

# Annual Governance Statement

2015/  
2016

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## 1. The Council's Responsibilities

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

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk and for dealing with issues which arise.

The Council is required to review its corporate governance arrangements annually and conducts its review against its Local Code of Corporate Governance. This Code, approved in 2014, is consistent with the principles of the CIPFA/SOLACE 2007 Framework *Delivering Good Governance in Local Government* and its 2012 Guidance and Addendum and describes in detail the Council's corporate governance arrangements. The Code is due to be reviewed in 2016/2017.

The Council's annual review of the effectiveness of its corporate governance for 2015/2016 provides assurance of the strength of the Council's governance arrangements, significant progress in addressing identified issues, and identification of issues for further action at corporate and service

level. The Annual Governance Statement reflects this review and the progress made and provides overall assurance of the effectiveness of the Council's arrangements.

## 2. The Purpose of the Governance Framework

The Council's Governance Framework comprises all the systems, processes, values and culture by which the Council directs and controls its activities and through which it accounts to, engages with, and leads the community. It enables the Council to monitor the achievement of its strategic objectives, manage risk and address issues that have a significant impact on the Council's finances, reputation or the achievement of its objectives.

The governance framework, described in Section 3 below, has been in place at Cumbria County Council for the year ended 31st March 2016 and up to the date of approval of the Council's Annual Report and Statement of Accounts.

## 3. The Governance Framework

The Council's Local Code of Corporate Governance sets out its framework for corporate governance.

The principles which underpin the Local Code of Corporate Governance, are summarised below, along with a description of the types of arrangements which the Council has put in place to secure robust corporate governance.

The full detail of these arrangements can be found in the Local Code of Corporate Governance, which is appended to the Annual Governance Statement.

### **Core Principle 1 – focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area**

The Council's vision is set out in its Council Plan, adopted by full Council in February 2016. The Plan sets out objectives focused on outcomes for the community. The Council has in place arrangements to ensure delivery of its aims and objectives and that services are delivered economically, efficiently and effectively through the Council Plan Delivery Plan which is agreed annually by Cabinet, and through Service Plans. The Council has established effective arrangements to manage performance and the risks facing the Council which are overseen by the Audit and Assurance Committee.

### **Core Principle 2 – members and officers working together to achieve a common purpose with clearly defined roles and functions**

The Council's Constitution sets its framework for ensuring that members and officers work together to achieve the Council's objectives. The Constitution sets out how the Council works and how decisions are made, as well as the rules, codes and procedures that are followed to ensure efficiency, transparency and accountability to the people of Cumbria.

The Constitution sets out the terms of reference of key decision making bodies, including the Council, Cabinet and Area Committees, as well as those concerned specifically with its corporate governance: Audit and Assurance Committee and the Standards Committee. The Constitution also sets out the delegations to Chief Officers.

### **Core Principal Three – promoting values for the authority and demonstrating the values of good governance by upholding high standards of conduct and behaviour**

The Council has in place arrangements to provide assurance that its values are being upheld and that members and officers demonstrate high standards of conduct and behaviour. These include codes of conduct for officers and members and ethical policies such as Anti-Fraud and Whistleblowing with arrangements in place for investigation of reports of concerns. The Council has adopted a staff code of behaviour which is incorporated into senior job descriptions and appraisal for all staff. Where possible, Council business is conducted in public.

### **Core Principal Four – taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

The Council's Constitution sets out its arrangements for decision making, including transparency. There are arrangements in place to ensure that the Council's Chief Financial Officer and Monitoring Officer oversee reports for decision and attend key decision making bodies, such as full Council and Cabinet. Arrangements are in place for ongoing scrutiny of Council activities through pre-scrutiny and scrutiny performance and review of Executive decisions through the call in mechanism. The Council's performance and risk framework provides assurance that these key areas of activity are properly managed. The internal audit service provides a "risk based" audit function, reporting regularly to the Audit and Assurance Committee.

### **Core Principal five – developing the capacity and capability of members and officers to be effective**

The Council has in place arrangements to provide assurance about the capability and capacity of its officers, including its management arrangements, induction and appraisal processes. A corporate learning and development team operates to achieve value for money in delivering corporate training and development for members and officers. A Member Development Group oversees the programme of Member Development.

### **Core Principal Six – engaging with local people and other stakeholders to ensure robust public accountability**

The Council recognises the contribution to strong corporate governance of effective community engagement and uses a variety of ways to engage with the public and all stakeholders. These are detailed in the Local Code of Corporate Governance. Publication of a Forward Plan and of all minutes and agendas of Council, Cabinet and Committees ensures that people know what decisions the Council is planning to take, and the decisions taken. Cumbria Health Scrutiny Committee, which is made up of 7 county councillors and a representative from each of the 6 district councils, is active in scrutinising health services in Cumbria, gathering evidence from a range of sources to assure the committee and challenge performance and delivery. The Council also includes co-optees on its Children and Young People's Scrutiny Advisory Board. The Council continues to provide support to the Police and Crime Panel, which meets quarterly to scrutinise and support the work of the Police and Crime Commissioner. The Council recognises the positive impact of a positively engaged workforce on delivering quality services and has in place strengthened arrangements for consultation with employees.

## **4. The Annual Review of Effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Council who have responsibility for the development and maintenance of the governance framework, the Group Audit Manager (Head of Internal Audit)'s report and also by comments made by the external auditors and other review agencies and inspectorates.

The Council's review of effectiveness 2015/2016 gathered evidence of the arrangements in place and their effectiveness against the Local Code of Governance, which incorporates the core principles and standards set out in the 2012 CIPFA/Solace Guidance for English Authorities, "Delivering Good Governance", and its 2012 Addendum.

### Annual Review of Effectiveness

The effectiveness of the governance framework has been evaluated as follows:

- A review of corporate arrangements and their effectiveness carried out by relevant managers in early 2016. Evidence was gathered using a template which set out the required standards. The assessment of arrangements has been reviewed to capture any emerging significant governance issues.
- A review of internal control comprising an assessment by each Assistant Director of their service areas against the required standards, carried out in early 2016. Evidence was gathered using a template sent to each Assistant Director. A summary of governance issues in each directorate, drawn from the individual service reviews has been signed off by each Corporate Director.
- A review of the overall opinion of the Group Audit Manager as set out in the annual internal audit report, to identify any significant governance issues or emerging themes arising from the work of Internal Audit for consideration in the Annual Governance Statement.
- An assessment of the Audit and Assurance Committee arrangements against the core functions of Audit Committees set out within the 2013 CIPFA Guidance for Audit Committees in Local Authorities and the Police. The review confirms that the committee fulfils the core purpose of an audit committee as set out in the Guidance. In addition, the Audit and Assurance Committee undertook a facilitated self-assessment in 2015 to further enhance its effectiveness.
- A review of the Council's arrangements against the CIPFA Statements on the Role of the Chief Financial Officer and the Role of the Head of Internal Audit. The review confirms that the Council's arrangements conform to the CIPFA Statements on the Role of the Chief Financial Officer and Head of Audit.
- A review of implementation of the 2015/2016 Annual Governance Action Plan to confirm that the significant governance issues identified have

been remedied, to clarify any remaining issues and propose actions to address the issue in 2016/2017.

- Consideration of reports from external inspections. The main area of external review and scrutiny in 2015/2016 has been Children's Services where governance remains a significant issue for the Council at the time of preparing the Annual Governance Statement.
- Review by the Pensions Committee of the Cumbria Local Government Pension Scheme Fund Policy Statements, which are kept under review and updated when required throughout the year (e.g. following changes in regulations) and reviewed annually. In addition the effectiveness of the Cumbria LGPS arrangements is reported in the Cumbria LGPS Annual Report to provide assurance to members when approving the Accounts. No significant governance issues have been identified in 2015/16.
- The Council's arrangements with its controlled company, Cumbria County Holdings Limited, and its subsidiaries, are kept under review by the Council.

The Council has embedded its strengthened corporate governance arrangements during 2015/2016 and this has been confirmed by the annual review of corporate governance.

The review of effectiveness has been updated in August 2016 to reflect progress with the children's improvement plan.

### Review of Effective Action on Significant Governance Issues 2016

The 2014/2015 Annual Governance Statement identified a small number of significant governance issues which would require improvement action during 2015/2016. The Action Plan appended to the Annual Governance Statement 2015 has been implemented, under the oversight of the Corporate Governance Group and the Audit and Assurance Committee.

The Council's achievements in 2015, in respect of these significant issues, are highlighted below.

#### Children's Services Leadership and Governance

The Council identified a significant governance issue, having been judged "inadequate" following an inspection of its Children's Services by Ofsted in March 2015. The judgement followed a finding

that leaders and managers had been unable to demonstrate sufficient understanding of failures in services for looked after children and had been ineffective in prioritising, challenging and making improvements in relation to looked after children services. This had caused:

- too many children to experience unacceptable drift in decision making and delay in progress of their plans;
- poor practice to remain unchallenged; and
- too many children's needs unmet and plans not progressed in the child's timescale.

### **Overall progress in addressing the governance issue by 31st March 2016**

A refreshed plan is in place to address the recommendations in the latest Ofsted report and associated Directions Notice issued by the Department for Education (DfE) in October 2015 following an "inadequate" judgement. External validation from a number of sources has provided opportunities to ensure that the Improvement Plan is a dynamic document. The Children's Improvement Board meets regularly to oversee the delivery of the Improvement Plan and is chaired by the Special Adviser appointed by the DfE.

An Interim Assistant Director for Children's and Families Services was appointed in July 2015 to lead improvements in Children's and Families Services, with a permanent Assistant Director having taken up post in May 2016, completing the Children's Services Management Team. A new area structure is in place in Children's Services, with senior managers taking greater oversight of local performance and assurance across all areas.

There are regular monthly meetings of the key agencies (Ofsted, the Local Government Association, the Department for Education) through the North West region Association of Directors of Children's Services (NWADCS) to provide clarity, advice and a coordinated approach to maximise the pace and impact of improvement.

On 14 March 2016, the Department of Education conducted a review of Children's Services (this was a six month review following the issue of the Directions Notice). Edward Timpson MP, Minister for Children and Families has confirmed in a letter dated 11 April 2016, that having considered all of the evidence available to him he is reassured that the Council is giving due attention to performance across the range of services, has taken steps to strengthen governance and accountability and he is satisfied that the Council is taking reasonable steps to address remaining weaknesses.

Ofsted wrote to the Council in July 2016 indicating, based evidence tested during monitoring visits since July 2015, that the Council has shown steady improvement in line with its improvement plan; making expected progress to improve services for children and young people in Cumbria.

The re-inspection by Ofsted is expected during 2016/2017.

At the time of preparing the Annual Governance Statement there is clear evidence of progress and the positive impact of significant work to address the issues identified and this is available through a number of external reviews. However, Children's Services is still deemed inadequate by Ofsted and continues to be subject to a Directions Notice. Therefore until there is evidence of the improvements being embedded and sustained, particularly for children looked after (either through a further Ofsted inspection of lifting the Directions Notice), the issues being addressed in Children's Services continue to present a significant governance issue for the Council.

### **Information Governance**

The Council identified a significant governance issue in the context that Information Governance policies, procedures, processes, systems and controls require refreshment and consistent implementation in order to strengthen the management of information at a corporate level, and to support the Council's immediate and future regulatory, legal, risk, environmental and operational requirements.

### **Overall progress in addressing the governance issue by 31st March 2016**

A single corporate action plan is now in place which incorporates a range of specific actions to strengthen roles and responsibilities, policies and procedures, systems and processes and Information Governance controls generally. This has enabled Senior Management oversight of Information Governance across the Council.

Taken together, good progress has been made in 2015/16 to tackle the range of Information Governance issues that are in the action plan.

Although there are still some significant pieces of work to complete, the overall prospects for further improvement are good and by March 2016, the majority of actions had been completed, with associated strengthening of Council arrangements. Consequently, it is anticipated information governance will not present a significant governance issue in 2016/2017.

## 5. Significant Governance Issues

A governance issue arises when something has gone or is going wrong which will affect the achievement of the Council's objectives. There is a need to respond and often recover from an issue and in financial terms, responding and recovering may add significant cost to the organisation or its processes. An issue may arise unexpectedly or may result from a poorly managed risk.

While determining the significance of a governance issue will always contain an element of judgement an issue is likely to be significant if one or more of the following criteria applies:

- It has seriously prejudiced or prevented achievement of a principal objective.
- It has resulted in the need to seek additional funding to allow it to be resolved.
- It has required a significant diversion of resources.
- It has had a material impact on the accounts.
- It has been identified by the Audit & Assurance Committee as significant.
- It has resulted in significant public interest or has seriously damaged reputation.
- It has resulted in formal actions being taken by the Section 151 Officer or Monitoring Officer.
- It has received significant adverse commentary in external or internal inspection reports that has not been able to be addressed in a timely manner.

The above definition and criteria were adopted by the Corporate Governance Group in March 2015. These criteria have been applied to help the Council recognise its significant governance issues in 2016.

The Council has identified one significant governance issue that will require action in 2016, in respect of Children's Services. The Action Plan for this significant governance issue is set out at Appendix One.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness. We will monitor their implementation and operation as part of our next annual review.

**Signed by the Leader of the Council and the Chief Executive**

**Cllr Stewart Young**  
Leader of the Council

**Diane Wood**  
Chief Executive

on behalf of Cumbria County Council

## Appendix 1

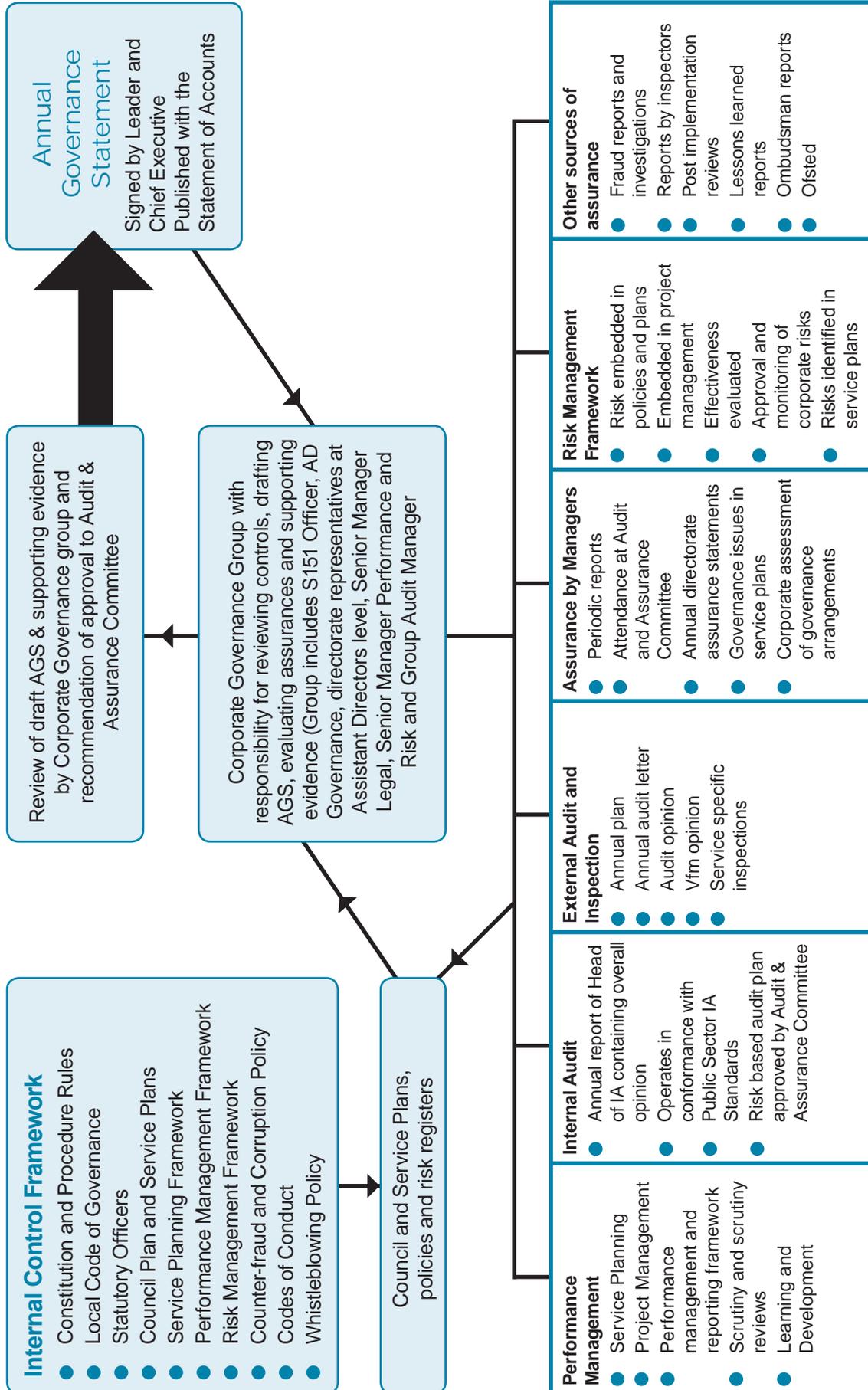
### Annual Governance Statement Action Plan 2016-17

Governance Issue - Children's Services Leadership and Governance		
Children's Services Leadership and Governance		
<p><b>Description:</b> There is an issue that the Council has been judged "inadequate" following an inspection of its Children's Services by Ofsted in March 2015. The inspection report finds that this is due to leaders and managers having been unable to demonstrate sufficient understanding of failures in services for looked after children and have been ineffective in prioritising challenging and making improvements in relation to looked after children services. This has caused too many children to experience unacceptable drift in decision making and delay in progress of their plans, poor practice to remain unchallenged, too many children's needs unmet and plans not progressed in the child's timescale.</p>		
<p><b>Overall prospect of achieving sufficient progress with the governance issue in full by 31st March 2017:</b> to be confirmed after quarter 1 2016/17.</p>		
<p><b>Specific measurable actions to address the governance issue in the year 1 April 2016 to 31 March 2017.</b></p> <p><b>Lead Manager: Corporate Director of Children's Services</b></p>		
Agreed Action	Progress update to June 2016	Further Action Required
1. Revise the Children's Improvement Plan to reflect the outputs from the latest quarterly Ofsted report, the LGA Practice Diagnostic, the DfE review and the review of the Corporate Parenting Board, and deliver in line with actions and timescales.		
2. Produce and implement a Performance Management and Quality Assurance Framework (PMQAF) that is signed-off by a DfE advisor in line with the Directions Notice.		
3. Continue to work with external support from DfE, Ofsted and North West Association of Directors of Children's Services (NWADCS) in preparation for re-inspection.		

16th May 2016

## Appendix 2

Diagram of Cumbria County Council's Governance Framework



## Appendix 3

### Local Code of Corporate Governance 2015-2017

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### 1. Cumbria's Code of Corporate Governance

Cumbria County Council is responsible for and committed to ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for.

In carrying out these responsibilities, members and officers are responsible for putting in place proper arrangements for corporate governance.

These include:

- Setting the County Council's vision for Cumbria,
- Setting the strategic direction, culture and values of the Council;
- Operating effective corporate systems, processes and internal controls;
- Engaging with and leading the community;
- Monitoring whether strategic priorities and outcomes are achieved;
- Ensuring services are delivered cost effectively;
- Complying with statutory duties and managing risk.

This Code of Corporate Governance sets out Cumbria County Council's arrangements, known as its governance framework, for ensuring that it carries out its business with high standards of corporate governance.

### 2. What this code means for people in Cumbria

The Council embraces the overarching principles of good corporate governance. These require us to be open and transparent, operate effectively and with integrity, be inclusive of all sections of the community and be accountable to the people we serve.

By publishing this Code, we are demonstrating our commitment to ensuring the high quality of our public services.

By promoting principles of openness, effectiveness, integrity and accountability we encourage public trust.

The Code provides people who live in, work in, or visit Cumbria with a greater awareness of the Council's arrangements. It raises awareness of our plans and actions, to encourage everyone to be involved in the running of the county.

The Code provides Council officers and members with an overview of our governance arrangements and the principles that we all work to uphold.

### 3. Corporate Governance Principles

This Code is informed by six principles which were identified in a joint publication by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). Their published guidance "Delivering Good Governance in Local Government", which was updated in 2012, identified the following essential criteria for good corporate governance:

1. Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
2. Members and officers working together to achieve a common purpose with clearly defined functions and roles
3. Promoting values for the authority and demonstrating the values of good governance though upholding high standards of conduct and behaviour
4. Taking informed and transparent decisions which are subject to effective scrutiny and risk management
5. Developing the capacity and capability of members and officers to be effective
6. Engaging with local people and other stakeholders to ensure robust public accountability

We have used this guidance to establish our corporate governance arrangements. We use it to review the effectiveness of our arrangements.

### 4. Responsibility for Corporate Governance

At Cumbria County Council, every member and every employee is responsible for ensuring good corporate governance.

Our arrangements for managing corporate governance and ensuring public accountability are set out below. Every employee and every member has a responsibility to carry out their work in accordance with the principles and arrangements in this Code. Our governance framework sets out how we support members and officers in this role.

## 5. Monitoring and Review of this Code

This Local Code of Corporate Governance applies for three years – 2014 to 2017, aligned to the Council's Corporate Plan. We monitor the operation of the Code and carry out an annual review to ensure it is kept up to date.

We conduct an annual review of corporate governance:

- To assess how well we comply with our governance framework; and
- To identify areas for improvement.

We develop and implement an annual action plan to continually improve the corporate governance of the Council.

At officer level, corporate governance is overseen by the Council's Corporate Governance Group, a senior officer group which reports to the Council's corporate management team.

Members oversee corporate governance through the Audit and Assurance Committee, which receives reports from officers on elements of corporate governance.

The following section sets out our arrangements for ensuring high standards of corporate governance at Cumbria County Council.

### Corporate Governance Framework

**Core Principle 1: Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area**

The Council's priorities, key activities, and success measures are all linked to the Council's Vision within one document – the Council Plan, which is adopted by the Council as part of the Policy Framework. We consult formally on the development of the Council Plan for example through community events and the plan itself is reviewed on a regular basis. We publish a report every six months showing how we are progressing in delivering the priorities set out within the Council Plan.

The priorities within the Council plan feed down into service plans for each Council service area which are developed and monitored by each Assistant Director. These plans set out how the activities of each service contribute to the delivery of overall Council priorities and in turn feed into team and individual objectives through the annual appraisal process.

All objectives in service plans, and all recommendations in committee reports, are required to demonstrate their link to the delivery of the Council Plan Vision and priorities.

The Council does not deliver its services in isolation and relies on third parties and partnerships to deliver outcomes for the people of Cumbria. The sustainable community strategy for Cumbria 2008-2028 is part of the Council's Policy Framework – meaning that all decisions made by the Council take the Community Strategy vision into consideration. This provides a framework for all partnership activity the Council is involved in. The Council is refreshing its tools to support consistency in approach across all partnership in 2014.

We publish an annual report and annual statement of accounts on the council's website showing the Council's financial position and how we have used the money we receive to deliver services to the people of Cumbria.

We have a performance and risk management framework in place which ensures that we continually monitor and report on how we are doing against the priorities and objectives we have committed to deliver, as well as the risks we have identified as facing the Council.

A quarterly performance scorecard is presented to the Council's Management Team and to Cabinet. The scorecard contains key measures under 4 perspectives: Customer (Council Plan Priorities), People, Processes, Resources.

We have arrangements in place to ensure that we deliver value for money in the use of public funds, including the use of benchmarking information and value for money profiles.

Our agreed approach to service planning, reporting and monitoring highlights areas for proactive management where value for money is not being achieved. We use national contract frameworks where we can to ensure we get the best value for money in procurement. A corporate procurement strategy was approved by Cabinet in June 2014. Our approach to contract management ensures that

where services are outsourced, contracts are being effectively managed.

The Council's senior management job descriptions have been reviewed to ensure they reflect the responsibilities of all senior managers to deliver value for money within their service activities.

### The Council's vision for Cumbria:

For the people of Cumbria to benefit from sustainable economic growth and an enhanced quality of life.

### The Council's vision for Cumbria County Council:

To be an effective and efficient organisation that delivers the best possible services for the people of Cumbria within its available resources, protects the vulnerable, and works with others in the community to shape services and help find solutions for the future.

### The Council's Priorities:

- To safeguard children and ensure that Cumbria is a great place to be a child and grow up.
- To enable communities to live safely and shape services locally.
- To promote health and wellbeing and tackle poverty.
- To protect and enhance Cumbria's world class environment.
- To provide safe and well-maintained roads and an effective transport network.
- To promote sustainable economic growth and create jobs.
- To support older and vulnerable people to live independent and healthy lives.
- To be a modern and efficient council.

### Core Principal 2: members and officers working together to achieve a common purpose with clearly defined functions and roles

Cumbria County Council has agreed a constitution which sets out how the council works, how decisions are made and the procedures that are followed to ensure efficiency, transparency and accountability to the people of Cumbria.

The constitution sets out the terms of reference for the Council, Cabinet and all other decision making bodies within the Council, including the Health and Wellbeing Board and Area Committees.

The council has chosen not to delegate authority to individual executive members but the role descriptions setting out their responsibilities are published on the council's website. The role and responsibilities of the Leader of the Council are set out within the council's constitution.

The constitution also sets out clearly the limits of responsibilities delegated to the chief executive who is the Head of Paid Service, and to all corporate directors, both collectively and individually. These officers are then permitted to make further delegations as appropriate.

The chief executive and the Leader of the Council have regular one to one meetings to discuss performance against the priorities set out in the Council Plan. The Leader also undertakes the chief executive's annual appraisal.

An Audit and Assurance Committee is in place which meets quarterly to consider reports on aspects of risk management, governance and internal control, and also has a separate meeting to consider and approve the annual financial statements. The Audit and Assurance Committee's terms of reference are published on the council's website and are in line with CIPFA guidance on the role of audit committees in local government.

Audit and Assurance Committee undertakes an annual review of its effectiveness to ensure that it continues to provide an effective challenge over our arrangements for governance, risk management and internal control.

The Council is statutorily required to appoint a Chief Financial Officer and a Monitoring Officer. The Assistant Director, Finance is the appointed Chief Financial Officer (Section 151 Officer) with responsibility for the proper administration of the Council's finances.

Each year, we carry out a review of our financial arrangements against the CIPFA Statement on the Role of the Chief Financial Officer to confirm that we comply with the requirements. During 2014/15, an Interim Monitoring Officer is in post and the responsibility will be handed over to the Assistant Director, Governance in 2015.

Protocols are in place to provide guidance to Council staff and elected members on maintaining appropriate professional relationships in their dealings with one another. The constitution contains a Protocol on Member / Officer relations as well as a specific Code of Good Practice for Elected Members and Officers Involved in the Planning Process.

The Council has adopted a Members Allowances Scheme and has established an independent remuneration panel to ensure that the terms and conditions for members are clear. A pay policy statement and associated procedure covers the approach to pay and grading for Council staff and there is a procedure in place to deal with pay and grading appeals.

A performance and risk management framework is in place to ensure that we continuously monitor the delivery of our services and manage our risks effectively. The arrangements include; reports to the council's Corporate Management Team and Cabinet, monthly performance reporting and meetings, programme board reports and meetings, reports to service and directorate management team meetings and scrutiny reports and meetings.

The Council works with a number of public, private and third sector organisations to deliver services. To help those officers and members involved with partnership working, a guide is available on the intranet Partnership Toolkit: Cumbria County Council together with a self-assessment for officers supporting Council involvement in partnerships. The guide also describes the council's standards for excellence in partnership working.

Individual directorates assume responsibility for the effective management and integration of all partnership activity relevant to their role in achieving the corporate objectives of the Council, and for ensuring that all partnerships are accurately recorded on the corporate partnership register.

## The Council's Standards for excellence in partnership working

There should be clear evidence that the principles of partnership working are embedded in the council and contribute to definable outcomes.

The rationale and contribution of each partnership is understood and valued by the council in outcome terms.

Internal structures of the council allow the contributions made by partnerships to be discussed and reviewed, resulting in policy decisions when appropriate.

Budget and policy decisions openly take account of the partnership approach, acknowledging the implications and impact of this way of working.

Members and officers are confident about their roles and responsibilities both to the partnership and the county council and where appropriate, are empowered to take decisions at the partnership on behalf of the council.

### **Core Principal 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

The Council has in place Codes of Conduct for both elected members and officers of the Council. These codes set out the seven 'Nolan' principles in public life which all staff and elected members are expected to comply with.

A Standards Committee is in place to promote member conduct and monitor the arrangements for ethical standards in the council. The constitution clearly sets out the required standards of conduct of members and officers through several policies and codes, including; codes of conduct, financial standing orders, contract procedure rules and the counter-fraud policy. These policies are designed to ensure that Council business is conducted with the highest standards of openness, accountability and integrity and that decisions are not influenced by prejudice, bias or conflicts of interest.

All elected members are required to declare any disclosable pecuniary interests or other registerable interests and the register of members' interests is maintained by the Monitoring Officer.

There are arrangements in place to investigate any complaints against elected members. These are maintained by the Monitoring Officer and kept under review by the Standards Committee.

Council staff must declare any relationships of a business or personal nature with external contractors or suppliers and these registers are maintained within each council directorate. An annual review of interests declared by senior officers is carried out by the council's finance team when they are preparing the annual financial statements.

The Council has adopted a behaviours framework "Count me in" which establishes the following expectations:

- Take responsibility for our actions
- Demonstrate a positive flexible attitude
- Act with honesty and respect for others
- Communicate in a clear and constructive way
- Be committed to "One Team".

These behaviours are displayed on all staff's PCs and have been incorporated into the role profiles of the Extended Leadership Team to ensure they are implemented from the top down.

Counter-fraud and whistleblowing policies are in place and are available on the Council's website as part of the constitution. These provide a clear definition of fraud, the responsibilities of all staff to be vigilant to the possibility of fraud or other wrongdoing and provide contact details for suspected irregularities to be reported. The Monitoring Officer maintains a record of all complaints received under the whistleblowing policy.

All new members of Council staff are provided with an induction where they are informed of the relevant Council policies covering conduct and behaviour. All staff also receive an annual appraisal and a six-month review.

All Council business is held in public unless legislation deems it appropriate for matters to be considered in private. All committee reports contain input from the council's Legal and Finance teams as well as an explanation of how strategic planning and equality implications are addressed.

The council's partnership toolkit defines partnership and sets out the Council's principles for partnership working – leadership, trust, learning, managing for performance and equality.

## Seven Principles in Public Life

**Selflessness:** holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or friends.

**Integrity:** holders of public office should not place themselves under any financial or other obligations to outside individuals or organisations that might seek to influence them in the performance of their official duties.

**Objectivity:** in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

**Accountability:** holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**Openness:** holders of public office should be as open as possible about all decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest demands it.

**Honesty:** holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership:** Holders of public office should promote and support these principles by leadership and example.

### Core Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

The arrangements for decision making within the Council are set out within the constitution. This also includes schemes of delegation and financial and contract procedure rules which ensure the council acts within the law at all times and that decisions are taken appropriately and in line with delegated authorities.

The Cabinet is the main decision making body within the Council. This is the forum for most day to day decisions. Where major decisions are to be made or discussed, these are published in Cabinet's forward

plan. All decisions are taken in public meetings and are supported by technical and professional advice from council officers through committee reporting procedures. The Monitoring Officer ensures that advice is recorded on all committee reports. Decisions are subject to scrutiny through both the call-in mechanism and via planned reviews identified within annual workplans. A scrutiny toolkit has been produced and circulated to all non-executive councillors. Scrutiny has a standing item to monitor performance at all of the Board meetings.

Committee meeting agendas highlight the requirements for members to declare relevant interests and these are recorded in the meeting minutes.

All reports to members are submitted via the ModernGov system. This system includes templates to ensure that all legal, technical and financial issues are adequately covered as well as relevant background information and an analysis of options leading to a reasoned recommendation. Any relevant background papers are also included within the reports. Reports also include the outcomes of any relevant consultations and an assessment of any equality issues in line with the Equality Act 2010.

The council's statutory Section 151 Officer is the Assistant Director, Finance who is responsible for ensuring that appropriate financial advice is provided to those making decisions. The Council undertakes an annual review of its financial arrangements to ensure they comply with the CIPFA Statement on the Role of the Chief Financial Officer.

The Council's interim Monitoring Officer together with the Section 151 Officer are responsible for the lawfulness of decision making. The responsibilities of these statutory officers are codified within the constitution. The interim Monitoring Officer ensures that the Council acts within legal and statutory requirements. This is achieved through the provision of frontline legal advice to Council services on a daily basis and the active participation of Legal Services in the preparation and consideration of legal implications arising from reports for decisions. Lawyers who advise on reports for decision are trained in public law.

Corporate Management Team ensures that legal advice has been sought on all major proposals for decision. Officers carry out regular horizon scanning of new and emerging legislation and legal support is provided to directorates on all major Council projects.

To ensure that decisions made by the Council are based on high quality, accurate and up to date information, a data quality strategy and policy has been prepared and is available to staff via the council's intranet. Guidance is also available together with a risk based self-assessment toolkit to support improvement in data quality.

A new performance and risk management framework has been introduced which ensures that risk management is embedded within service planning and performance reporting. A risk management policy and strategy document sets out the respective roles of managers, staff and elected members in risk management. Guidance documents are also available on the Council's intranet to support managers in identifying and assessing risks within their service areas. A corporate risk register is in place to ensure that there is effective monitoring and management of the significant risks to the Council. This is reviewed quarterly and reported to the Audit and Assurance Committee. Risk management training is provided annually to members and made available for managers and officers.

The Council has an internal audit function whose role is to provide independent assurance over the systems for governance, risk management and internal control. Annual internal audit plans are developed on a risk basis through discussions with senior management on the key risks facing their services. The work of internal audit is reported to the Audit & Assurance Committee at each of its quarterly meetings. Internal audit is required to conform with mandatory Public Sector Internal Audit Standards and report any areas of non-conformance with the Standards in the annual report of the head of internal audit.

The Council has arrangements in place for dealing with compliments, comments and complaints and welcomes such feedback to help us provide high quality services. Complaint leaflets and posters are distributed throughout Council offices. The complaints procedure is published on the Council's website and complaints can be submitted in a variety of ways; by post, email, telephone or via an online form.

The Council has a Data Quality Policy which was last revised in February 2012. The Policy sets out a set of Data Quality principles, why it is important, and what the Council expects to achieve from our approach to Data Quality, (a framework of management arrangements that will provide assurances that data is reliable) which includes a

focus on ensuring the quality of third party data. A Data Sharing Protocol is in place which involves all levels of local government in Cumbria as well as other organisations and groups in the county.

The Policy advocates a self-assessment approach to achieving good data quality, with effective validation procedures in place to ensure the accuracy of data used in reporting performance indicators. This includes the use of an annual data quality proforma to capture all information in relation to set data quality criteria.

**Core Principal 5: Developing the capacity and capability of members and officers to be effective**

The Council has an induction policy which states that all new staff will receive an induction, and an appraisal policy which requires that all staff have an annual appraisal and a six-month review. The Council's approach to the induction and development of elected members is being reviewed during 2014/15 to identify development needs through a Training Needs Analysis which will create a programme of member development to be agreed by members in September 2014.

The Council is committed to the training and development of its workforce and has established a central Learning and Development service designed to achieve value for money in delivering corporate training and development needs.

A new workforce plan was approved by the Cabinet on 5th June 2014. This plan sets out how the council's workforce will be developed to be flexible and agile, with the appropriate skills to meet the future needs of the local communities we serve, whilst operating within reduced means.

Each corporate and assistant director has a role profile and person specification which identifies the skills and behaviours necessary to perform their roles. Included are the statutory posts of Section 151 Officer, Monitoring Officer and Director of Children's Services. All members of the Extended Leadership Team receive an annual appraisal.

The Council is committed to developing strong relationships with voluntary, community and charity organisations that we work with and has signed up to the Cumbria Compact. The compact is an agreement which lists a number of principles on how a statutory sector organisation (such as the Council or the NHS) should do business with the third sector. The compact sets out when and how the Council will undertake consultation.

We undertake extensive consultation when we are preparing the Council's annual budget and when we review the Council plan. We have a public participation scheme which is available on the council's website as part of the constitution.

The Council is keen to work with businesses from within the local area and we hold supplier days when we are planning major procurement exercises to encourage local businesses to submit bids for work.

**Core Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability**

The Cumbria Community Strategy 2008 – 2028 sets out the long term vision for the local area. It seeks to address the issues that will improve the wellbeing of all of those who live in and visit the county. The Council Plan sets out the priorities for the council and there are six local committee area plans which set the context for service plans. We consult with the public and other stakeholders when setting the Council's priorities and commitments.

The Council brings together a Cumbria Partnership Forum where strategic partner organisations discuss topical issues and challenges facing Cumbria and the people and places they serve. The Council is also represented at regular meetings of all chief executives and leaders of public sector bodies in Cumbria.

An annual report of the activity of the scrutiny function is considered by the full Council.

The Council uses a variety of ways to engage with the public and other stakeholders including the use of satisfaction surveys, the council's website and via the media as well as sending publications to all households in the county.

The Council's contract and financial procedure rules contain provisions governing commercial relationships with third parties. We are currently reviewing our arrangements for governance of non-commercial relationships with third parties as part of a wider review of the council's constitution.

Cumbria County Council uses a number of platforms and methods to ensure effective engagement takes place with the public and all stakeholders. Satisfaction, engagement and consultation surveys are regularly undertaken using a dedicated public consultation website, the main website, using the chest platform to engage with suppliers as well as setting up dedicated email addresses and social media platforms to allow full breadth of electronic

communication. In addition paper versions are often produced and sent out directly to stakeholders and/or made available via a number of our key strategic sites including libraries. It is also common to hold focus groups/meetings with the public and stakeholders to engage on key issues. The Council is mindful that different groups may have varying and indeed opposing needs when it comes to service provision. With this in mind the council will engage with a broad spectrum of groups that represent different people and when conducting large scale surveys will always ensure an appropriate set of demographic questions are included. These characteristics will then be cross referenced to identify whether specific issues are associated with specific groups.

Cumbria County Council is committed to upholding the requirements placed upon it by statutory regulation such as best value principles under the Local Government Act that determine authorities are under a duty to consult a wide range of local persons such as tax payers and users of services when reviewing service provision as well as those of The Equality Act which demand due regard is given when changes to services are proposed.

The Council has a wide range of mechanisms which it uses to consult and feedback. The principle digital method is through our dedicated consultation website [www.haveyoursay.org.uk](http://www.haveyoursay.org.uk) where the facility “we asked, you said, we did” can be used. When carrying out Focus groups we make a commitment to feedback to those who participate, and in all consultations however they are carried out, we make the results publicly available on our website. In addition to the above the Council’s public participation scheme details how members of the public can ask questions at public meetings, set up online petitions and make their voice heard by the council.

All agendas and minutes of full Council, Cabinet and other committees are published online and can be made available in other formats if required. The Council’s contract procedure rules ensure that there is openness and accountability within all our procurement decisions; all significant contract tenders are published on the Chest which is open to all.

The Council, recognising the positive impact a positively engaged workforce has on delivering quality services, has recently reviewed and strengthened its policy on how it engages and consults with staff. The Workforce Plan provides the framework that commits to encouraging employees

to become more involved, enhancing engagement opportunities, fostering an environment of trust promoting creative thinking from all levels and ensuring employees understand how they contribute to the council’s aims. Work streams that will achieve this include: increased membership of the MyVoice group (a staff engagement community), identifying staff engagement champions, especially in areas of the Council where there is limited access to the intranet for staff, increased visibility of Council leaders through informal drop-ins and walking the floor exercises, developing staff and management engagement skills and introducing a new simple system for new ideas to be captured, tested and shared.

In line with the Council’s Performance and Risk Management Framework, the Council will publish a Council Plan Achievements document. The document sets out the Council’s vision and priorities, and on a regular 6 monthly cycle the report will provide the public and other stakeholders with updates on achievements against the Council’s stated priorities using case study material and other measures of success.

If you require this document in another format (e.g. CD, audio cassette, Braille or large type) or in another language, please telephone 07876 392598

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