



Isle of Wight Council

Annual Governance Statement

2019-20

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Appendix 1A: Local governance framework

Appendix 1B: 2019 – 2020 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 (2015)”. 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, 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 2019/20
- 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 2018/19 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.

Strategic partnerships are becoming an increasingly important element of the council's corporate growth strategies helping pool knowledge and resources to deliver better outcomes for the island population and its visitors. Whether this be by direct service provision in partnership, by alternative innovative service delivery mechanisms or simply by exerting influence to deliver better social value outcomes as well as value for money. The governance framework is taken into account when considering significant partnerships approaches and the governance arrangements for the partnerships developed and reviewed to ensure they meet the requirements of the specific partnership whether that be, for example:

- a company;
- a contractual arrangement;
- a joint committee;
- a grant arrangement; or
- an agreement under National Health Services Act 2006

The local delivery arrangements are identifying strategic issues and opportunities to challenge some of the current approaches to delivery and investment. We are seeking to better align planned investment expenditure to key corporate priorities to accelerate improvement opportunities.

Impact of the Covid-19 Pandemic on Governance

This Annual Governance Statement assesses the governance arrangements that were in place during 2019/20 so for the majority of the year the governance arrangements as described in this document were in place and unaffected by Covid-19. As the pandemic materially affected the Council through March 2020, the analysis of corporate governance for 2019/20 is based on work undertaken before the pandemic and remains valid and accurate.

It is recognised that the Covid-19 pandemic will have had an impact on governance during March 2020 and into the financial year 2021. In many cases normal business operations were required to adapt, in some cases cease, whilst new responsibilities and processes had to be adopted,

developed and implemented at short notice to support the critical services of the council and new responsibilities brought to the council through the COVID pandemic.

Clearly, a very significant number of risks and governance exposures for the organisation arise from the immediate response to the Covid-19 pandemic, and these will need to be addressed as part of the recovery. However, it must be recognised that the nature of the situation is that some areas of the business will still be working in a "response" phase even when others have moved onto a recovery or even business as usual footing, so there will be variation of approach across the organisation.

These issues will be reported on as part of the usual reporting against the matters in the Annual Governance Statement and summarised in the Annual Governance Statement for 2020/21.

On the 30th January 2020 the first Silver Group was established by the Emergency Management Team and was chaired by the Director of Public Health. This was further strengthened with the full Silver Group Structure in place on 5th March.

On the 24th March as a result of the global pandemic regarding Covid-19, The Isle of Wight Council instructed all staff who could work from home to work from home and on moved to running business critical services only. This resulted in the majority of staff either working from home, being redeployed to critical services or simply not being able to work. The council enacted its emergency procedures and created a Covid-19 Emergency Response Team lead by the Chief Executive. The composition of the board include leads in the key areas of the council deemed critical along with statutory officers such as the monitoring officer and Head of Emergency Planning.

All decisions made by the Covid-19 Response group have been documented.

The council has acted swiftly to ensure its critical services have been delivered which has resulted in the need for flexibility in working practices, which in turn will have impacted on some of the agreed Governance arrangements such as financial regulations, i.e with a need to pay in advance. Many staff have also voluntarily been redeployed into critical services departments to meet the demand, specifically in relation to small business grants. This will have also created a strain on governance as staff will have received minimal training due to the short timescales needed to process these services.

The council is aware that the pandemic and its response will have presented an opportunity for fraud to occur, and while processes have altered to minimise this risk, the council plans a comprehensive post Covid-19 assurance programme undertaken by its Internal Audit department, with specific focus on the Small Business Grants and Covid19 related spend.

In addition, while the audit plan was slightly reduced, sufficient work was completed to enable the Chief Internal Auditor to present an annual audit opinion. As noted above however, the council is aware the pandemic will have caused significant governance issues which require detailed consideration. **These issues will be reported on as part of the usual reporting against the matters in the Annual Governance Statement and summarised in the Annual Governance Statement for 2020/21.**

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 19 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 Assistant Director of Corporate 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 Section 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 and Social Care Ombudsman (LGSCO) 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 and the impact of COVID-19.

- All committee reports require an assessment of the carbon impact of the options considered. As part of the call over process the Council's Principal Officer (Environment) is given sight of all papers for comment.

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 performance management framework" through which staff and managers agree individual performance objectives that 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 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 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 the arrangements for the Combined Fire Authority have been signed off with Hampshire Fire & Rescue Authority.
- 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. The Council's successful approach to the use of the Apprenticeship Levy has led to an increase in existing staff accessing development programmes which assist with succession planning.
- 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 frameworks for risk and performance management alongside the 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 Chief Financial Officer is the Director of Finance and Section 151 Officer.

- 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 have regard to equality when being considered 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 Chief Executive
- 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 2018-19 Self-Assessment

The completion of the self-assessment for 2018-19 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
1 General Data Protection Regulation Compliance	Delivery of the agreed action plan in response to the internal audit report dated May 2019	Up to date accurate assurance information for all council services is held centrally Requirements to assure the council's compliance with GDPR are captured, monitored and non-compliance is addressed.	<ul style="list-style-type: none"> GDPR action plan updates have continued to be provided to the audit committee showing the progress being made against required actions to provide overall assurance of the council's compliance with the regulations. Audit Committee are due to receive their next report on 27 July 2020. This will show that high risk area relating to the management of information asset registers is now complete; the review of IT systems is being delivered in accordance with the plan and supplier contract compliance has only 4 of the original 35 contracts with a value of more than £25,000 with supplier negotiations to complete. Contract compliance for all contracts below the £25,000 threshold have been confirmed by services as now compliant. All audit report issues rated as medium or low risk have also now been completed. The strategic risk is now being considered for a reduction to a medium rating pending the completion of a follow up audit.

Governance issue	Actions to address the issue	Measure of success	Progress to Date
2	The council's strategic partnerships and their governance arrangements	<p>Review the strategic partnership arrangements between the Isle of Wight Council; IoW NHS and IoW Clinical Commissioning Group in relation to the health and social care integration agenda.</p> <p>Ensure the new strategic partnership arrangements between the Isle of Wight Council and Portsmouth City Council for internal audit are robust.</p> <p>Ensure the strategic partnership arrangements for the Isle of Wight Council with Hampshire County Council for public health are robust.</p>	<ul style="list-style-type: none"> The new Integrated Care Partnership arrangements were reviewed and agreed at cabinet on 9 January 2020. ICP formalises on 26 February 2020 with TOR's and IWC Strategic Manager for One Public Service has lead governance role for ICP. The roll out of the new contract monitoring system further supports the collection and review of existing partnership arrangements. PCC agreement: The partnership has been added into the contract monitoring system and will alert the authorised officer of key dates and milestones for review under the partnership. The procurement team are working with the authorised officer to capture the specific targets and monitoring detail to include in the system. HCC agreement: This is currently being reviewed by John Metcalfe and Claire Shand. Once signed off the agreement will be sealed by both parties. The partnership commenced on the 1st September 2019.
3	Project and programme management	Further embedding of standard practice and templates; further evidence of continued assurance for new and existing projects	<ul style="list-style-type: none"> New projects evidence appropriate levels of governance in place effective reporting of key strategic projects through to senior management and members Project Manager Network in place and operating quarterly to raise awareness of good practice, share experiences and lessons learned.

Governance issue	Actions to address the issue	Measure of success Progress to Date
		<ul style="list-style-type: none"> • New and revised governance structures in place to improve assurance and reporting of projects and programmes • Revised project and programme management frameworks published and work planned to promote through the new learning and development interactive portal • Revised project and programme manager training offer agreed for 2020 that promotes a range of learning opportunities to meet the different level of need across the organisation in a learning style that suits them. Providing more practical support and guidance where required. • Strategic Manager for One Public Service supporting governance oversight of the delivery of the health and social care sustainability plan programmes to embed programme governance and practice assurance across the health and social care partnership reporting through the new ICP governance structure developed.

Governance issues – Part Two: Action Plan for 2019/20

Over the course of 2019/20 Internal Audit has completed 42 reviews. These include a combination of full audits and follow up reviews. While no audits have resulted in no assurance the number of areas rated as limited assurance is consistent between 2018/19 and 2019/20 (two reports are currently pending finalisation), with issues identified regarding governance, reporting, corporate visibility and financial framework compliance as a common theme. Follow-up reviews have identified a widespread lack of timely action to address issues identified in 2018/19; effectively this means that the Council is open both to risks identified during 2019/20 and those not yet addressed from 2018/19.

Four audit opinion levels are in place and these are: no assurance, limited assurance, reasonable assurance and full assurance. Where there are mainly medium or low risk exceptions the annual audit opinion would be reasonable or full assurance. As a result of the findings summarised above and detailed in the annual report the audit opinion for 2019/20 remains as reasonable assurance. However, this position is influenced by the results of full audits and also the implementation of agreed actions. If this is not resolved moving forward it will have an impact on future assessments, which may result in a reduction and move the overall opinion to limited.

Governance issue	Actions to address the issue	Measure of success	Lead Officer
Compliance with financial framework. Audits completed throughout the year identified gaps in process that whilst are not significant show a pattern that there are some operational areas that require addressing.	Follow up audits will revisit the areas to be actioned and will be reported through the Audit Committee and CMT.	Improvement in the compliance with the financial framework will be evidenced in the audit refreshes.	Wendy Perera
The required action identified in audits undertaken remedy issues raised within the audit are not undertaken in a timely manner within the agreed timescales.	Directors will monitor compliance with audit report timescales to ensure deadlines are not exceeded.	Action timescales agreed in reports will be met.	Wendy Perera

Summary

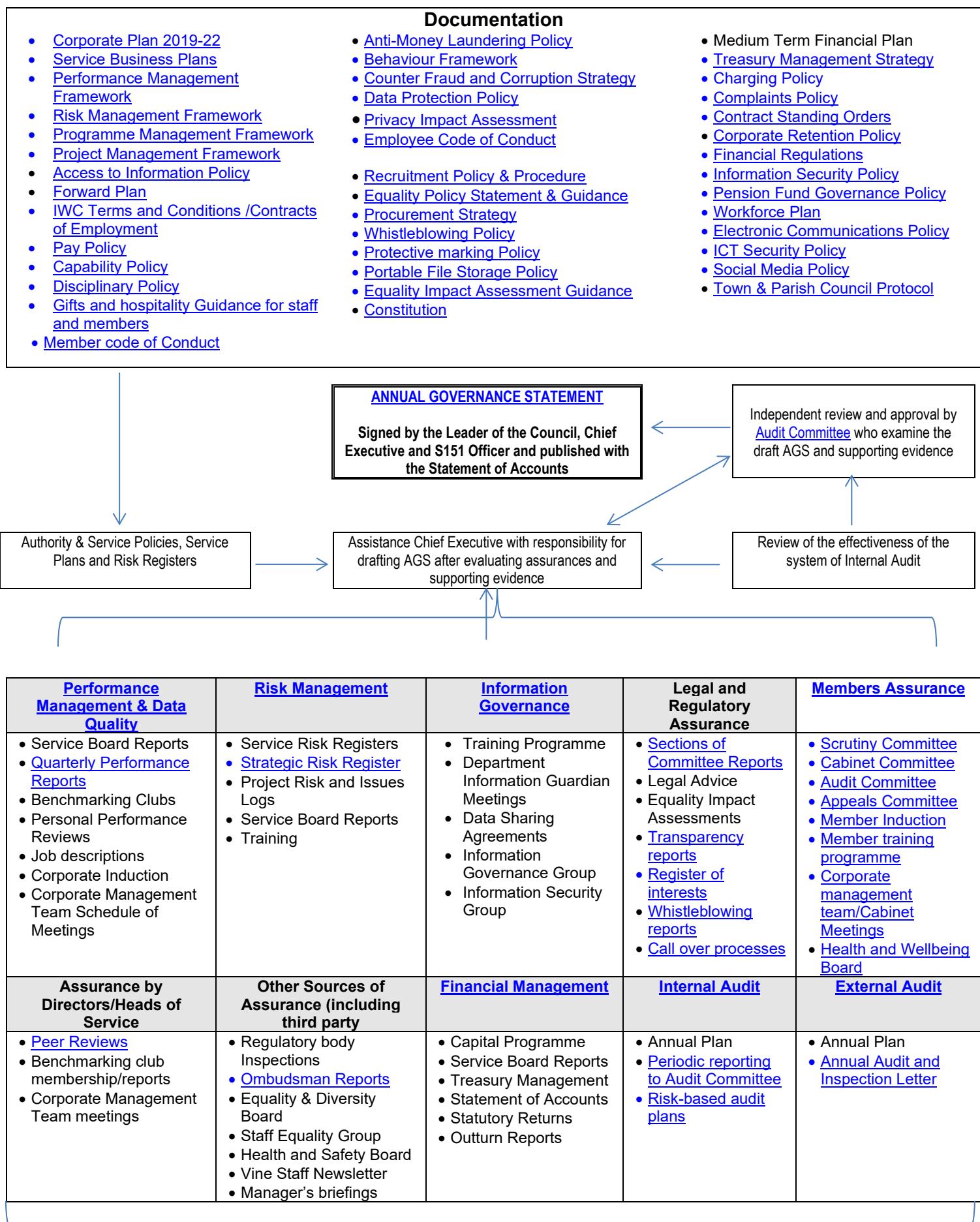
The annual assessment and review process of the council's corporate governance arrangements has identified two main issues that could further enhance the current arrangements. As a result, the Isle of Wight Council will take steps to address the above identified issues to secure further assurance in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

Signed on behalf of Isle of Wight Council:

John Metcalfe
Chief Executive

Cllr Dave Stewart
Leader of the Council

APPENDIX 1A



Annexe B to Appendix 1 – Isle of Wight Council Self-Assessment

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law <i>1.1 Behaving with integrity</i> <i>1.2 Demonstrating strong commitment to ethical values</i> <i>1.3 Respecting the rule of law</i>	1.1 Behaving with integrity – How we meet these principles: <ul style="list-style-type: none"> • The member code of conduct meets statutory requirements and is communicated to members during induction. Regular reminders given as necessary, the code of conduct was updated in 2019 and is reviewed annually. • Members are required to affirm that they accept and will abide by the requirements of the code of conduct when signing their declaration of office • 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 www.iow.gov.uk • 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. • Members continue to be afforded the necessary opportunities to become equipped with the requisite skills and knowledge that affords confidence in fulfilling their roles • Newly elected members are buddied with a senior officer who can provide support and guidance on the workings of the local authority • The monitoring officer provides informal advice and guidance to members as required to avoid complaints or any potential misconduct occurring • There is a formal complaints process in place for elected members of the council • Integral to the scrutiny function is the examination of ethical decision making • The personal development review process has been redrafted and aligned with the council's behaviour. Guidance has been refreshed and training provided to managers. • A development programme for members is in place based on an LNA undertaken • 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 web link is issued with the contract of employment and is a component of induction • 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.
	Areas for Improvement <ul style="list-style-type: none"> • Timely review of Terms of Reference for formal groups and meetings to ensure they remain relevant and compliant. • The employee code of conduct needs to be promoted and championed with the council's workforce to ensure that all staff fully understand the expectations placed upon them. • The 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. are currently all under review to ensure that they are all up to date, clear and easy to locate.

<ul style="list-style-type: none"> The HR Advisors meet with new managers to enable them to understand the council policies. Personal performance management processes set clear performance objectives and standards of working and behaviours that are monitored and reviewed regularly in 1:1 meetings with staff. Personal development programmes are available to staff to assist them with the development of the skills and competencies required for effective performance at work A counter-fraud and corruption strategy is in place There is a whistleblowing policy in place (refreshed 2019) together with an independent hotline reporting facility. This is made available via www.iow.gov.uk 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 	<p>1.2 Demonstrating strong commitment to ethical values - how we meet these principles:</p> <ul style="list-style-type: none"> There is a nominated lead officer for equality and diversity in place. Equality objectives are in place (new objectives reviewed in 2019) published on www.iow.gov.uk 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 identify 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 Ethical values feature in contracts with external service providers 	<p>Areas for Improvement</p> <ul style="list-style-type: none"> There is a Cabinet member in place with responsibility for procurement
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<ul style="list-style-type: none"> Procurement compliance reports are made to Audit Committee on a regular basis (twice yearly), the reports focus jointly on compliance and activity 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 Assistant Director of Corporate 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 Contract Monitoring Framework is in place, which provides guidelines and standards in relation to contract management activities to bring consistency to the way contracts are managed across the council A procurement board is in place to ensure compliance with relevant law in respect of procurement and compliance with the council’s procurement code The council’s Contract Standing Orders sets out the rules for lawful and sound processes for entering into contracts. The Emergency Planning command structure was put in place on 30th January 2020 to monitor and plan for the response to the potential pandemic. The full Silver Group cell structure stood up 5th March 2020 to manage governance across all services to support the pandemic response within the changing legislation. 	<ul style="list-style-type: none"> Formally update the terms of reference for procurement board. <p>This will also require an update to Contract Standing Orders</p>
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Principle 2: Ensuring openness and comprehensive stakeholder engagement

2.1 Openness

2.2 Engaging comprehensively with institutional stakeholders

2.2.3 Engaging stakeholders effectively, including individual citizens and service users

2.1 Openness - How we meet these principles?	Areas for Improvement
<ul style="list-style-type: none"> 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 www.iow.gov.uk Advance notification of all decisions to be taken by Full Council and the Cabinet (including key decisions) is published as a forward plan on www.iow.gov.uk this is well in excess of legislative requirement All committee agenda, papers and minutes are published in accordance with publication deadlines on www.iow.gov.uk All member delegated decisions are published in accordance with publication deadlines on www.iow.gov.uk 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 www.iow.gov.uk 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 www.iow.gov.uk There is a dedicated section of www.iow.gov.uk to launch, announce and provide results of consultations In the Coronavirus Act provision has been made for regulations to be issued to amend the legislation around local authority meetings and guide the provision of online meetings and allow decisions to be made that way 	<ul style="list-style-type: none"> 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 The Covid-19 pandemic has meant that the local authority has had to look at different ways to conduct its business and relationships with residents and partners, including virtual meetings through remote access. In some cases, this will lead to streamlined processes but in others, it may be that there are risks that some people are excluded from processes, for example, by not having ready access to technology that allows them to participate. Considering these implications and learning from the new ways of working will be an important part of the recovery process for the council and its partners.
2.2 Engaging comprehensively with institutional stakeholders How do we meet these principles?	Areas for Improvement
<ul style="list-style-type: none"> 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. Engagement with and involvement of town and parish councils has been strengthened through the introduction of quarterly joint meetings with the council. 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 (WALC). 	<ul style="list-style-type: none"> A review of the LCB governance is underway to reflect on wider health and care needs evolving through the development of an

<ul style="list-style-type: none"> 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) The council is a member of the Sustainability and Transformation Partnership for Hants/IOW. 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 and/or terms of reference There is an established Health and Wellbeing Board There is an established Local Care Board in place that is evolving to an Integrated Care Partnership from Feb 2020 to oversee the management of the local health and social care system There is an established Corporate Parenting Board 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. Affected Residents Cell established 13th March 2020 membership includes Isle of Wight Council, The IOW NHS Trust and the IOW Clinical Commissioning Group. 	Integrated Care Partnership in addition to the link to One Public Service agenda
<p>2.3 Engaging stakeholders effectively, including individual citizens and service users - How do we meet these principles?</p> <ul style="list-style-type: none"> There is a Children & Young Peoples Participation Strategy in place There is a hearing young people's experiences (HYPE) group in place comprising of children in care and care leavers. There are established children's and adults safeguarding boards in place 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 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. There are surveys undertaken with children in care on matters of importance to them and to elicit views about where improvements can be made. 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. There is a market position statement in place for adult social care. There are a variety of communication tools used including social media to communicate with residents on a daily basis. There is a facility in place to enable live streaming of Full Council meetings 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. 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. There is an established Strategic Partnership formal arrangement in place with Citizen's Advice to support the delivery of Information, Advice & Guidance (IAG) services across the Island There is an established One Public Service Partnership Board to oversee the Islands partnership aspirations across public services and deliver a portfolio of activity. <p>Silver Group established 30th January focussing on the substantive communications strategy required to ensure all stakeholders are engaged in appropriate messaging across all mediums,</p>	Areas for Improvement

Principle 3. Defining Outcomes in Terms of Sustainable, Economic, Social and Environmental Benefits:

- 3.1 Defining outcomes**
- 3.2 Sustainable economic, social and environmental benefits**

3.1 Defining outcomes How do we meet these principles?	Areas for Improvement
<ul style="list-style-type: none"> • 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 objective setting on an annual basis. • There is a stated ambition to work towards a one public service approach for the Isle of Wight to secure the longer-term sustainability for public services. A part of this is working with health colleagues to develop and deliver a sustainable health and care service for the island • Through One Public Service collaborative joint working opportunities are being explored that has led to a number of joint service provisions being formed across public services to share resources and achieve agreed outcomes and efficiencies • 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 outcome, risk analysis and mitigation. • 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 or equivalent on a monthly basis. • Decision making reports required to show how decision will contribute to priorities. 	<ul style="list-style-type: none"> • The further review and development of One Public Service objectives and priorities
<ul style="list-style-type: none"> 3.2 Sustainable economic, social and environmental benefits How do we meet these principles? 	<ul style="list-style-type: none"> Areas for Improvement
<ul style="list-style-type: none"> • 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 • 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. • The council is 3 years into delivery of its current Digital strategy. This sets out the approach to Digital services, technology and infrastructure, digital inclusion, digital skills for the Council. The Island Digital Strategy monitored through the Digital Group at workshops co-ordinated by the IWC. • The Council's Procurement Strategy identifies and explains the benefits of ensuring that service decisions and procurements consider and address their impact upon local communities, the local economy, the environment and the lives of residents. 	<ul style="list-style-type: none"> • Embedding our commercial practices in line with the council's commercial strategy. • Commercial awareness training being rolled out • Commercial star chambers are being developed

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

- 4.1 Determining Interventions
- 4.2 Planning interventions
- 4.3 Optimising achievement of intended outcomes

4.1 Determining Interventions - How we meet these principles	Areas for Improvement
<ul style="list-style-type: none"> • 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 consultation activities undertaken. • 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 framework 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 	<ul style="list-style-type: none"> • Coordinated workforce planning is required to identify and support the future service requirements in key areas. Pro-active plans to address any foreseeable shortfall in future skills and knowledge is required.
<ul style="list-style-type: none"> 4.2 Planning interventions 	<ul style="list-style-type: none"> • 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 required.

<p>Creating an Integrated Care Partnership Governance structure to monitor and review the delivery of the agreed health and care sustainability plan projects and programmes of delivery.</p>	<p>Areas for Improvement</p> <ul style="list-style-type: none"> • Recruitment difficulties that reflect the national picture affect several areas across the council. HR team are developing proactive strategies that will require specific actions to improve the overall position. • Appropriate Programme Board arrangements in place to monitor delivery of agreed objectives and provide assurance and intervention at appropriate levels <p>4.3 Optimising achievement of intended outcomes</p> <ul style="list-style-type: none"> • 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 • 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. • IAG Contract management arrangements in place to monitor progress of agreed deliverables and discuss/review with partners the IAG needs
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Principle 5: Developing the organisation's capacity, including the capability of its leadership and the individuals within it

5.1 Developing the organisation's capacity

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

5.1 Developing the organisation's capacity - how we meet these principles

	<ul style="list-style-type: none"> • 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 • 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 • 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 capacity support sourced where additional professional expertise is required • Through the One Public Service agenda, strategic partnerships are explored and entered to improve capacity and pooling of available resource and expertise • The Public Health Partnership Agreement with Hampshire County Council 	<ul style="list-style-type: none"> • A review of resident panels needs to be undertaken • Workforce organisational development opportunities between partners through One Public Service to develop the capacity and roles required for the broader island public service delivery • Ensure that the wellbeing of staff is managed, and that the impacts of the COVID-19 pandemic are sensitively addressed.
	<h3>5.2 Developing the capability of the organisation's leadership and other individuals – how we meet these principles</h3>	<h3>Areas for Improvement</h3>
	<ul style="list-style-type: none"> • 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 leadership forum has been established for senior and service managers, led by the Assistant CX and which has a steering group to assist with the development of the agenda and activities within it. • Three "BIG" management conferences are held each year 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 • External reviews are commissioned as necessary to provide an independent professional view of capacity and operational delivery performance to inform future planning 	<ul style="list-style-type: none"> • A new learning management system (LMS) was introduced in March 2020 enabling staff access to a range of learning and development including digital and face to face. It also provides greater visibility for managers of their staff development via dashboards which will show compliance with mandatory training and refresher dates

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

- 6.1 Managing Risk**
- 6.2 Managing Performance**
- 6.3 Robust internal control**
- 6.4 Managing data**
- 6.5 Strong public financial management**

6.1 Managing Risk - How we meet these principles	Areas for Improvement/Action	Areas for Improvement/Action
<ul style="list-style-type: none"> • 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 • The completion of an annual governance statement identifies areas of compliance with good governance and aspects for improvement. • 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 an established project management methodology 	<p>A significant number of risks and governance exposures for the organisation arise from the immediate response to the Covid-19 pandemic, and these will need to be addressed as part of the recovery.</p>	<p>These issues will be reported on in the Annual Governance Statement and summarised in the Annual Governance Statement for 2020/21.</p>
<p>6.2 Managing Performance - How we meet these principles</p> <ul style="list-style-type: none"> • Business plans are in place for each service area • There is increasing participation in several 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 • Senior officers agree annual performance targets with the chief executive and for which they will be held accountable 		<p>The Covid-19 pandemic created an enormous test of the capacity of the organisation. Many officers have been required to work under extreme pressure. There has been a vast increase in home working, other staff have been redeployed into different roles to supplement business critical activity. The reset of corporate priorities and refreshed performance reporting to support those decisions will be a critical part of the response and recovery.</p>

		Areas for Improvement
6.3 Robust Internal Control - How we meet these principles	<ul style="list-style-type: none"> 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. 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. It is important to note that in 2020/21, the impact of the Covid-19 pandemic will reduce the coverage of the wider assurance framework on the organisation. There will be a slightly reduced audit plan, to take account of changing circumstances, and reduced activity of a number of external inspectorates and regulators Full command and control in place on 24th March 2020 	<p>These issues will be reported on in the Annual Governance Statement for 2020/21.</p>
6.4 Managing Data - How we meet these principles	<ul style="list-style-type: none"> There is a clear data management framework in place together with appropriate policy and procedures 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 The council meets the requirements of the PSN Code of Connection Data sharing protocols for the COVID shield data were fully complied with to enable effective sharing within the revised regulations for COVID 19. 	<ul style="list-style-type: none"> Continued progress against the GDPR action plan to ensure on-going compliance. IT Disaster Recovery arrangements; all directors need to ensure that the availability of the systems on which their areas rely are sufficient to enable front line services to continue operating, in the event of a continuity incident. Development of an aligned Information Governance framework approach across health and care to ensure operating to same standards, framework and principles
6.5 Strong Public Financial Management - How we meet these principles	<ul style="list-style-type: none"> 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 positions are 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 	Areas for Improvement

<ul style="list-style-type: none"> • 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 • The council participates in a health and care System Finance Group to review collective financial accounts and system reporting arrangements through the Integrated Care Partnership (formally the Local Care Board) to approve business cases and financial viability of system health and care needs 	
<p>Principle 7: Implementing good practices in transparency, reporting and audit to deliver effective accountability</p> <p>7.1 Implementing good practice in transparency</p> <p>7.2 Implementing good practices in reporting</p> <p>7.3 Assurance and effective accountability</p>	<p>Areas for Improvement</p>
<p>7.1 Implementing good practice in transparency - how we meet these principles</p> <ul style="list-style-type: none"> • Transparency data is published monthly showing all individual items of expenditure; workforce information; equality and diversity data; council assets and contracts let 	<p>Areas for Improvement</p>
<p>7.2 Implementing good practices in reporting - how we meet these principles</p> <ul style="list-style-type: none"> • Decision and information reports to all council meetings follow the same accessible format only redacting confidential information in line with Local Authority Legislation or Data Protection Regulations. • All reports with confidential items have been taken in public session however where appropriate on a few occasions a report with confidential items has been considered in private • 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 Assistant Chief Executive and reported to Audit Committee 	<p>Areas for Improvement</p> <ul style="list-style-type: none"> • Matrix of roles and responsibilities for named officers fulfilling designated roles is being developed as part of the update to the constitution to inform areas of responsibility. • Service area responsibilities and areas of delegated accountability that support the

	designated roles are being better defined to ensure all parties are aware of their responsibilities.
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