to be consistent with the CIPFA/SOLACE Delivering Good Governance in Local Government good governance code of practice. The framework summarises the council's internal arrangements that have been put in place to ensure that there is effective governance and includes hyperlinks to supporting documentation and can be found at Appendix A to this document.

The overarching aim of good governance is to ensure that the council achieves its intended priority outcomes while acting in the public interest at all times. The following text provides a high level overview of the key elements of the structures and processes in practice that form an essential part of the council's governance framework against the code of practice and each of the governance indicators and their descriptors of what good governance should look like.

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law:

The council's constitution sets out how it conducts its business, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by law, while others are a matter for the council to determine. The constitution is divided into 18 articles that set out the basic rules governing the council's business with more detailed procedures and codes of practice provided in support of their delivery. The constitution is updated at least annually, usually at Annual Council and may be updated more frequently if there are changes in any legislation affecting the contents of the constitution.

- There is a code of conduct for elected members and staff which set out the expected behaviour and standards to be adhered to.
- The Monitoring Officer is a statutory function and ensures that the council, its officers and elected members maintain the highest possible standards of conduct in all they do. The designated Monitoring Officer for the Isle of Wight Council is the Head of Legal Services and holds responsibility for monitoring and reviewing the operation of the council's constitution, ensuring compliance with established policies, procedures, laws and regulations and for reporting any actual or potential breaches of the law or maladministration to the Full Council and/or Cabinet.
- The council is committed to achieving the highest possible standards of openness and accountability. It has in place a "whistleblowing policy" which reflects the legal framework and obligation to enable staff or those delivering services on behalf of the council, without recrimination, to raise concerns about conduct that may be unlawful, of financial

malpractice, presents a danger to the public or the environment, affects the general welfare of the public or integrity of public services. The policy sets out how to report a concern and what action to take together with details of how concerns will be investigated and the protections afforded to whistle-blowers as well as the provision of access to an independent “hotline” reporting facility. Reported concerns are reviewed annually by the Audit Committee.

- As part of the council’s commitment to the safeguarding of public funds, there is an “anti-fraud and anti-corruption” policy and strategy that sets out the process to be followed where there is suspicion of financial irregularity.
- The Section 151 Officer is a statutory function that requires an officer who must be appropriately qualified to be responsible for the financial administration of the council. The designated 151 officer for the Isle of Wight Council is the Director of Finance.
- There is a complaints procedure for dealing with any complaints related to the delivery of council services which is available on the council’s website. If complainants remain dissatisfied they have the right to refer the matter to the Local Government Ombudsman and complainants are informed of this right. The monitoring and learning gained from complaints is reported through the council’s performance report to Cabinet. In accordance with legislation there are also separate procedures in place for complaints relating to Children’s services and Adult Social Care. Complaints about elected members are dealt with under the member’s code of conduct.

Principle 2: Ensuring openness and comprehensive stakeholder engagement:

- The council recognises that effective community engagement is an essential contribution to strong corporate governance. A variety of ways to engage with its communities and stakeholders are utilised to assist. The “how the council works” section of the council’s website provides access to the published forward plan which provides indication of future reports that are to be considered together with agendas and minutes of all public committees. This ensures that people know what decisions the council is planning to take as well as the decisions taken. It provides access to a facility for making general complaints about council services and about elected members where their conduct is in question. The process to follow is set out clearly. There is also a facility for e-petitions to be launched and submitted on matters that are important to local people.
- The “your council” section of the council’s website provides information on latest news and updates on council services; consultations where residents and stakeholders can voice their opinions and assist with shaping service delivery together with a range of information that is available for the public scrutiny in accordance with the code of recommended practice for local authorities on data transparency.
- There is a strong focus on youth participation and the “youth council” provides opportunity for young people to influence how services are delivered, highlight issues that need to be reviewed and to help shape public services for our communities.
- The council operates a scrutiny committee whose remit is to review and challenge the policy decisions that are taken by Cabinet. Scrutiny is supported by three policy and scrutiny panels (adult social care & health; children’s and regeneration, planning, housing and environment) who provide assistance to Cabinet in the development of council policy together with a review of any matter relating to these specific service areas. They assess

how the council is performing and see whether they are providing the best possible, cost effective services for the Island's communities. In addition, there is an Audit Committee whose specific remit is to review the council's financial and non-financial performance as well as to receive reports that deal with issues that are essential for good governance. Each committee has its own terms of reference.

Principle 3: Defining outcomes in terms of sustainable economic, social and environmental benefits:

- The council's corporate plan is the key strategic document that sets out its vision and ambitions for the Island. The plan sets out the priorities, the outcomes that are expected to be achieved, what it will do to deliver them and what measures it will use to monitor progress against their successful achievement. The corporate plan is underpinned by a number of business plans prepared by directors that include the operational detail for core business that must be delivered, plans for improvement, development or change, financial planning, key risks and their management/mitigation as performance measures and monitoring arrangements.
- Quarterly reporting on progress against the delivery of agreed priorities and outcomes is undertaken to Cabinet and which is also available to the scrutiny committee for review.
- Central to the delivery of the corporate plan is the council's medium term financial strategy by playing a pivotal role in translating ambitions into action. The strategy focuses on determining the overall financial position for the council and takes into account any major issues affecting the council's finances. It forms the basis for developing the overall budget and any contingencies that need to be put in place for any unavoidable service pressures that may arise.

Principle 4: Determining the interventions necessary to optimise the achievement of intended outcomes:

- Underpinning the delivery of the corporate plan are a series of business plans that translate the council's priorities and outcomes expected to be achieved into operational service delivery activities. Each of these business plans has a suite of performance measures that enable critical delivery requirements to be tracked and monitored. To allow the transition of the council's priorities into their most granular form, the council also operates a "personal development review process" in which all staff are assigned individual performance objectives. These set out the activities which play an important part in achieving the overall desired outcomes. These objectives are also supported by any relevant learning and development required to successfully achieve them. Monitoring of progress is undertaken on a number of levels, from strategic quarterly performance reporting to Cabinet, to service boards that measure performance against agreed business plans to regular 1:1s between managers and staff to review operational and day to day business performance.
- The council also has a robust decision making framework in place that requires all reports to be subject to the corporate "call over" clearance process prior to publication. All reports follow a standard template that provides the decision maker with all the relevant information and advice necessary to make an informed decision. Reports provide background information; details of the issue under consideration and includes options open to the decision maker together with the pros and cons of each of those options in order to provide a recommended course of action if required. Professional advice in

respect of any considerations of a legal, financial, equality and risk are clearly set out as is any consultation that has been undertaken to assist with the decision.

- The council's overview and scrutiny committee scrutinises items on the council's forward plan and acts in the capacity of critical friend to the Cabinet prior to decisions being taken. Scrutiny meetings are held in public where members of the public have the opportunity to ask questions or submit questions in writing to the committee.

Principle 5: Developing the council's capacity, including the capability of its leadership and the individuals within it:

- The council operates a robust interview and selection process to ensure that offers of appointment are based upon securing the right level of skills and experience to fulfil the role. If working with children and/or vulnerable adults the necessary clearance checks are undertaken prior to appointment. There is a corporate induction programme that welcomes new staff into the council, assisting with understanding of the council's priorities and ambitions as well as the prevailing culture and expected standards of behaviour. It provides a wide range of information on how the council operates and the key policies that new starters need to be aware of.
- There is a corporate core learning and development programme that sets out a number of required activities for new staff to complete and for existing staff to receive by way of updates. There is also a core learning and development programme for managers designed to ensure they are fully conversant with their people management responsibilities.
- There is a full complement of appointments to the corporate management team, all of whom are appropriately qualified and experienced in their field and capable of providing strong, resilient and stable corporate leadership. The council has entered into a number of strategic partnerships to enable the capacity of a small unitary council to be maximised to its full potential. Strategic partnerships include the management of the council's children's services and public health (currently on an interim basis, pending formal agreement) with Hampshire County Council, Portsmouth City Council for the provision of a Director of Finance and Section 151 Officer and Chief Internal Auditor roles and Hampshire Fire & Rescue Service in the management of the Isle of Wight Fire & Rescue Service.
- There are a number of learning and development programmes in place for aspiring leaders and managers that aims to improve the council's future succession planning arrangements and which also seeks to facilitate engagement and empowerment of future talent in the development of the council's critical business priorities and intended outcomes.
- Newly elected members are provided with a comprehensive induction programme that assists with full understanding of their roles and responsibilities, political management and decision making, financial management, health and safety, information governance, safeguarding and code of conduct.
- Members are provided with a regular calendar of events that aims to provide a wide range of on-going learning and development in specific areas of council activity, legislative changes and personal skill development. Access to the local government association leadership academy is afforded to cabinet members and aspiring cabinet

members and other relevant external or on-line learning opportunities are made available to enable specific portfolio or areas of interest to be developed.

Principle 6: Managing risk and performance through robust internal control and strong public financial management:

- The council has in place a risk and performance management strategy and policy that sets out the framework arrangements and responsibilities for the successful delivery of agreed priorities and intended outcomes. The policy is intended to assist officers at all levels in applying sound risk management and performance management principles and practice across their areas of responsibility. Risks and performance are monitored and reported to corporate management team and review is undertaken by the overview and scrutiny committee.
- The council has two major, long term commercial contracts in place for highways and waste service delivery both of which have their own contract management team and member and delivery boards to maintain oversight and formal monitoring of performance.
- The council's financial management arrangements conform to the governance requirements of the CIPFA "statement on the role of the Chief Financial Officer in local government (2010)". The Chief Financial Officer is professionally qualified; is a member of the corporate management team; has input into all major decisions; advises Cabinet on financial matters and is responsible for ensuring that budgets are agreed in advance, are robust and that the finance function is fit for purpose.
- The council's assurance arrangements also conform to the governance requirements of the CIPFA "statement on the role of the Head of Internal Audit in public service organisations (2010)". The head of internal audit is professionally qualified and leads on the review and adequacy of the council's internal control environment. Where necessary, to the proper discharge of the internal audit function, the Chief Internal Auditor has direct access to the Chief Executive, Section 151 officer; Monitoring Officer and Elected Members, especially those who serve on committees charged with governance.

Principle 7: Implementing good practices in transparency, reporting and audit to deliver effective accountability:

- The council's constitution sets out how decisions are made and makes specific reference to decision making by Full Council, Cabinet and other established committees. There is also a scheme of delegations that describes the limits of responsibilities that can be delegated to the Chief Executive and chief officers (and who in turn may delegate further as appropriate).
- The council is committed to openness and transparency and now publishes a significant amount of data and information in order to increase its accountability to residents. There are dedicated transparency pages on the council's website that provides access to the council's spend transactions month by month; statement of accounts; performance monitoring; councillor allowances and declarations of interest; budget consultation outcomes; workforce data and pay policy setting out the council's terms and conditions of employment; trade union facility time; members questions and contracts to name but a few.

- The council publishes a forward plan of all key decisions which are proposed to be taken and other decisions where practicable to assist in providing public transparency and confidence in decision making. All committee agendas and minutes of constituted committees are also published on the council's website and in accordance with publication timescales.
- All reports requiring a decision are considered by appropriately professionally qualified legal and finance staff prior to publication and all advice is made public within the report template. The council must also ensure that it meets its duties and obligations under the Equality Act 2010 and any proposals for changes to service delivery, projects or policies are subject to an equality impact assessment to better understand whether they impact on people who are protected under the Act and to assist with informed decision making.

5. The annual review of effectiveness

The council is required to undertake, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The outcomes of the review are considered by the Corporate Management Team and Audit Committee (who approve the final statement). Once approved, the annual governance statement is published alongside the council's statement of accounts.

In reviewing the council's governance framework and in order to complete this assurance statement, there are a number of assurances drawn from the following sources:

- Full council, Cabinet and other key decision making committee outcomes
- Outcomes from Scrutiny committees and Audit Committee
- The Monitoring Officer, Section 151 Officer and Head of Paid Service
- Corporate service departments
- Internal audit reports
- Internal audit annual opinion
- Risk, performance and financial reports
- The strategic diversity board
- The strategic health and safety board
- Customer complaints and feedback
- Freedom of Information requests
- Data protection and information governance issues
- External audit reports
- External inspections and peer reviews
- Benchmarking activity
- Evaluation of progress against previously identified governance issues

This leads to the completion of a self-assessment statement which covers the key processes and systems that comprise the council's governance arrangements and is intended to identify any areas where improvement or further development is required. This self-assessment is shown at Appendix B.

6. Governance issues – Part One - Progress Against the 2016-17 Self-Assessment

The completion of the self-assessment for 2016-17 did not highlight any significant governance failures. However, the following issues were identified as areas where improvements could be made:

	Governance issue	Actions to address the issue	Measure of success	Progress to Date (as at 30 June 2018)
1	There is a need to review the council's customer contact interface to improve transparency and accessibility of data and information that is required, of interest and value to residents and customers, as well as to increase public, town and parish council and stakeholder participation.	<ol style="list-style-type: none"> 1. Re-design the council's website as the main communication interface with residents and customers so that data, information and other sources of service provision is easy to find, is relevant and enables self-service wherever possible. 2. Review website content and rationalise to focus on those aspects of council business most required by residents and customers 3. Develop and implement a stakeholder engagement strategy. 	<ol style="list-style-type: none"> 1. A decrease in the number of freedom of information requests as a result of more data being available in the public domain. 2. Reduction in the number of calls made to the call centre as a result of council and service information on the council's website being appropriately co-located, easy to understand and take a minimum of 3 clicks to find. 	<p>A significant number of improvements have been made to the council's frequently used website pages, (specifically council tax and benefits pages) many of which have also been made mobile friendly to increase accessibility to on-line transactions and other self service facilities.</p> <p>A contact centre improvement plan has also enabled both on-line and staffing resources to be better co-ordinated to provide a more responsive service to customers. As a result of this work, the contact centre secured a reduction in the average call waiting times to 90 seconds for the first three months of 2018. This is a significant improvement on the starting point of 310 seconds in April 2017. Whilst subsequent months, due to unexpected service related changes experienced, call waiting times have slightly dipped to between 100 – 120 seconds. Work continues to improve and maintain on the 90 second target.</p> <p>The number of calls to the contact centre has also reduced from an average monthly total of 91,752 in April 2017 to 85,828 at 31 March 2018. In comparison the number of on-line transactions has increased from 51,592 in April 2017 to 63,025 at 31 March 2018.</p>

	Governance issue	Actions to address the issue	Measure of success	Progress to Date (as at 30 June 2018)
2	<p>With a new administration elected in May 2017, it will be necessary to ensure that members are adequately supported to discharge their responsibilities as ward and council members as well as obligations of participation in committees in line with their terms of reference</p>	<p>1. Delivery of a planned programme of learning and development opportunities for all members</p>	<p>1. Members report that they have confidence in their role and can evidence personal growth as an elected member through achievements that contribute to the overall delivery of the council's priorities.</p>	<p>The improvement programme is on-going and will include the completion of a stakeholder engagement strategy and changes to the publication of freedom on information requests.</p> <p>A comprehensive member induction programme was made available to all members post the election. The majority of members reported favourably on the opportunities made available although it is necessary to review the content for future elections.</p> <p>Three members of the Cabinet have participated in the Local Government Association Leadership Academy programme to support their personal development. A training needs analysis has also been undertaken with Cabinet members and a programme of learning is being commissioned in response.</p> <p>The first Monday of every month has been made available within the annual calendar for members to receive information and/or training on matters relating to their roles at elected members. A training needs analysis for all members is planned as a means to provide specific and dedicated activities that provide opportunities for further development in their roles.</p> <p>Specific training for scrutiny committee members and chairs of scrutiny and policy committees has been commissioned to further enhance the effectiveness of the scrutiny function.</p>

	Governance issue	Actions to address the issue	Measure of success	Progress to Date (as at 30 June 2018)
				<p>A training needs analysis for all members has not been undertaken in order to determine learning activities required over the next 12 months. Member development will continue to be identified and implemented in accordance with the specific needs of members and will remain on-going.</p>
3	<p>The council's workforce development plan, behaviours framework and cultural change strategy is out of date and needs refreshing.</p>	<p>1. Delivery and implementation of up to date organisational development strategy</p>	<p>1. Measures of staff engagement show an upward trend and staff report through survey that they understand their contribution to the council's overall objectives and what is required of them to deliver against it.</p>	<p>The Chief Executive launched the "BIG" organisational development programme which continues to be delivered against the established action plan.</p> <p>A staff survey has been completed, the first since 2014. The results and analysis of feedback is being utilised to further strengthen and update the organisational development strategy. The survey provides a baseline upon which future improvements can now be measured more effectively.</p>
4	<p>The council's strategic plans, priorities and corporate governance arrangements and proposed future plans would benefit from independent review.</p>	<p>1. Instigate and deliver an externally and independently led corporate peer review.</p>	<p>1. The council will have assurance of how robust its strategic direction, plans and governance arrangements are and an action plan where required to ensure that the best possible outcomes for the Island can be secured.</p>	<p>The council participated in the Local Government Association Corporate Peer Challenge programme. The outcomes of which, together with an action plan to address the recommendations of the review team were reported to and agreed at the May 2018 Cabinet meeting.</p>

	Governance issue	Actions to address the issue	Measure of success	Progress to Date (as at 30 June 2018)
5	The council's strategic partnerships and their governance arrangements require review as they move towards the final stages of their current lifetime of agreements.	1. Instigate and deliver a review of the council's strategic partnerships	1. New strategic partnerships in place and approved by Cabinet.	<p>A review of the council's strategic partnership with Hampshire County Council for the leadership and management of children's services has now been formally reviewed. Cabinet agreed to enter into a new period of a strategic partnership at its meeting of 9 November 2017.</p> <p>Arrangements are in place for the review of the council's strategic partnership with Hampshire Fire & Rescue service for the leadership and management of the Island's fire and rescue service with consideration being given to a proposed combined authority arrangement to be put in place. This has been a matter for Full Council consideration at its meeting of 21 March 2018 and which will be subject to further consideration by Cabinet in June 2018 and in October 2018.</p>

Governance issues – Part Two: Action Plan for 2018/19

The completion of the draft self-assessment as set out in Appendix B does not highlight any significant governance failures during the last year and our arrangements continue to be regarded as fit for purpose in accordance with the good governance code of practice. However, the following issues have been identified thus far as areas where improvements could be made:

	Governance issue	Actions to address the issue	Measure of success	Lead Officer
1	There is a need to improve the council's project/programme governance arrangements and increase the level of corporate oversight and management.	<ol style="list-style-type: none"> 1. Undertake a refresh of the council's project/programme management guidance and requirements 2. Establish corporate and member project/programme oversight boards. 	<p>Improved oversight and escalation management of all council projects irrespective of value/importance.</p> <p>Clarity of understanding of project/programme management/monitoring requirements.</p> <p>Successful delivery of identified strategically important projects/programmes that underpin the delivery of the corporate plan.</p>	Chief Executive
2	There is a need to ensure that post implementation of the new data protection regulations in May 2018 that the council remains compliant with its statutory obligations.	<ol style="list-style-type: none"> 1. Regular auditing of key requirements on the new regulations to be undertaken by the information governance team. 	No fines incurred for data protection breaches	Head of Legal Services
3	It will be necessary to ensure that the outcomes of the council's corporate peer challenge are addressed.	<ol style="list-style-type: none"> 1. Delivery of agreed action plan approved by Cabinet in May 2018. 	Successful delivery of agreed action plan outcomes.	Chief Executive

Summary

The annual assessment and review process of the council's corporate governance arrangements has identified three main issues that could further enhance the current arrangements. As a result, the Isle of Wight Council will take steps to address the above identified issues to secure further assurance in the areas of most concern.

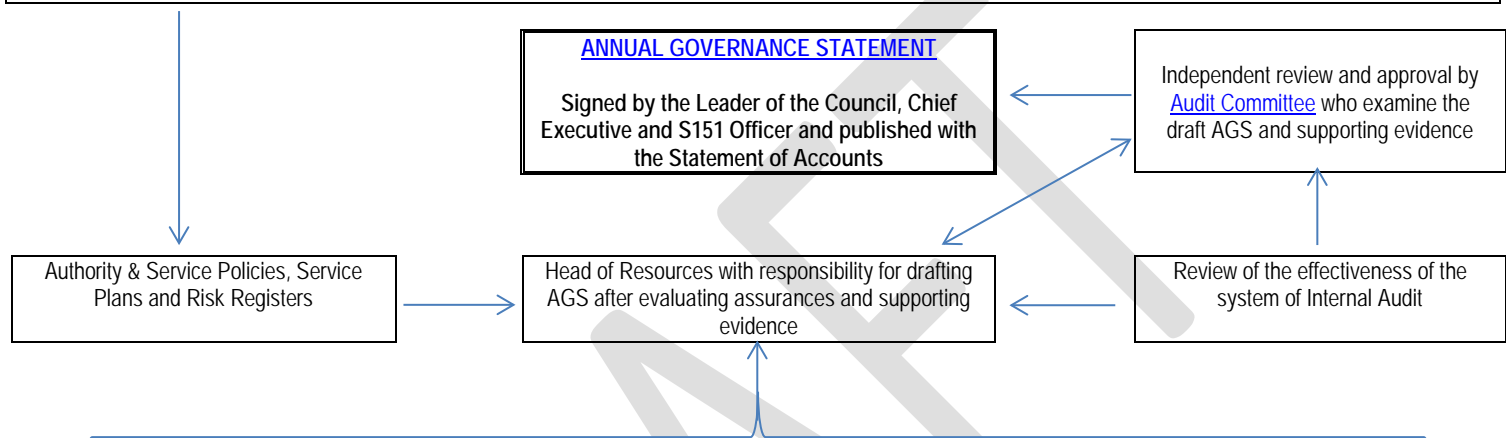
Signed on behalf of Isle of Wight Council:

John Metcalfe
Chief Executive

Cllr Dave Stewart
Leader of the Council

IWC GOVERNANCE FRAMEWORK

Documentation		
<ul style="list-style-type: none"> • Corporate Plan • Service Business Plans • Performance & Risk Management Framework • Programme & Project Management Strategy • Access to Information Policy • Forward Plan • IWC Terms and Conditions /Contracts of Employment • Pay Policy • Disciplinary/Capability Policy • Gifts and hospitality Guidance for staff and members • Member code of Conduct 	<ul style="list-style-type: none"> • Anti-Money Laundering Policy • Behaviour Framework • Counter Fraud and Corruption Strategy • Data Protection Policy • Privacy Impact Assessment • Data Quality Strategy and Action Plan • Employee Code of Conduct • Employment Screening Policy • Equality Policy Statement & Guidance • Procurement Strategy • Whistleblowing Policy • Protective marking Policy • Portable File Storage Policy • Equality Impact Assessment Guidance • Constitution 	<ul style="list-style-type: none"> • Capital Strategy • Medium Term Financial Plan • Treasury Management Strategy • Charging Policy • Complaints Policy • Contract Standing Orders • Corporate Retention Policy • Financial Regulations • Information Security Policy • Pension Fund Governance Policy • Workforce Plan • Electronic Communications Policy • ICT Security Policy • Social Media Policy • Town & Parish Council Protocol



Performance Management & Data Quality	Risk Management	Information Governance	Legal and Regulatory Assurance	Members Assurance
<ul style="list-style-type: none"> • Service Board Reports • Quarterly Performance Reports • Forensic Analysis of Service Provision • Benchmarking Clubs • Personal Development Reviews • Job descriptions • Corporate Induction • Corporate Management Team Schedule of Meetings 	<ul style="list-style-type: none"> • Service Risk Registers • Strategic Risk Register • Project Risk and Issues Logs • Service Board Reports • Training 	<ul style="list-style-type: none"> • Training Programme • Department Information Guardian Meetings • Data Sharing Agreements 	<ul style="list-style-type: none"> • Sections of Committee Reports • Legal Advice • Equality Impact Assessments • Transparency reports • Register of interests • Whistleblowing reports • Call over processes • Procurement Board 	<ul style="list-style-type: none"> • Scrutiny Committee • Cabinet Committee • Audit Committee • Appeals Committee • Member Induction • Member training programme • Corporate management team/Cabinet Meetings • Health and Wellbeing Board
Assurance by Directors/Heads of Service	Other Sources of Assurance (including third party)	Financial Management	Internal Audit	External Audit
<ul style="list-style-type: none"> • Peer Reviews • Benchmarking club membership/reports • Corporate Management Team meetings 	<ul style="list-style-type: none"> • Regulatory body Inspections • Ombudsman Reports • Equality & Diversity Board • Staff Equality Group • Health and Safety Board • Vine Staff Newsletter • Manager's briefings 	<ul style="list-style-type: none"> • Capital Programme • Service Board Reports • Treasury Management • Statement of Accounts • Statutory Returns • Outturn Reports 	<ul style="list-style-type: none"> • Annual Plan • Periodic reporting to Audit Committee • Risk-based audit plans 	<ul style="list-style-type: none"> • Annual Plan • Annual Audit and Inspection Letter

Ongoing assurance of effective control over key risks

Self - Assessment 2017 - 2018

ADDENDUM B

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

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

1.1 Behaving with integrity:

- Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation
- Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood (these should build upon the seven principles of public life)
- Leading by example and using these standard operating principles as a framework for decision making and other actions
- Demonstrating, communicating and embedding the standard operating principles through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively

1.2 Demonstrating strong commitment to ethical values:

- Seeking to establish monitor and maintain the organisation's ethical standards and performance
- Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
- Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values

1.3 Respecting the rule of law:

- Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation
- Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations
- Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements
- Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders
- Dealing with breaches of legal and regulatory provisions effectively
- Ensuring corruption and misuse of power are dealt with effectively

How do we meet these principles

- The member code of conduct meets statutory requirements and is communicated to members during induction. Regular reminders given as necessary.
- Members are required to affirm that they accept and will abide by the requirements of the code of conduct when signing their declaration of

Where you can see governance in action

- Member code of conduct
- Employee code of conduct
- Further training deemed necessary based on breaches of codes of conduct
- Behaviour framework

Areas for Improvement

- The whistleblowing policy is reviewed on a regular basis to ensure it remains fit for purposes and in accordance with best practice guidelines. However, given the very low level of reporting of incidence, consideration could be given

<p>office</p> <ul style="list-style-type: none"> • Declarations of interest are a standard agenda item at member level meetings and any declarations recorded in minutes. • The member register of interests is published on iwight.com • There is a compulsory induction module for new members on the role of councillors, code of conduct, register of interest and role of the designated independent person. • The monitoring officer provides informal advice and guidance to members as required to avoid complaints or any potential misconduct occurring • Integral to the scrutiny function is the examination of ethical decision making • Annual performance appraisals are offered to members who would like to undertake them and they a requirement for all staff • The constitution sets out the required decision making practices and protocols and schemes of delegation to make authority limits explicit • The constitution is reviewed at Annual Full Council to ensure it remains fit for purpose • The council's corporate plan communicates shared values with members, staff, the community and partners • There is a suite of employment policies that set out the requirements of staff for conduct at work, including disciplinary, capability, attendance management, equality and diversity practice, data protection and information management etc. • The employee disciplinary procedure sets out matters considered to amount to misconduct and the action that can be taken if proven to be evident • The staff code of conduct is issued with the contract of employment and is a component of induction • A behaviour framework is in place for staff and integrated into generic role profiles that set out the duties and responsibilities of staff • A corporate induction programme is provided for all new employee starters to the council which includes an overview of the council and its priorities, conduct expectations, information governance, health and safety and other aspects of good governance • Appraisal processes set clear performance objectives and standards of working that are monitored and reviewed throughout the year • Managers are required to undertake regular 1:1 meetings with staff to review work progress, performance and development • Personal development programmes are available to staff to assist them with the development of the skills and competencies required for effective performance at work 	<ul style="list-style-type: none"> • Declaration of office statement • Member induction programme • Employee induction programme • Personal development review process • Constitution • Yearly review of constitutional matters undertaken at annual Council • Corporate plan • Register of interests • Council meeting agenda & minutes • Whistleblowing policy • Audit committee agenda & minutes • Complaints policy & complaints log • Annual report of complaints with in the quarter four performance report to Cabinet • Counter Fraud and Corruption Strategy • Anti-Money Laundering Policy • Appeals committee • Quarterly performance reports • Employment policy suite • Terms of reference and meeting minutes of the Strategic Equality and Diversity Board • Terms of reference and meeting minutes of the Equality Board & Staff Equality Group • Corporate management team meeting agenda timetable • Equality objectives • Scrutiny agenda & minutes • Equality impact assessments for key business/service changes • Equality impact assessment guidance • Equalities in employment policy • Centrally managed core training programme for managers and staff • A suite of health & safety related policies and procedures 	<p>to how the whistleblowing policy could become more easily accessible to the public, contractors and staff beyond the current method of publication on iwight.com.</p> <ul style="list-style-type: none"> • There is no expectation that members undertake a personal development review and so it will be necessary to ensure that members continue to be afforded the necessary opportunities to become equipped with the requisite skills and knowledge that affords confidence in fulfilling their roles. • There is a continuing need to provide on-going support in the development of the council's scrutiny function. • Whilst the percentage completion rate for staff personal development reviews significantly increased during 2016/17, both the quantity and quality of reviews undertaken needs to be kept under regular monitoring and intervention, including the need to review guidelines for their operation in the workplace. There are also reports that some front line services find it difficult to align the corporate plan with professional service standards and operational outcome frameworks. There are some good examples of where services have initiated activities that assist with such translation and integration of corporate priorities into service planning and individual performance objectives but this could benefit from wider exposure across the council. • Whilst a behaviour framework is in place and is embedded into generic role profiles and personal development review process, given the improvements required in this area, it is not possible to
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- A counter fraud and corruption strategy is in place
- There is a whistleblowing policy in place together with an independent hotline reporting facility
- The whistleblowing policy is made available via iwight.com for those organisations commissioned to deliver services on behalf of the council and via an intranet page for employees, volunteers and members
- Audit committee are provided with reports on whistleblowing matters received.
- There is a complaints policy in place with an on-line reporting facility
- Each service area has a nominated complaints officer with responsibility for the handling and responding of complaints received.
- Annual report on complaints, learning gained and action taken as a result is provided in the performance report to Cabinet at the end of Quarter one of the following year
- **There is a nominated lead officer for equality and diversity in place.**
- Equality objectives are in place (last reviewed in 2015) that have been consulted upon with the public and published on iwight.com
- There is a strategic equality board in place, **comprising of the corporate management team** to monitor the delivery of the council's equality objectives and equality impact assessment requirements.
Membership includes the lead officer for equality and representatives of the staff equality group and recognised trade unions.
- A staff equality group is in operation to consider and support the development and improvement of employment related practices
- There is a strategic health and safety board in place that meets quarterly to achieve strategic coordination and collaboration across all services and to deliver improvements in the management of health and safety and the discharge of relevant responsibilities.
- Regular health and safety monitoring reports are produced that identifies trends across council departments that may require attention and/or further intervention by directors/heads of service.
- **Statutory services have regular strategy meetings in place which have recorded minutes and which inform care plans.**
- The council's pay policy has a statement of commitment to equal pay
- Training is available for managers regarding their responsibilities for effective people management and performance management
- There are agreed values in partnership agreements and statements of business ethics that communicates commitment to ethical values to external suppliers-

- be assured that there is clarity of behavioural expectations within the workforce.
- **There is question as to how well the employee code of conduct is promoted and championed with the council's workforce and as such a review of these arrangements is considered to be of benefit to ensure that all staff fully understand the expectations placed upon them.**
 - **The equality and diversity board has been re-established and a nominated officer identified as a lead for equality matters. Priorities for improvement have now been determined in order to refresh the council's equality objectives and to ensure that attention is being given to those aspects most in need of further development.**
 - **Whilst there is a comprehensive set of employment policies and procedures in place for the council to operate within, it is considered that there are some inconsistencies of application across services that require monitoring and oversight.**
 - **There is a wealth of information for staff through the council's e-newsletter on matters of importance to them but which would benefit from greater structure to separate out those items relating to work requirements and of social interest.**
 - There is a need to consider how the council's partnerships and external suppliers evidence their commitment to ethical values in practice and establish an appropriate monitoring mechanism to enable this to remain under review.
 - Whilst the council's counter fraud

<p>strategy was refreshed and approved by Audit Committee in December 2017, there is an on-going programme of work to be undertaken as a result of its revision and to build upon the counter fraud initiative.</p>		<ul style="list-style-type: none"> • Ethical values feature in contracts with external service providers • The director of finance fulfils the statutory function of Section 151 • Officer and undertakes to comply with the duties and responsibilities as set out in law • The Section 151 officer is provided with the necessary resources to fulfil the duties and responsibilities of the statutory function • The head of legal services fulfils the statutory function of monitoring officer and undertakes to comply with the duties and responsibilities as set out in law. • The monitoring officer is provided with the necessary resources to fulfil the duties and responsibilities of the statutory function • Designated Independent Persons are in place to assist the monitoring officer and elected members in dealing with member ethical behavioural issues. • An Appeals Committee is in place for the hearings of complaints against members following investigation • All decision reports are considered for their legal, financial and risk implications with the advice provided by officers recorded via the “call over” process • A procurement board is in place to ensure compliance with relevant law in respect of procurement and compliance with the council’s procurement code • There is a Cabinet member in place with responsibility for procurement • Procurement compliance reports are made to Audit Committee on a regular basis (twice yearly), the reports focus jointly on compliance and activity
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Principle 2: Ensuring openness and comprehensive stakeholder engagement

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

2.1 Openness:

- Ensuring an open culture through demonstrating documents and communicating the organisations commitment to openness
- Making decisions that are open about actions, plans, resource use, forecast, outputs and outcomes
- Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rational and considerations used
- Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action

2.2 Engaging comprehensively with institutional stakeholders:

- Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
- Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively (for example the transfer of Public Conveniences to Town and Parish Councils.
- Ensuring that partnerships are based on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit

2.3 Engaging stakeholders effectively, including individual citizens and service users:

- Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement
- Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs
- Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account
- Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity
- Taking account of the interests of future generations of tax payers and service users

How do we meet these principles

- There is a process in place for the effective management of freedom of information requests with departmental information guardians in place across the council, supported by the corporate information unit who monitor compliance and appeals and escalate where necessary
- The code of practice for transparency in local government is adhered to and all required information is published on iwight.com transparency pages
- Advance notification of all decisions to be taken by Full Council and the

Where you can see governance in action

- iwight.com/transparency pages
- Forward plan
- iwight.com/committee meetings
- Consultation schedule/plan
- Budget consultation
- **Children & young people survey**
- **Annual “brightspots” survey of**

Areas for improvement

- There is a need to refresh the council's partnership database to ensure it remains current and up to date
- There is a need to review the council's governance arrangements for partnerships

- Cabinet (including key decisions) is published as a forward plan on iwight.com, this is well in excess of legislative requirement
- All committee agenda, papers and minutes are published in accordance with publication deadlines on iwight.com with hard copies being distributed to town and parish councils
- All member delegated decisions are published in accordance with publication deadlines on iwight.com
- There is a facility for any elected member to submit questions to Cabinet members which is published together with a response for access by all members
- All professional advice provided for decision making purposes is recorded in committee reports together with the outcomes of the consultation activities undertaken.
- The annual statement of accounts is published on iwight.com
- There is an annual consultation on the budget that includes meetings with the public and other stakeholders
- Any significant or major proposed service change is subject to formal consultation and equality impact assessment. Records of these consultations is retained on iwight.com
- There is a dedicated section of iwight.com to launch, announce and provide results of consultations
- There is a town and parish council protocol in place setting out how the Isle of Wight Council will consult with town and parish councils.
- There is a dedicated single point of contact for town and parish councils and a quarterly meeting between the Leader of the Council, Chief Executive and Town and Parish Council Association (IWALC).
- There is a database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes
- The council is a member of the Partnership for Urban South Hampshire (PUSH)
- The council is a member of the Solent Local Enterprise Partnership (SLEP)
- Staff are formally engaged in dialogue with the corporate management team through annual staff conferences as well as regular coffee and chats sessions and site visits with the Chief Executive.
- Governance arrangements for partnerships are set out in the partnership agreements
- There is an established Health and Wellbeing Board
- **There is an established Local Care Board in place to oversee the management of the local care system**
- There is an established community safety partnership
- **There is an established Corporate Parenting Board**

children in care

- **Hearing young people's experiences (HYPE) group meetings**
- Town and parish council protocol
- Minutes of council/town and parish council meetings
- Transfer of public toilet facilities to town and parish councils
- Partnership terms of reference
- Strategic partnership agreements
- Suggestion box
- Stakeholder database
- Facebook/Twitter accounts
- iwight.com
- Member information pages
- **Board agenda and meeting minutes**
- **Children & Young People's plan**
- **Public perception survey report**
- **User led organisation**
- **Prevention strategies**
- **Agenda and minutes of Local Care Board**
- **Market engagement events**

- The council needs to establish a policy that sets out what types of issues, the council will meaningfully consult upon as a matter of course.
- **Engagement with and involvement of town and parish councils has been strengthened through the introduction of quarterly joint meetings with the council but which requires on-going monitoring for effectiveness.**
- **There is evidence that relationships are improving between Police, Health, Council and Voluntary Sector but will necessitate on-going monitoring to maintain and continue with progress being made.**
- **There are a number of participation surveys and consultations undertaken over the year with Island residents and it is necessary to ensure that there is corporate oversight as a means to seek avoidance of "overload" and appropriateness of methods utilised to enable maximum inclusion and value of information gathered.**
- **There has been much progress to improve the governance arrangements in the management of the council's pension fund over the last twelve months but there remains a considerable amount of work to complete which will require careful monitoring and oversight to ensure continued progress is made.**
- **The outcomes of the council's participation in the Local**

<p><i>Government Association peer review challenge highlighted that significant progress had been made since its last review in 2014 and has clear strategies and plans in place to deliver its corporate ambitions. However, the review team highlighted a number of key recommendations to assist with the continued programme of delivery including the need for an Island partnership to be established as a means to maximise the potential for the Island's aspirations to be maximised.</i></p>	
<ul style="list-style-type: none"> • <i>There is a Children & Young Peoples Participation Strategy in place</i> • <i>There is a hearing young people's experiences (HYPE) group in place comprising of children in care and care leavers that meets monthly to inform the work of the corporate parenting board.</i> • <i>There are established children's and adults safeguarding boards in place</i> • <i>There is an established multi-agency Children's Trust in place who are accountable for the delivery of the agreed outcomes contained within the Children and Young People's Plan</i> • <i>There is a Children and Young People's Plan in place that is also directly connected to the public health annual report and health and wellbeing strategy.</i> • <i>There are surveys undertaken with children in care on matters of importance to them and to elicit views about where improvements can be made.</i> • <i>There is an established user led organisation in place to support residents in helping to shape, direct and manage services they need as well as to provide information, advice and guidance on the services available across the Island.</i> • <i>There is a market position statement in place for adult social care.</i> • <i>There are a variety of communication tools used including social media to communicate with residents on a daily basis.</i> • <i>There is a facility in place to enable live streaming of Full Council and Cabinet meetings</i> • <i>In the development of the council's regeneration strategy, there have been a number of local area workshops undertaken, together with the completion of the "Wight we Want" survey to obtain resident views and expectations.</i> • <i>There are established pension boards in place for both the Local Government Pension Scheme (LGPS) and Fire Service scheme, with identified improvement action plans to support the work of the Council's Pension Fund Committee.</i> 	

Principle 3: Defining outcomes in terms of sustainable economic, social and environmental benefits

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 authority’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 determining priorities for the finite resources available.

3.1 Defining outcomes:

- Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions
- Specifying the intended impact on, or changes for, stakeholders including citizens and service users.
- Delivering defined outcomes on a sustainable basis within the resources that will be available
- Identifying and managing risks to the achievement of outcomes
- Managing service user expectations effectively with regard to determining priorities and making the best use of the resources available.

3.2 Sustainable economic, social and environmental benefits:

- Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision
- Taking a longer term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short-term factors such as the political cycle or financial constraints
- Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade offs
- Ensuring fair access to services

How do we meet these principles

- The three year corporate plan (refreshed annually) sets out the council’s vision, strategic priorities and outcomes together with key activities that will deliver them together with the performance measures that enable monitoring of delivery to take place. The corporate plan is used as a basis for service planning and employee setting on an annual basis. Links to the corporate plan are also referenced in all formal committee decisions made where appropriate
- **There is a stated ambition to work towards a one public service approach for the Isle of Wight in order to secure the longer term sustainability for public services.**
- The medium term financial strategy sets out the resource allocation for the delivery of the corporate plan
- Quarterly performance reports are provided to Cabinet that set out progress against corporate priorities and the desired outcomes together with performance outturn, risk analysis and mitigation.

Where you can see governance in action

- Corporate plan
- Quarterly performance reports
- Service plans
- Development review process & individual personal development reviews
- Capital programme
- Capital investment strategy
- Treasury management strategy
- **Pension investment strategy**
- Risk register
- Medium term financial strategy
- Functional service plans for each service area.
- Decisions that enable public services to continue through alternative delivery

Areas for improvement

- **The outcomes of the council’s participation in the Local Government Association peer review challenge highlighted that significant progress had been made since its last review in 2014 and has clear strategies and plans in place to deliver its corporate ambitions. However, the review team highlighted a number of key recommendations to assist with the continued programme of delivery including the development of a commercial strategy.**
- **Shaping the one public estate strategy with key partners is**

<ul style="list-style-type: none"> • There are risk management protocols in place together with strategic and operational risk registers that are reviewed by the corporate management team and departmental service boards on a monthly basis. • Decision making reports required to show how decision will contribute to priorities. • Capital investment is structured to achieve appropriate life spans and adaptability for future use or that resources are spent on optimising social, economic and environmental well-being • There is an established pension fund investment strategy approved by the Pension Committee. • The council's procurement processes, in accordance with the Public Services Act 2012 include the requirement for social value in the commissioning of goods and services. • The council has a commissioned service with the voluntary sector for the provision of information, advice and guidance services and is working in partnership with the current provider "Islehelp" to deliver a "one stop shop" co-ordinated approach to all council information and guidance requirements. • The council's regeneration strategy has been developed with the principles of sustainable development at its core. Any proposals to improve places consider the impacts on people and the environments as fundamental principles. • There are established joint commissioning roles between health and adult social care to begin to align system approaches to the communities needs 	<p>mechanisms (such as public toilets, library facilities etc).</p> <ul style="list-style-type: none"> • Constitutional reports to Full Council • Information, advice and guidance strategic partnership annual performance report demonstrating achievements to support island residents 	<p>necessary to develop an action plan that will deliver an approach to sustainable public services over the next 5-10 years</p> <ul style="list-style-type: none"> • The review of information, advice and guidance commissioning needs for a longer term partnership agreement to support the communities requires completion.
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Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resources inputs whilst still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

4.1 Determining Interventions:

- Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided
- Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts

4.2 Planning interventions:

- Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
- Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
- Considering and monitoring risks facing each partner when working collaboratively including shared risks
- Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
- Establishing appropriate key performance indicators as part of the planning process in order to identify how the performance of services and projects is to be measured
- Ensuring capacity exists to generate the information required to review service quality regularly
- Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan
- Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.

4.3 Optimising achievement of intended outcomes

- Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints
- Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term
- Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage
- Ensuring the achievement of social value through service planning and commissioning (ie the additional benefit to the community over and above the direct purchasing of goods, services and outcomes)

How do we meet these principles

- All member level decision reports set out the options available together with an options appraisal that informs the recommendation to members.
- Discussion takes place between members and officers on the information needs of members to support decision making
- All professional advice provided for member level decision making purposes is recorded in reports together with the outcomes of the

Where you can see governance in action

- Iwight.com/Committee reports
- Corporate management team schedule of activity and notes of meetings
- Performance management strategy
- Procurement Strategy

Areas for improvement

- The current organisational development strategy requires continued monitoring to ensure that the strategic direction set by the council remains consistent with planned interventions and understanding of improvements

<p>consultation activities undertaken.</p> <ul style="list-style-type: none"> • There is a business intelligence team who are responsible for the co-ordination of performance and risk management activities and reporting • There is a corporate performance management strategy in place and annual programme of required activity • There is corporate management team schedule of performance and risk review activity • Budgeting guidance and protocols are in place • Development of budget proposals is undertaken in conjunction with cabinet portfolio holders and corporate management team members • There is a monthly meeting of Cabinet and the corporate management team to provide strategic oversight and direction for the council's activities • There is a medium term financial strategy aligned to corporate priorities • The council's procurement strategy sets out a statement for the achievement of social value in all its purchasing decisions and is monitored and reported upon to Audit Committee • There is an organisational development strategy in place that provides the necessary framework for the engagement and involvement of staff as well as to keep them informed of key issues • A full and permanent complement of senior officers is in place (known as the corporate management team) to ensure that there is the necessary capacity to provide the strategic direction and operational management necessary to achieve the corporate plan outcomes • There is a dedicated contract management team for the council's strategic third party relationships in the delivery of its Highways PFI and waste contracts. 	<p>Medium Term Financial Strategy</p> <ul style="list-style-type: none"> • Budget consultation • Devolution consultation • Corporate Management Team/Cabinet meetings and minutes • Employment Committee decision reports during 2016/17 setting out the capacity requirements at both senior and operational levels necessary to deliver the council's future aspirations and service delivery obligations • Organisational development strategy and delivery plan 	<p>required.</p>
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Principle 5: Developing the organisation’s capacity, including the capability of its leadership and the individuals within it

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 their 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 an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

5.1 Developing the organisation’s capacity

- Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness
- Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority’s resources are allocated so that outcomes are achieved effectively and efficiently
- Recognising the benefits of partnerships and collaborative working where added value can be achieved
- Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

5.2 Developing the capability of the organisation’s leadership and other individuals

- Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained
- Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body
- Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority
- Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by ensuring members and staff have access to appropriate induction, tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged – ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis – ensuring personal organisational and system wide development through shared learning, including lessons learnt from governance weaknesses both internal and external
- Ensuring that there are structures in place to encourage public participation
- Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- Holding staff to account through regular performance reviews which take account of training or development needs
- Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

How do we meet these principles

- There is utilisation of research and benchmarking exercises to inform service review on an on-going basis
- The council has an organisational development strategy and delivery plan with an operational delivery board to oversee its successful implementation

Where you can see governance in action

- Benchmarking data
- Forensic review reports
- Organisational Development Strategy
- Workforce Plan
- Organisational Development Board

Areas for improvement

- There is a need to ensure that committee members continue to be afforded the appropriate opportunities to develop the knowledge, skills and expertise required to maximise the

<ul style="list-style-type: none"> • All staff have job descriptions that set out their roles and responsibilities and behavioural competencies • There is a member induction programme in place that assists with the development and understanding of the differences between the roles of members and officers • There is a corporate learning and development programme available to all staff together with service specific professional updating activities • There is a specific aspiring leader development programme in place and related activities to support growth and development of leadership capacity and succession planning. • A regular leadership forum has been established for middle managers, led by a senior officer and which has a steering group to assist with the development of the agenda and activities within it. • A bi-yearly "BIG" management conference has been put in place to enable all managers to come together to discuss matters of importance and to participate in networking opportunities. • There is a rolling programme of member training that provides access to update courses/information briefings and personal development • The corporate management team and executive meet on a monthly basis to review and monitor strategic priorities, performance and risk • There are opportunities in place for members to scrutinise and challenge proposals and decisions • There is a strong and stable corporate management team in place to provide the necessary strategic leadership for operational delivery • Directors meet regularly with their Cabinet portfolio holders to keep them abreast of corporate priority delivery • External reviews are commissioned as necessary to provide an independent professional view of capacity and operational delivery performance to inform future planning • External capacity support sourced where additional professional expertise is required • Strategic partnerships are explored and entered into to improve capacity and pooling of available resources to secure the best possible outcomes for service delivery 	<ul style="list-style-type: none"> • Member induction programme • Generic role profiles • Learning and development strategy • Corporate learning and development programme • Scrutiny Committee • Leadership programme • Corporate management team/Cabinet meetings • LGA communications peer review • Children's Services peer review conducted by Hampshire County Council colleagues • LGA review of the council's learning disability services; value for money review of adult social care services and professional support for improving the Better Care Fund (BCF) arrangements with the NHS • LGA capacity support for the development of a regeneration strategy • Strategic partnership with Hampshire County Council for the management of Children's Services • Strategic partnership with Hampshire Fire & Rescue Service for the management of the Isle of Wight Fire & Rescue Service • Strategic partnership with Portsmouth City Council for the management of the council's finance department and provision of Section 151 and director of finance together with provision of the Chief Internal Auditor and counter-fraud arrangements 	<p>efficiency and effectiveness of committee functions in accordance with their terms of reference.</p> <ul style="list-style-type: none"> • A review of resident panels needs to be undertaken • The outcomes of the council's participation in the Local Government Association peer review challenge highlighted that significant progress had been made since its last review in 2014 and has clear strategies and plans in place to deliver its corporate ambitions. However, the review team highlighted a number of key recommendations to assist with the continued programme of delivery and specifically highlighted the need for a shorter set of priorities and increased capacity at the corporate centre in order to land the opportunities identified and to maintain the necessary pace for delivery. • Consideration could be given to the development of a workforce skills matrix to allow for all talents and expertise to be maximised as well as to identify areas in which gaps exist.
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Principle 6: Managing risks and performance through robust internal control and strong public financial management

Local government needs to ensure that the organisations and governance structures that it oversees have implemented and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and 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 essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

6.1 Managing Risk

- Recognising that risk management is an integral part of all activities and must be considered in all respects of decision making
- Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- Ensuring that responsibilities for managing individual risks are clearly allocated

6.2 Managing Performance

- Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook
- Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible
- Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement
- Ensuring there is consistency between specification stages and post implementation reporting

6.3 Robust internal control

- Aligning the risk management strategy and policies on internal control with achieving the objectives
- Evaluating and monitoring the authority's risk management and internal control on a regular basis
- Ensuring effective counter fraud and anti-corruption arrangements are in place
- Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor
- Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body – provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment – that its recommendations are listened to and acted upon

6.4 Managing data

- Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data
- Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
- Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring

6.5 Strong public financial management

- Ensuring financial management supports both long term achievement of outcomes and short term financial and operational performance
- Ensuring well developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

How do we meet these principles

- Risk management strategy/policy formally approved and adopted and reviewed and updated on a regular basis
- Mature and comprehensive risk management framework in place and operation
- Strategic risks are managed by the corporate management team and reviewed by Audit Committee on a quarterly basis
- Services discuss operational risks at service boards and escalate areas of concern to the corporate management team accordingly
- Business plans are in place for each service area
- There is increasing participation in a number of benchmarking clubs to inform service improvement/development
- The role and responsibility for scrutiny by members has been established and is clear
- **There is a corporate set of performance measures that provide an overview of the council's performance in key areas at any one given time.**
- Quarterly performance reports are considered by Scrutiny Committee prior to Cabinet meetings
- Performance Information and trends are considered by the chief executive on a monthly basis
- **To ensure that the council is compliant with the new general data protection regulations, the information governance team has an established action plan in place**
- Senior officers agree annual performance targets with the chief executive and for which they will be held accountable
- There is an established project management methodology & organisational change team resource to provide assurance and project support roles
- The completion of an annual governance statement identifies areas of compliance with good governance and aspects for improvement.

Where you can see governance in action

- Performance and Risk Management Framework
- **Project/Programme Management Policy**
- Strategic Risk Register
- Audit Committee
- Service boards
- Corporate management team meeting work schedule
- Service plans
- Agenda and minutes of scrutiny meetings
- Scrutiny terms of reference
- Chief internal auditor
- Annual Governance Statement
- Data protection policies and procedures
- Data sharing agreements
- Data sharing register
- Data quality policy
- Information governance training programme **for managers and e-learning module for all staff**
- Information Governance Group meetings
- **Information governance toolkit**
- Safeguarding training programme
- ICT security policies and procedures
- Protective Marking Policy
- Financial Regulations
- Medium Term Financial Strategy

Areas for improvement

- **New regulations governing data protection will become operational from 25 May 2018 on-going monitoring will be required to ensure continued compliance.**
- **There has been significant progress made in the re-establishment of the council's performance management arrangements and a baseline set of data against the corporate performance measures upon which to measure future progress. However, it is now necessary to ensure that these arrangements are embedded into operational practice and wherever possible to identify sources of benchmarking where it does not exist to afford comparison in performance.**
- **There has been good progress made in the review of the council's arrangements for project/programme management. However, as a result of recommendations from an investigation into the floating bridge project, a number of further improvements were highlighted as necessary for consideration.**
- **The corporate risk management system for recording and monitoring risk across the council needs to be**

<ul style="list-style-type: none"> • Internal audit performance reviewed annually against pre-agreed audit action plan • The council has a designated chief internal auditor as the commissioner and management of the internal audit function • Audit Committee complies with best practice • There is a clear data management framework in place together with appropriate policy and procedures • Financial management supports the delivery of services and transformational change as well as securing good stewardship • Each department/service has an allocated budget accountant makes regular budget monitoring reports available for review • Capital and revenue position is reported as part of the quarterly performance reports to Cabinet. • There is an approved medium term financial strategy in place together with well-established financial regulations for the operational delivery of prudent financial management • There is a clear budget strategy in place for the better care fund • The treasury management strategy is approved by Full Council and reviewed by Audit Committee • Audit Committee approves annual accounts, financial regulations • Internal audit reviews financial operations and identifies non-compliance with procedures, policies and regulations • Financial accounts and governance arrangements are reviewed annually by the external auditor and who also provides an opinion on the council's arrangements for value for money. • <i>The council has entered into a partnership with Portsmouth City Council to deliver a fraud investigation service to fill the gap that was created by the transfer of the fraud team to the Department for Work and Pensions under the reform of the benefits system.</i> 	<ul style="list-style-type: none"> • Treasury Management Strategy • Internal audit annual plan and reports • Statement of accounts • Audit opinion letter 	<p><i>refreshed and embedded across the council.</i></p> <ul style="list-style-type: none"> • <i>Performance data needs to be utilised more intelligently to shape options and decision making processes.</i>
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Principle 7: Implementing good practices in transparency, reporting and audit to deliver effective accountability

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting or 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.

7.1 Implementing good practice in transparency

- Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate
- Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.

7.2 Implementing good practices in reporting

- Reporting at least annually on performance, value for money and the stewardship of its resources
- Ensuring members and senior management own the results
- Ensuring robust arrangements for assessing the extent to which the principles contained in the framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance
- Ensuring that the framework is applied to jointly manage or shared service organisations as appropriate
- Ensuring the performance information that accompanies the financial statement is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations

7.3 Assurance and effective accountability

- Ensuring that recommendations for corrective action made by external audit are acted upon
- Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon
- Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations
- Gaining assurance on risks associated with delivering services through third parties and that this is evidence in the annual governance statement
- Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met

How do we meet these principles

- Transparency data is published monthly showing all individual items of expenditure; workforce information; equality and diversity data; council assets and contracts let
- Decision and information reports to all council meetings follow the same accessible format only redacting confidential information in line with Data protection regulations.
- There is a designated Data Protection Officer, Caldicott Guardian and

Where you can see governance in action

- lwright.com/Transparency Pages
- Statement of Accounts
- Annual Governance Statement
- Scheme of delegated decisions – in constitution, reviewed annually
- Forensic review of services reports

Areas for improvement

- There is a significant amount of information published on the council's website to promote transparency of information required by the public although it can sometimes be difficult to locate and is not always easily navigated.
- Improvements in transparency could be

<p>Senior Information Risk Officer (SIRO)</p> <ul style="list-style-type: none"> • All reports with confidential items have been taken in public session • There is a formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery • Annual Governance Statement is prepared by the head of resources and reported to Audit Committee 		<p>secured by the full publication of freedom of information requests.</p>
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