

AUDIT COMMITTEE

22 June 2015

CORPORATE GOVERNANCE REPORT & ANNUAL GOVERNANCE STATEMENT
2014/15

REPORT OF CORPORATE GOVERNANCE GROUP

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RECENT REFERENCES:

AUD078 - Annual Governance Statement and Corporate Risk Monitoring Update –
11 March 2014

AUD086 - Corporate Governance Report and Annual Governance Statement
2013/14 – 26 June 2014

AUD100 - Annual Governance Statement 2013/14 – 25 September 2014

AUD103 - Annual Governance Statement and Corporate Risk Monitoring Update – 4
December 2014

AUD109 - Annual Governance Statement and Corporate Risk Monitoring Update –
12 March 2015

EXECUTIVE SUMMARY:

This report presents the results of the work conducted by the officer Corporate Governance Group including: the proposed Annual Governance Statement for 2014/15; the Local Code of Governance, and the Council's self assessment against the core principles of the CIPFA/SOLACE Governance Framework.

There is a statutory requirement for a Committee of the Council, in this case the

Audit Committee, to approve and publish an Annual Governance Statement each year, which will then be signed by the Leader of the Council and the Chief Executive, and included in the Annual Financial Report for 2014/15. It is appropriate for Audit Committee to consider whether the draft statement covers risk issues adequately.

The Corporate Governance Group has reviewed all of the evidence relating to the governance and control systems in operation during the financial year and for the period to date. The regulations require that any items arising up to the date on which the Financial Statements are signed must also be reported, and this will be kept under review and reported to Committee as appropriate. The proposed future actions are identified in Section 5 of Appendix A.

RECOMMENDATIONS:

1. That the Audit Committee approves the Annual Governance Statement for 2014/15 as set out in Appendix A.
2. That the issues arising and proposed actions identified in Section 5 of Appendix A be noted, and that a monitoring report be brought back to the Audit Committee in six months time.
3. That the Local Code of Corporate Governance in Appendix B be approved, and;
4. That the Corporate Governance Self Assessment in Appendix C be noted.

AUDIT COMMITTEE

22 JUNE 2015

CORPORATE GOVERNANCE REPORT & ANNUAL GOVERNANCE STATEMENT 2014/15

REPORT OF CORPORATE GOVERNANCE GROUP

1 Introduction

- 1.1 As set out in Report CAB2132, the role of the Audit Committee with respect of the Annual Governance Statement is:

To oversee the production of the Authority's Annual Governance Statement and to recommend its adoption.

2 Report

- 2.1 The Corporate Governance Group has undertaken the various governance tasks that were planned and prepared the following documents for review:

- a) The Annual Governance Statement for the year 2014/15;
- b) The Local Code of Governance, and
- c) A self assessment against the six core principles of corporate governance in the CIPFA/SOLACE Governance framework (2012 Edition), which were reviewed by Internal Audit as part of the 2014/15 Annual Audit Plan.

In addition, in response to an Internal Audit action, this year the Corporate Governance Group has for the first time included within the Assurance Statement a return for partnership governance arrangements at a corporate or departmental level and how risk management is considered for the partnerships reviewed.

- 2.2 These are appended (Appendices A - C). The content is self explanatory and is therefore not repeated in this report.

The officer Corporate Governance Group has membership as set out below

Chief Operating Officer - Stephen Whetnall (Chair); Corporate Director - Steve Tilbury; Chief Finance Officer - Alexis Garlick; Principal Democratic Services Officer - Dave Shaw and Southern Internal Audit Partnership, Audit Group Manager - Anthony Harvey.

Progress will be monitored throughout 2015/16 on the proposed actions identified in Section 5 of Appendix A. A monitoring report will also be brought to Audit Committee in six months time.

- 2.3 For the most part the issues identified in The Annual Governance Statement 2013/14 are being rolled forward to the new Statement for 2014/15 (see Appendix A). However, there are two issues that, following consideration by the Corporate Governance Group, have been removed from the Annual Governance Statement, as the relevant actions have been taken. These are:
- Housing Finance.
 - Internal Audit Issues Arising (Accounts Payable).
- 2.4 Furthermore, Corporate Governance Group recommends that three new issues be added to the Annual Governance Statement for 2014/15 and these are:
- River Park Leisure Centre
 - City Offices
 - Procurement and Contract Management

Further information on these issues is included in Appendix A

OTHER CONSIDERATIONS

3 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

- 3.1 Good Corporate Governance supports the achievement of the objectives of the Community Strategy and Portfolio Plans.

4 Resource Implications:

- 4.1 No direct implications. Where further work is taking place, any additional resources required to implement improvements identified will be raised separately or through the budget process.

5. Risk Management Issues

- 5.1 The effectiveness of Corporate Governance within the Council is a principal ingredient to the organisation's objective of being an effective Community Leader. The efficacy of the governance arrangements directly affects the Council's ability to deliver its contribution to the objectives within the Community Strategy and Portfolio Plans.
- 5.2 As a result, the actions and controls in implementing Corporate Governance is a key control and in the Council's arrangements to mitigate all its risks. Report AUD118 – Risk Management Policy 2015 (elsewhere on this Committee's agenda) was prepared in conjunction with this report as the considerations overlap.

BACKGROUND DOCUMENTS:

Non-exempt papers covering the following documents:

Delivering Good Governance in Local Government (CIPFA/SOLACE framework);

Annual Assurance Statements prepared by individual Heads of Teams and Corporate Directors;

Internal Audit Agreed Actions;

Internal Audit Annual Report 2014/15;

The Council's Risk Management Policy, Risk Register and Monitoring Reports;

Internal Audit Working Papers on the review of the six core principles in the CIPFA/SOLACE Governance framework; and

Annual Audit Letter for 2013/14.

APPENDICES:

Appendix A: Annual Governance Statement 2014/15

Appendix B: Local Code of Governance

Appendix C: Corporate Governance Self Assessment

ANNUAL GOVERNANCE STATEMENT 2014/15

1. Scope of Responsibility

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

In discharging this overall responsibility, Winchester City Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Winchester City Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*.

This Statement explains how Winchester City Council has complied with the Code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the review of its system of internal control in accordance with best practice, and that the review be reported in an Annual Governance Statement.

2. The Purpose of the Governance Framework

The purpose of the governance framework is to ensure that the authority directs and controls its activities in a way that meets standards of good governance and is accountable to the community. It does this by putting in place an organisational culture and values which drive a responsible approach to the management of public resources, supported by appropriate systems and processes, and ensuring that these work effectively. It works with the Council's Performance Management Framework to ensure that the Council has in place strategic objectives reflecting the needs of the community and is monitoring the achievement of these objectives through delivery of appropriate, cost-effective services.

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

The governance framework has been in place at Winchester City Council for the year ended 31 March 2015 and up to the date of approval of the Statement of Accounts for the 2014/15 financial year.

3. The Governance Framework

The core principles of good governance are:-

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

The Council's Performance Management Framework translates the needs of the community and requirements of Government, into cost effective local services designed to deliver the shared vision for the District (economic prosperity, a high quality environment and active communities) and meet statutory requirements.

The Council engages with its communities through a number of mechanisms, including community planning, consultation events, surveys and campaigns relating to specific initiatives. Building on the views expressed and evidence of needs and future trends, the Council has worked with partner organisations to agree a shared vision and set of aims and outcomes for the District that is documented in the Winchester District Community Strategy 2010 – 2020, as revised at Cabinet on 4 December 2013 (Report CAB2533 refers).

The Council's Community Strategy is supplemented by more detailed information on the key projects and programmes of work that the authority will be delivering during the year – with actions to achieve priority outcomes set out in the Portfolio Plans. More detailed business and service plans are drawn up by Council Teams, with targets set for individual members of staff through the annual appraisal process. This process also looks at the development and training needs of staff, with a programme of training then put in place to meet these needs.

Progress against Portfolio Plans and budgets is monitored regularly by the Corporate Management Team, the Performance Management Team, Senior Managers and Portfolio Holders. The Overview and Scrutiny Committee receives reports focusing on delivery of key projects and programmes of work and drawing attention to other areas where progress is exceeding, or falling short of targets. Portfolio Holders also monitor progress in delivery.

The Council has an officer Performance Management Team to monitor and direct monthly financial performance, service performance, progress on key corporate projects and risk management and to oversee the implementation of recommendations from Internal Audit reports.

The Council publishes an Annual Financial Report (incorporating the Statement of Accounts) annually within the statutory timescales. The Annual Financial Report incorporates the full requirements of best practice guidance in relation to corporate governance, risk management and internal control.

The Council is subject to independent audit by Ernst and Young and receives an Annual Audit Letter reporting on findings. The Council supplements this work with the Southern Internal Audit Partnership and ad hoc external peer reviews. The Audit Committee undertakes the core functions as identified in CIPFA's *Audit Committees – Practical Guidance for Local Authorities*.

The Council's Constitution explains existing policy making and delegation procedures and the matters which must be dealt with by the full Council. It documents the role and responsibilities of Cabinet, portfolio holders, each committee and Members and officers. The Council has approved a protocol governing relationships between Members and Officers as part of its Constitution and has adopted codes of conduct for both Officers and Members which facilitate the promotion, communication and embedding of proper standards of behaviour. Officers have job descriptions and there are clearly defined schemes of delegation, all of which are reviewed from time to time.

The Council's Constitution incorporates clear guidelines to ensure that business is dealt with in an open manner except in circumstances when issues should be kept confidential. Meetings are open to the public except where personal or confidential matters are being discussed. All Cabinet /committee agendas, minutes and portfolio holder decisions are published promptly on the Council's website. In addition, senior officers of the Council can make some decisions under delegated authority. The over-arching policy of the Council is decided by the full Council. The Overview and Scrutiny Committee and Audit Committee hold Portfolio Holders to account for delivery of the Council's policy framework within the agreed budget, and protocols are in place for any departure from this to be properly examined.

Staff awareness training has been undertaken to ensure that the Council complies adequately with the provisions of the Data Protection and Freedom of Information Acts, and Equality requirements.

The Council has appointed the Chief Finance Officer as the Section 151 officer with the statutory responsibility for the proper administration of the Council's financial affairs. CIPFA/SOLACE advise that the Chief Finance Officer should report directly to the Chief Executive and be a member of the 'Leadership Team', of equal status to other members. The Chief Finance Officer became a member of the Corporate Management Team with effect from 1 April 2013.

The Chief Finance Officer is also a member of the Council's Performance Management Team alongside the Chief Executive, Corporate Directors and Assistant Directors.

The Council has appointed the Chief Operating Officer as the statutory "Monitoring Officer" and has procedures to ensure that the Monitoring Officer is aware of any issues which may have legal implications.

All Cabinet reports are reviewed by the Chief Finance Officer and Monitoring Officer. All reports to Cabinet are required to demonstrate how the matter links to the Council's Community Strategy and Portfolio Plans, and highlight resource implications. Officers are also asked to draw out risk, equality, sustainability, management and legal issues as appropriate. Similar procedures are in place for the Scrutiny and Regulatory Committees.

The Council has whistle-blowing and anti-fraud and corruption policies. It has a formal complaints procedure and seeks to address and learn from complaints. The Council's Standards Committee deals with complaints relating to the conduct of Members.

Members' induction training is undertaken after each election. Members receive regular updates and training on developments in local government.

4. Review of Effectiveness

Winchester City Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

The process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements includes wide input:-

INPUTS TO THE ANNUAL GOVERNANCE STATEMENT



- **Managers and staff** have responsibility for the development and maintenance of a sound governance environment.
- **Elected members** are collectively responsible for the governance of the Council and the full Council is responsible for agreeing the Constitution, policy framework and budget.
- **Southern Internal Audit Partnership's** remit includes the Council's entire control environment. The Head of the Southern Internal Audit Partnership takes account of the Council's assurance and monitoring mechanisms, including risk management arrangements, for achieving the Council's objectives. The Internal Audit Plan is based on the Corporate Risks Register and identifies Internal Audit's contribution to the review of the effectiveness of the control environment. The process includes reports to the Audit Committee on progress of audits. Regular summaries are also produced of the outcome of each audit, together

with reviews of whether agreed recommendations have been implemented. Internal Audit provides an annual opinion on the internal control environment and issues that should be included in this Statement.

Part of this review process is an annual review report by the Head of Southern Internal Audit Partnership of the effectiveness of the Council's internal audit function. In the light of feedback we have concluded that internal audit is an effective part of the Council's governance arrangements.

- **External Audit** provides an Annual Audit Letter, which includes a review of the Council's Annual Governance Statement and internal controls.
- **Corporate Directors, Assistant Directors and Heads of Teams** complete annual statements of assurance and implement action plans identified as a part of this process.
- **The Monitoring Officer** has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are followed. He also reviews this Statement. Amendments to the Constitution are considered by Cabinet, the Leader, The Overview and Scrutiny Committee, the Standards Committee, the regulatory committees and Council from time to time as required to reflect managerial and operational changes.
- An officer **Performance Management Team** is responsible for deploying risk management across the Council and the risk assessment of emerging issues, in addition to monitoring progress against Business Plans and budgets.
- An officer **Governance Group** co-ordinates the preparation of this statement and recommends the statement to the Corporate Management Team. The Group monitors compliance in the risk management arrangements and keeps the self-assessment of governance based on the Code of Corporate Governance under review.
- **The Corporate Management Team** reviews this statement and regularly deals with setting policy for risk management. It has a role in setting the culture and values, agreeing the Governance Framework, and implementing the framework throughout all its work.
- **The Audit Committee** monitors the internal control environment through receipt of audit reports and this Statement, and keeps an overview of arrangements for risk management. It also approves this Statement and the Statement of Accounts.
- The **Cabinet** manages risk in making operational and governance decisions together with proposing and implementing the policy framework, budget and key strategies.
- The **Leader and Chief Executive** review and sign this Statement on behalf of the Council.

5. Current Issues

There are a number of issues identified which significantly impact on the 2014/15 and / or future financial years. The Council has also stated how it plans to address them and the following plans have been integrated into the Council's performance management arrangements.

Issue	Action to be taken	Progress / Comments
<p>Asset Management</p> <p><i>Also Corporate Risk for 15/16</i></p>	<p>Maintain an up to date Asset Management Plan and ensure that financial aspects of the Council's fixed assets are appropriately incorporated into the financial planning process, taking account the possible impact of the current economic situation and of opportunities to encourage regeneration through the use of the Council's property portfolio.</p>	<p><i>The new Depot has been completed which has released the old site for redevelopment. Both Abbey Mill and Avalon House, no longer needed for occupation by the Council, have been upgraded and let to River Cottage (Abbey Mill), and Southern Health NHS Trust (Avalon House) The Council has also contracted to purchase County Council land near the Winchester station which together with the adjacent City Council car park will provide an opportunity for a major redevelopment upon which public consultation is underway. The sale of Athelstan House to Hampshire County Council has been completed.</i></p> <p><i>The Council's Capital Strategy was revised in September 2014 and an updated capital programme was approved by Council in February 2015. The updated Asset Management Plan will be brought forward in Spring 2016; in the meantime, annual updates are prepared which reflect the recent decisions on the Council's programme of major projects. The annual review of the Capital Strategy and Programme reflects these updates to the AMP. The uncertainty over future options for Silver Hill may have significant impact upon the extent to which other major schemes can progress, until that uncertainty is removed.</i></p> <p><i>Full Council have requested that a further Revised Budget and Capital Programme be brought forward as early as practicable to reflect decisions made on the Silver Hill project.</i></p>

Issue	Action to be taken	Progress / Comments
<p>Setting and achieving priorities within the context of reducing resources for local government.</p> <p><i>Also Corporate Risk for 15/16</i></p>	<p>Continued improvement in consultation on Council priorities/budget, and of links between corporate planning, and Medium Term Financial Strategy.</p> <p>The Finance and Organisational Development Portfolio Plan for 2014/15 set out the key actions which include:</p> <ul style="list-style-type: none"> -Strengthen the financial resilience of the Council by building further on the principles established in the Asset Management Plan; -Develop a savings and income plan to balance the medium term forecast deficit position; and - Develop the Council's Treasury Management Strategy to support the Council's increased capital spending requirements, with an acceptable level of risk. 	<p><i>The Silver Hill scheme continues to affect the Council's budget and planning. The 2015/16 budget was approved by Council in February 2015 taking into account the potential immediate impact of the Silver Hill judgement. However, planning is underway to enable a revised budget to be brought forward as soon as practicably possible.</i></p> <p><i>The Council's corporate planning processes provide a clear link between the Community Strategy and day-to-day activities, with the Portfolio Plans setting out what the Council seeks to deliver each year. These form the basis for our budget. As resources continue to be squeezed, so the Council will continue to set priorities and plan to deliver what can be afforded.</i></p> <p><i>Officers are investigating opportunities for increasing the Council's income as well as the scale for fees and charges. This work will shortly be reviewed by Members. Work is also commencing, led by the Assistant Directors, to fundamentally review the Council's business with the aim of addressing the medium term forecast deficit position.</i></p> <p><i>The Treasury Management Strategy was approved by Council in February 2015.</i></p>

Issue	Action to be taken	Progress / Comments
<p>Partnership arrangements</p> <p>Also Corporate Risk for 15/16</p>	<p>Continue to develop partnership arrangements where there is an efficiency or improvement led case for doing so.</p>	<p><i>A number of delivery partnerships are in place to help realise priority outcomes, for example the Community Safety Partnership, Health & Wellbeing Partnership, and Housing Forum.</i></p> <p><i>The Council continues to develop a range of partnership and shared services projects including:</i></p> <ul style="list-style-type: none"> - <i>Housing services</i> - <i>Fully Integrated Merger of Museums services – Cultural Trust handover occurred on 1 November 2014.</i> <p><i>Shared services already in place include IT, Revenues, Environmental Services, Internal Audit, Treasury Management Services and Learning and Development.</i></p> <p><i>The recommendations of a recent Internal Audit report on risk management are being implemented.</i></p>

Issue	Action to be taken	Progress / Comments
<p>Capacity</p> <p><i>Also Corporate Risk for 15/16</i></p>	<p>Ensure capacity to deliver priorities.</p> <p>More effective use of officer capacity through agile working.</p> <p>Effective Flexible Resource Management to achieve target savings.</p> <p>Developing a robust approach to Programme Management.</p>	<p><i>A framework has been established to monitor progress and manage resources in relation to the effective delivery of corporate projects. This comprises of monthly meetings with Cabinet Members, the Programme Management Group and the Performance Management Team. The use of project teams supported by the Major Project's team utilising resources from across the Council and utilising external resources/ expertise as required has helped to support the delivery of major corporate projects. Local Partnerships were engaged to support a review of how our approach to programme management can further be improved, and key recommendations from this will be implemented. The uncertainty over future options for Silver Hill may have significant impact upon the extent to which other major schemes can progress, until that uncertainty is removed.</i></p> <p><i>The 1-team approach to staff deployment continues to assist with directing staff resource to priority areas.</i></p> <p><i>The Major Projects Team is supporting the prioritisation of resources for the Council's significant projects.</i></p> <p><i>A need for more strategic finance capacity has been identified and a review of the structure of the Financial Services team has commenced.</i></p> <p><i>Additional resources have been agreed in the Legal and Estates teams to support these priorities.</i></p> <p><i>A revised Workforce Plan and People Strategy are currently being developed and will be reported to Personnel Committee later in 2015.</i></p>

Issue	Action to be taken	Progress / Comments
<p>Silver Hill</p> <p><i>Also Corporate Risk for 15/16</i></p>	<p>To work with the Council's development partner Henderson to progress the scheme.</p>	<p><i>Henderson had proposed revisions to the consented scheme to improve design and commercial prospects. Cabinet approval to the next stage was given under the Development Agreement on 6 August 2014. These received planning approval in December 2014.</i></p> <p><i>Following the outcome of the Judicial Review, which quashed the 6 August Cabinet decision, the Council and Henderson are considering the options available to them. Submissions made by Henderson under the Development Agreement are to be considered by Members in June 2015.</i></p> <p><i>The Council must ensure that it continues to act in accordance with its obligations under the Development Agreement. Failure to do so may have serious financial implications for the Council.</i></p> <p><i>A significant risk of external legal challenge or reputational risk remains, depending on the options the Council takes.</i></p> <p><i>The uncertainty over future options for Silver Hill may have significant impact upon the extent to which other major schemes can progress, until that uncertainty is removed.</i></p>

Issue	Action to be taken	Progress / Comments
<p>Changes to Governance Arrangements</p> <p><i>Also Corporate Risk for 15/16</i></p>	<p>To input into the Local Government Boundary Commission review to reflect the Council's aspiration for its future governance arrangements and to continue to implement the Council's own improvements to its decision making arrangements.</p>	<p><i>The Commission published its recommendations for comment in February. We are now awaiting the Commission's final recommendation (30 June 2015). Following the outcome, the Council will need to make decisions on how to adapt its own Governance arrangements for 2016 onwards and The Overview and Scrutiny Committee has also asked for a review of its scrutiny arrangements. Consideration will also be given as to whether a Community Governance Review is needed for any consequential impact upon parishes of the Commission's decisions.</i></p>
<p>Performance and Risk Management</p>	<p>Respond appropriately to recommendations included in recent Internal Audit report on Performance and Risk Management.</p>	<p><i>Portfolio Plans for 2015/16 were adopted by Council on 7 January 2015 after consideration by Cabinet on 3 December and The Overview and Scrutiny Committee on 8 December (report CAB2633 refers).</i></p> <p><i>A revised set of performance metrics based on key areas of the Council's business are now reported as part of a quarterly dashboard Performance Management Team.</i></p> <p><i>Risk workshops took place with senior managers and risk owners during December to support the updating of operational, project and partnership risks on Covalent.</i></p> <p><i>Members attended a Risk training session in January, following requests from Audit Committee for a focus on the Council's approach to risk. This was followed up in June by a Member workshop that focussed on the Council's risk appetite. The Corporate Risk Policy is also being reviewed and will be discussed by Cabinet and Audit Committee in June.</i></p>

Issue	Action to be taken	Progress / Comments
Recruitment and Retention	Analyse the workforce profile and monitor trends to develop a revised Workforce Strategy and detailed plans to ensure that the Council has the right people with the right skills at the right time.	<p><i>Work is on going to review and refresh the People Strategy and Workforce Strategy and to ensure they are able to meet future needs. They will also assist with identifying any issues in specific areas of the Council's work. Both will be reported for consideration and approval at a future meeting of Personnel Committee.</i></p> <p><i>A review of the Pay and Reward profile of the Council is underway to establish the current position within the employment market and assessing future requirements before a report setting out the Council's Pay and Reward Strategy is presented to Cabinet and Personnel Committee for consideration.</i></p>
Consultation and engagement	Seek to embed best practice of consultation and engagement across all areas of the Council including engaging with residents to aid their understanding of the Council's major projects.	<p><i>Programme and project Management arrangements implemented over the last year will provide reassurance that communication is embedded in each project plan and project management training to be delivered to key staff in Spring 2015 will support this.</i></p> <p><i>Consultation methods and approaches are being reviewed to take into account best practice depending upon the type and nature of the project.</i></p> <p><i>The 'Engage' website is being revised to provide best practise guidance to officers on consultation and engagement and training on e-surveys and how to deliver effective consultation is being developed.</i></p> <p><i>The Station Approach consultation carried out in May 2015 was undertaken to reflect this approach of engaging early in the process with residents and stakeholders.</i></p>

Issue	Action to be taken	Progress / Comments
River Park Leisure Centre	Decision on way forward to be sought from Members – Autumn 2015	<i>Further technical and financial work is being undertaken to inform decision making on the possible options. On going condition survey work is being undertaken on the existing Leisure Centre.</i>
City Offices	Decision on way forward to be sought from Members – Autumn 2015	<i>Technical work is being undertaken to inform future decisions on improvements to City Offices.</i>
Procurement and Contract Management	Cabinet to consider, with advice from Audit Committee and The Overview and Scrutiny Committee, improvements to procurement and contract management – Autumn 2015.	<i>Cabinet and other Committees to consider report from Independent Reviewer on Silver Hill, alongside other advice on programme management, procurement and contract management. Detailed recommendations will follow from recommendations which are accepted.</i>

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 and will monitor their implementation and operation during the year and as part of our next annual review.

Signed:

Signed:

Simon Eden
Chief Executive
Winchester City Council

Councillor S. Godfrey
Leader of the Council
Winchester City Council

Dated:

Dated:

Winchester City Council's Local Code of Corporate Governance

Definition of Governance

For the purpose of this Local Code, Winchester City Council has accepted the definition of Corporate Governance as stated within the CIPFA/SOLACE Framework, as follows:

“Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities”.

Good Governance Standards

The Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) have published a framework document for Corporate Governance in Local Government.

Winchester City Council is committed to the principles of good corporate governance and wishes to confirm its ongoing commitment and intentions through the development, adoption and continued maintenance of a Local Code of Corporate Governance, as recommended by the CIPFA/SOLACE Framework.

This document, Winchester City Council's "Local Code of Corporate Governance", therefore sets out and describes the Council's commitment to corporate governance, and identifies the arrangements that have been made, and indeed will continue to be made, to ensure its effective implementation and application in all aspects of the Council's work.

Winchester City Council recognises that effective local government relies upon establishing and maintaining the confidence of the public in both the elected Members and Officers of the Council.

The effective application of the six principles of good governance directly supports the Council's three overarching outcomes that have been identified for the Winchester District through the Winchester District Community Strategy:

- Active Communities
- Prosperous Economy
- High Quality Environment

- Effective and Efficient Council

A copy of the Winchester District Community Strategy can be obtained through the following link and provides detail on what is covered within the above four overarching outcomes.

The Council's response to the Community Strategy is contained in Portfolio Plans 2014/15 approved by Council at its meeting on 8 January 2014 – report CL90 refers. Winchester City Council's good corporate governance standards are outlined below. The Council will prepare an Annual Governance Statement to evaluate its governance against the principles below:-

GOOD GOVERNANCE PRINCIPLE 1

Winchester City Council will focus on the purpose of the authority and on outcomes for the community and create and implement a vision for the local area.

We will:

- develop and promote the authority's purpose and vision
- review on a regular basis, and with our communities, the authority's vision for the local area and its impact on the authority's governance arrangements
- ensure that partnerships are underpinned by a common vision of their contribution that is understood and agreed by all parties
- publish information on a timely basis to communicate the authority's activities and achievements, its financial position and performance
- decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- put in place effective arrangements to identify and deal with failure in service delivery
- decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively.
- Measure the environmental impact of policies, plans and decisions.

GOOD GOVERNANCE PRINCIPLE 2

Winchester City Council will, by Members and officers working together, achieve a common purpose with clearly defined functions and roles.

We will:

- set out a clear statement of the respective roles and responsibilities of the executive (Cabinet) and of the executive's members individually (portfolio holders) and the authority's approach towards putting this into practice
- set out a clear statement of the respective roles and responsibilities of other authority members, members generally and senior officers
- determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required
- make the Chief Executive responsible and accountable to Council for all aspects of operational management
- develop protocols to ensure that the Leader and Chief Executive negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained
- make a senior officer (the S151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control
- make a senior officer (the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with
- develop protocols to ensure effective communication between members and officers in their respective roles
- set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process
- ensure that effective mechanisms exist to monitor service delivery
- ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated
- when working in partnership
 - ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority
 - ensure that there is clarity about the legal status of the partnership
 - ensure that representatives of organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.

GOOD GOVERNANCE PRINCIPLE 3

Winchester City Council will promote values for the authority and demonstrate the values of good governance through upholding high standards of conduct and behaviour.

We will:

- ensure that the authority's leadership sets a tone for the organisation by embedding and sustaining a climate of openness, integrity, support and respect
- ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols
- put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice
- develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners
- put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice
- develop and maintain an effective standards committee
- use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority in pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.

GOOD GOVERNANCE PRINCIPLE 4

Winchester City Council will take informed and transparent decisions which are subject to effective scrutiny and managed risk.

We will:

- develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible
- develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based
- put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice
- develop and maintain an effective audit committee which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee.
- ensure that effective, transparent and accessible arrangements are in place for dealing with complaints
- ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications
- ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately
- ensure that risk management is embedded into the culture of the authority, with members and managers at all levels recognising that risk management is part of their jobs
- ensure that arrangements are in place for whistle-blowing to which staff and all those contracting with the authority have access
- actively recognise the limits of lawful activity placed on us by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of our communities
- recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law
- observe all specific legislative requirements placed upon us, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into our procedures and decision-making processes.

GOOD GOVERNANCE PRINCIPLE 5

Winchester City Council will develop the capacity and capability of members and officers to be effective.

We will:

- provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis
- ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority
- assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively
- develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- ensure that effective arrangements are in place for reviewing the performance of the executive (Cabinet) as a whole and of individual members and agreeing an action plan to address any training or development needs
- ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority
- ensure that career structures are in place for members and officers to encourage participation and development.
- ensure that staff are given the skills to enable them to be deployed in a flexible way designed to support the effective management of priority actions, projects and programmes.

GOOD GOVERNANCE PRINCIPLE 6

Winchester City Council will engage with local people and other stakeholders to ensure robust public accountability.

We will:

- make clear to ourselves, all staff and the community to whom we are accountable and for what
- consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required
- produce an annual report on the activity of the scrutiny function
- ensure that clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively
- hold meetings in public unless there are good reasons for confidentiality
- ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements will recognise that different sections of the community have different priorities and we will establish explicit processes for dealing with these competing demands
- establish a clear policy on the types of issues we will meaningfully consult on or engage with the public and service users about, including a feedback mechanism for those consultees to demonstrate what has changed as a result
- on an annual basis, publish an annual report giving information on the authority's vision, strategy, performance plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period
- ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so
- develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.

Corporate Governance Self Assessment

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
Core Principle 1 – Focusing on the purpose of the authority and on outcomes for the local community and creating and implementing a vision for the local area		
<p>Exercising strategic leadership by developing and clearly communicating the Authority's purpose and vision and its intended outcome for citizens and service users.</p>	<p>Develop and promote the authority's purpose and vision.</p>	<p>The Winchester District Community Strategy 2010-2020 clearly communicates the Authority's vision and the outcomes it wants for its community. The strategy was refreshed in January 2014 following a consultation process.</p> <p>Change Plans have been developed in the past and adopted by the Council, capturing a series of programmes which contribute to the delivery of the outcomes outlined in the Winchester District Community Strategy 2010-20. Following the refresh of the strategy in January 2014 Portfolio Plans were developed which form the delivery plans for the Community Strategy, set out the responsibilities for each member of Cabinet and identify projects and programmes that will be delivered under each of the four priority outcomes.</p> <p>Community engagement is achieved in various ways including through the consultation process taken when the Winchester District Community Strategy was refreshed in January 2014.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Review on a regular basis the authority's vision for the local area and its implications for the Authority's governance arrangements.	<p>The Winchester District Community Strategy 2010-20 was last reviewed in during 2013-14 and the refreshed strategy approved and adopted in January 2014.</p> <p>The Change Plans have previously been reviewed annually in consultation with key stakeholder / partners and approved by Full Council. Portfolio Plans have now replaced the Change Plans, were developed as part of the consultation process when the Community Strategy was refreshed January 2014.</p> <p>The Council's adopted Local Code of Corporate Governance was reviewed and agreed as part of the Corporate Governance Report and Annual Governance Statement 2012/13 which was presented to the Audit Committee on 25 June 2013.</p>
	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.	<p>Partners actively contributed to the consultation process when the Community Strategy was refreshed in January 2014, collectively working together with a shared vision of outcomes</p> <p>The Council previously published Change Plans annually which were produced in consultation with other partners. Portfolio Plans have now replaced the Change Plans, were developed as part of the consultation process when the Community Strategy was refreshed January 2014.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance.	<p>The Annual Financial Report 2013-14 was presented to the Audit Committee on 25 September 2014 and was published on the Council's internet site.</p> <p>An outturn report, reporting on the progress made against all expected outcomes included in the Change Plans for 2013-14, was presented at The Overview and Scrutiny Committee (O&SC) on 7 July 2014.</p> <p>(NB: An outturn report for 2014-15 will be presented to The Overview and Scrutiny Committee in July 2015)</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</p>	<p>Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</p>	<p>The Winchester District Community Strategy 2010-2020 sets out the way Winchester City Council would like the district to change for the better over the next decade. The strategy was refreshed in January 2014 following a consultation process.</p> <p>Change Plans have been developed in the past and adopted by the Council, capturing a series of programmes which contribute to the delivery of the outcomes outlined in the Winchester District Community Strategy 2010-20. Following the refresh of the strategy in January 2014 Portfolio Plans were developed which form the delivery plans for the Community Strategy, set out the responsibilities for each member of Cabinet and identify projects and programmes that will be delivered under each of the four priority outcomes.</p> <p>Reports are presented to O&SC for each Change Plan and Portfolio Plan on a six monthly basis; results are available on the Council's internet site. The latest report was presented to The Overview and Scrutiny Committee on 8 December 2014 on the progress made on the Change Plans 2014-15.</p> <p>The Financial Strategy 2014/15 to 2018/19 provides the foundation for delivering the outcomes defined in the Community Strategy by enabling resourced Change Plans to be put in place.</p> <p><i>Qualitative measures are not in place nor are users views sought to help assess whether the service provided meets the desired quality standard.</i></p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Put in place effective arrangements to identify and deal with failure in service delivery.	<p>The Council has adopted a Corporate Complaints procedure which enables failure in service delivery to be reported and investigated appropriately and promptly.</p> <p>Annual reports are made to The Overview and Scrutiny Committee on the nature of complaints, the latest report presented on 23 March 2015.</p> <p>The Overview and Scrutiny Committee carries out 6 monthly reviews of Change Plan progress, the latest report was presented 8 December 2014 on the progress made on the Change Plans 2014 -15.</p> <p>Performance Management Team review key performance indicators and exception reporting against Change Plan progress each month.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Ensuring that the authority makes best use of resources and that taxpayer's and service users receive excellent value for money.</p>	<p>Decide how value for money (VFM) is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively.</p> <p>Ensure that timely, accurate and impartial financial advice and information is provided to assist in decision making and to ensure that the authority meets its policy and service objectives and provided effective stewardship of public money and value for money in its use.</p>	<p>Progress against the achievement of the Change Plans is reported to The O&SC.</p> <p>The Council previously published annual Change Plans which are subject to consultation with other partners. Portfolio Plans have now replaced the Change Plans, were approved when the Community Strategy was refreshed in January 2014.</p> <p>The Project Accountant provides support in major projects including awarding contracts and procurement.</p> <p><i>There is a clear requirement for providing VFM; however, there are no instructions on how this should be measured.</i></p> <p><i>Departments carry out benchmarking with other similar organisations but the information tends to reside at the service level.</i></p>
	<p>Measure the environmental impact of policies, plans and decisions.</p>	<p>Environmental Impact Assessments are completed for all projects managed by Major Projects Team.</p> <p>The Winchester District Evidence Base also covers a range of other studies and delivery plans that to varying degrees link with the Core Strategy.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Ensure that the authority maintains a prudential financial framework; keeps its commitments in balance with available resources; monitors income and expenditure levels to ensure this balance is maintained and takes corrective action when necessary.	<p>There are a number of key Cabinet and Audit Committee reports that evidence the maintenance of a prudential financial framework – financial and capital strategies, budgets, revised estimates and treasury reports.</p> <p>The Chief Finance Officer reports to CMT/PMT/Leaders Board, Portfolio Holders and more formally to Cabinet and the Audit Committee.</p>
	Ensure compliance with CIPFA's Code on a Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury Management Code.	<p>The Council has adopted the CIPFA Treasury Management in the Public Services Code of Practice.</p> <p>The Treasury Management Strategy 2015/16 (presented to Cabinet on 11 February 2015) fulfils the four key reports required by the Local Government Act 2003 including CIPFA's Prudential Code for Capital Finance in Local Authorities.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
Core Principle 2 – Members and officers working together to achieve a common purpose with clearly defined functions and roles		
<p>Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</p>	<p>Set out a clear statement of the respective roles and responsibilities of the executive and of the executive’s members individually and the authority’s approach towards putting this into practice.</p> <p>Ensure that the CFO reports directly to the chief executive and is a member of the leadership team with a status at least equivalent to other members. If different organisational arrangements are adopted, explain the reasons publicly, together with how these deliver the same impact.</p>	<p>The Constitution includes sections which clearly state the roles and responsibilities of the Executive (Cabinet); Portfolio Holders (including the Leader) and senior officers Including the Chief Executive):</p> <ul style="list-style-type: none"> • Part 1 – Summary and Explanation and Part 3 – Responsibility for Functions • Part 3 – Section 6 - The Scheme of Delegation • The Overview and Scrutiny Procedures (Part 4 – Rules of Procedure) were updated in April 2011 to reflect the current scrutiny function responsibilities. <p>The Annual Governance Statement publicly states the Chief Finance Officer reports to the Chief Executive and provides commentary regarding the arrangement.</p> <p>The Council’s Constitution (Part 5 – Codes and Protocols) includes the ‘Protocol for Member / Officer Relations’.</p>
	<p>Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers.</p>	<p>The Council’s Constitution (Part 3 – Responsibility for Functions) sets out a clear statement on the roles and responsibilities of other authority members, specifically Portfolio Holders, Regulatory Committee and Other Non-Executive Decision Making Committees.</p> <p>The Council’s Constitution (Part 3 – Section 6 - The Scheme of Delegation) clearly states the roles and responsibilities of senior officers.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Ensuring that a constructive working relationship exists between elected members and officers and that the responsibilities of authority members and officers are carried out to a high standard.</p>	<p>Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority taking account of relevant legislation and ensure that it is monitored and updated when required.</p>	<p>The Council's Constitution (Part 3 – Section 3) defines the Scheme of Delegation for Portfolio Holders.</p> <p>The Council's Constitution (Part 3 – Section 6 – The Scheme of Delegation to Officers) defines the delegated powers of officers. This includes members of Corporate Management Team, Assistant Directors and Heads of Team.</p> <p>Part 4 of the Constitution incorporates Financial Procedure Rules.</p> <p>Elements of the Constitution are reviewed and updated in the light of legal and organisational changes.</p> <p><i>Identified during the self-assessment that minor updates still need to be made to designated names of officers. This is in the process of being updated at the time of writing</i></p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Make a Chief Executive or equivalent responsible and accountable to the authority for all aspects of operational management.</p> <p>Ensure that the authority's governance arrangements allow the CFO direct access to the CEO and to other leadership team members.</p>	<p>The Chief Executive is the Head of Paid Service – appointed under Section 4 of the Local Government Act 1989, with the responsibilities defined within that Act for the overall corporate management and operational activities of the Council (as defined in the Part 5 of the Council's Constitution – Protocol for Member / Officer Relations and Article 12 - Officers).</p> <p>The job description for the Chief Executive recognises the post to also be the Head of Paid Service. The job description defines the main areas of accountability and responsibility covering all aspects of operational management. The Leader of the Council conducts the Chief Executive's appraisal.</p> <p>Governance arrangements allow the Chief Finance Officer direct access to the Chief Executive and other leadership team members.</p> <p>Performance Management is managed through the Performance Management Team and overseen by the Overview and Scrutiny Committee.</p>
	<p>Develop protocols to ensure that the Leader and Chief Executive (or equivalents) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</p>	<p>The Council's Constitution (Part 5 – Codes and Protocols) includes the 'Protocol for Member / Officer Relations'.</p> <p>The Constitution includes sections which clearly state the roles and responsibilities of the Leader and the Chief Executive –</p> <ul style="list-style-type: none"> • Part 1 – Summary and Explanation and Part 3 – Responsibility for Functions • Part 3 – Section 6 - The Scheme of Delegation

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Make a senior Officer (the S151 Officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p> <ul style="list-style-type: none"> • Appoint a professionally qualified CFO whose core responsibilities include those set out in the Statement on the Role of the CFO in Local Government and ensure that they are properly understood through the authority • Ensure that the CFO <ul style="list-style-type: none"> • Leads the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively • Has a line of professional accountability for finance staff throughout the organisation • Ensure that budget calculations are robust and reserves adequate, in line with CIPFA's guidance • Ensure that appropriate management accounting systems, functions and controls are in place so that finances are kept under review on a regular basis. These systems, functions and controls should apply consistently to all activities including partnership arrangements, outsourcing or where the authority is acting in an enabling role 	<p>The Chief Finance Officer, appointed under Section 151 of the Local Government Act 1972, has overall responsibility for the conduct and legality of the Council financial administration (Article 12 of the Constitution - Officers and Part 5– Protocol for Member / Officer Relations).</p> <p>The Chief Finance Officer holds the relevant professional qualification and continues with ongoing professional development. Good financial management is promoted and delivered; professional accountability for finance staff is in place; budget calculations are robust and in line with CIPFA requirements.</p> <p>Finances are reviewed through monitoring of budgets, cash flow and investments and the capital programme.</p> <p>The Internal Audit service maintains a Quality Assurance and Improvement Programme and the service is assessed against the Public Sector Internal Audit Standards and Local Government Application Noted for conformance. This review informs on the annual Effectiveness of Internal Audit report.</p> <p><i>Officers with significant financial responsibilities may be embedded with service departments with no professional accountability to the CFO.</i></p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Make a senior Officer (usually the Monitoring Officer) responsible to the Council for ensuring that agreed procedures are followed and that all applicable Statutes and Regulations are complied with.	The Chief Operating Officer is appointed as the Monitoring Officer under Section 5 of the Local Government and Housing Act 1989 who has responsibility for ensuring the lawfulness of any proposals, decisions or omissions of the Council and for the promotion of high standards of conduct within the Council (as defined in Part 2 Articles of the Constitution - Article 12 - Officers and in Part 5 of the Council's Constitution – Protocol for Member / Officer Relations).
Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other.	Develop protocols to ensure effective communication between members and officers in their respective roles.	Part 5 Codes and Protocols of the Constitution includes a specific 'Protocol for Member / Officer Relation' which provides clarity on what to expect from each party. The Members' Charter makes specific reference to Access to Officers.

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective Remuneration Panel.	<p>The Council's Constitution (Part 6 – Members Allowances Scheme) defines the terms and conditions under which allowances are paid. The Constitution also establishes an Independent Remuneration Panel.</p> <p>The latest Independent Remuneration Panel report was presented to Cabinet on 3 December 2014 and approved by Council on 12 January 2015.</p> <p>WCC employees work under NJC for LGS (National Joint for Council Local Government Service) conditions which are standard for Local Authorities. This establishes a clear pay structure. There is a process for assessing the grading of posts and an appeals process.</p> <p>The Accounts and Audit Regulations require disclosure of employees' remuneration which exceeds £50,000; this disclosure was included in the Annual Financial Report for year ended 31 March 2015.</p>
	Ensure that effective mechanisms exist to monitor service delivery.	<p>Actions are included in Change Plans and Portfolio Plans designed to deliver the priority outcomes as defined in the Winchester District Community Strategy 2010-20.</p> <p>Performance against the key priorities in the Changes Plans and Portfolio Plans are monitored throughout the year and reported to O&SC focussing on progress made on actions which contribute to achieving the agreed outcomes of the Council.</p> <p>Portfolio Holders hold regular meetings with Assistant Directors, at which time performance issues are identified and discussed.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p> <ul style="list-style-type: none"> • Establish a medium term business and financial planning process to deliver strategic objectives including: <ul style="list-style-type: none"> ○ A medium term financial strategy to ensure sustainable finances ○ A robust annual budget process that ensures financial balance ○ A monitoring process that enables this to be delivered • Ensure that these are subject to regular review to confirm the continuing relevance of assumptions used. 	<p>The Winchester District Community Strategy 2010-2020 provides a vision for the future and sets out how WCC will work with other organisations / partners to improve the quality of life for residents of the District. The Community Strategy was refreshed in January 2014 following consultation with the community and key stakeholders.</p> <p>The Change Plans and Portfolio Plans set out how the how the Winchester District Strategic Plan 2010-20 is to be delivered, including a defined set of priority actions and expected outcomes. For 2015-16 plans were approved by Full Council on 7 January 2015.</p> <p>The Council's Budget is produced annually and in consultation with key stakeholders. The general fund budget is aligned directly to the outcomes defined in the Winchester District Strategic Plan 2010-20 (plus the efficient and effective outcome).</p> <p>The Financial Strategy covers the medium term with an active focus on the current year combined with a consideration of implications for future years. The rolling strategy and the underlying assumptions are regularly reviewed.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority.</p> <p>Ensure that there is clarity about the legal status of the partnership.</p> <p>Ensure that representatives of organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.</p>	<p>The Council promotes the strengths of working in partnership and commits to the principles of good governance aligned to those developed by CIPFA.</p>
<p>Core Principle 3 – Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour</p>		

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</p>	<p>Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p>	<p>The Code of Conduct for Members which is included in the Council's Constitution (Part 5 – Codes and Protocols) clearly informs members of their responsibilities for treating others with respect and to disclose personal interests.</p> <p>The Employee Code of Conduct which is included in the Council's Constitution (Part 5 – Codes and Protocols) is communicated to employees as part of the induction process and clearly defines the conduct which is expect of them including a requirement for them to declare anything which may be perceived as a conflict of interest.</p> <p>The Chairman's Guide to Procedure at Meetings, included in the Council's Constitution (Part 8 – Local Guidance Notes), establishes clear protocols for conduct of business at committee meetings.</p> <p>Members working in partnerships are expected to act in a manner consistent with the Members Code of Conduct.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authorities, its partners and the community are defined and communicated through codes of conduct and protocols.</p>	<p>The Code of Conduct for Members, (Constitution Part 5 – Codes and Protocols) clearly informs members of their responsibilities for acting in a manner consistent with the principles referred to in the Localism Act 2011. Training on the Code of Conduct is made available annually to all elected members. The training is seen as essential for new Members and those who have not attended in past years.</p> <p>The Employee Code of Conduct, which is included in the Constitution (Part 5 – Codes and Protocols) states the expected behaviour or conduct particularly in communicating with Members, the local community, service users and contractors.</p> <p>The Anti Fraud & Corruption Policy reinforces the expectation that members and officers lead by example.</p> <p>Complaints procedures enable members of the public to raise concerns.</p> <p>Officers' performance and any specific training needs are evaluated through the Council's performance appraisal process.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.	<p>Constitution Part 5 – Codes and Protocols, specifically the Members and Employee Code of Conduct.</p> <p>Training on the Code of Conduct is made available annually to all elected members. The training is seen as essential for new Members and those who have not attended in past years.</p> <p>Part 5 of the Constitution defines a protocol for the receipt of gifts and hospitality. An up to date register of gifts and hospitality is maintained.</p> <p>Councillors register their interests and this is publicly available.</p> <p>The Employee Code of Conduct, included in the Council's Constitution (Part 5 – Codes and Protocols), clearly defines the conduct expected. The Employee Code of Conduct is communicated to new employees as part of the induction process.</p> <p><i>With respect to refresher there is a management action outstanding to re-communicate the Employee Code of Conduct to existing employees.</i></p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
Ensuring that organisational values are put into practice and are effective.	Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicate these with members, staff, the community and partners.	<p>The Code of Conduct which is included in the Council's Constitution (Part 5 – Codes and Protocols) clearly informs members of their responsibilities for treating others with respect and to disclose personal interests.</p> <p>The Employee Code of Conduct, included in the Council's Constitution (Part 5 – Codes and Protocols), clearly defines the conduct which is expected of them including a requirement for them to declare anything which may be perceived as a conflict of interest.</p> <p>The Winchester District Community Strategy 2010 – 2020 (refreshed in January 2014) states as one of its principles 'to foster good relations, mutual understanding and respect and shared goals and values'.</p> <p>Whistle-blowing arrangements are included within the Anti Fraud & Corruption Policy.</p>
	<p>Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>Ensure that systems and processes for financial administration, financial control and protection of the authority's resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice.</p>	<p>The Monitoring Officer function includes support to the Standards Committee in promoting and maintaining high standards of conduct.</p> <p>The Monitoring Officer reviews Cabinet and Committee reports and decisions for conformity with ethical standards. The Monitoring Officer reviews Council Minutes and the Register of Interests for both members and officers with governance responsibilities.</p> <p>Both the Member Code of Conduct and Employee Code of Conduct communicate the ethical standards expected.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Develop and maintain an effective standards committee.	The Standards Committee meets on a quarterly basis and the chairman is drawn from the Independent membership. Membership of the Committee includes and additional three Independent members three Parish representative (in line with Article 12 – The Standards Committee).
	Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority.	<p>The Constitution includes a guide to the decision making process and Article 13 of the Constitution sets out the principles for the decision making process.</p> <p>A standard template is used for presenting papers to Committees that includes a section as a reminder to highlight the relationship with the Winchester District Community Strategy 2010-20 and Change Plans (now revised to Portfolio Plans).</p>
	In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.	The Winchester District Community Strategy 2010-20 (refreshed in January 2014) defines the principles for delivering the Community Strategy, one being to foster good relations, mutual understanding and respect and shared goals and values, by promoting contact between different sections of the community.
Core Principle 4 – Taking informed and transparent decisions which are subject to effective scrutiny and managing risk		

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.</p>	<p>Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible.</p> <p>Maintain and resource and effective internal audit function.</p>	<p>The Council's scrutiny function operates through the O&SC and Audit Committees with clearly defined responsibilities and terms of reference.</p> <p>Prior to July 2013 the Internal audit function was delivered by Winchester City Council in partnership with two other local authorities. From July 2013 the service has been provided by Southern Internal Audit Partnership. The Head of Southern Internal Partnership has direct access to the Chief Finance Officer. Independence and objectivity is maintained by reporting to the Audit Committee. The effectiveness of the service is assessed against the Public Sector Internal Audit Standards and Local Government Application Note on an annual basis as part of the Partnership's Quality Assurance and Improvement Programme.</p> <p>Audit Committee and O&SC meetings are held in public with agendas, papers and minutes available on the WCC internet site.</p> <p>The Annual Scrutiny Report will be reported to The Overview and Scrutiny Committee in June 2015 and include reference to the topics reviewed. Implicit in these reviews is the, consideration of, and improvement to proposals.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.	<p>The Constitution includes a guide to the decision making process and Article 13 of the Constitution sets out the principles for the decision making process.</p> <p>Committee reports and minutes provide evidence of decisions taken with the recording of the rationale and considerations upon which these are based on. All are available, with exception to the exempt reports, through the Council's internet site.</p> <p>Every committee report and Portfolio Holder Decision notice is validated before being sent out by committee staff as legal and finance sign off is required before dispatch of all reports.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.	<p>The Council's Constitution incorporates Member and Employee Codes of Conduct which both state a requirement for declarations of interests to be made.</p> <p>Members declare any financial or other interests by the completing and signing annually 'Register of Members Interests'. Any subsequent interests throughout the year are through direct notification to the Monitoring Officer.</p> <p>Committee reports and corresponding minutes provide evidence of declarations of interests. All are available, with exception to the exempt reports, through the Council's internet site.</p> <p>Training on the Code of Conduct is made available annually to all elected members. The training is seen as essential for new Members and those who have not attended in past years.</p> <p>All complaints against elected members are considered by Standards Committee. A standard form and guidance notes are available on the Council's internet which can be used should someone want to raise a complaint against an elected member.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Develop and maintain an effective audit committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee.</p> <p>Ensure that the authority's governance arrangements allow the CFO direct access to the audit committee and external audit.</p>	<p>The Audit Committee has terms of reference and is independent of the executive and scrutiny function.</p> <p>To assist the Audit Committee in their duties annual training events are held. The topic is varied each year in accordance with needs. In 2014-15 a workshop with Members was conducted by an external consultant which focussed on Risk management</p> <p>The Chief Finance Officer has access to the Audit Committee and External Audit, enabled through the Whistle-blowing Policy.</p>
	<p>Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</p>	<p>All complaints about elected Members are considered by Standards Committee. A standard form and guidance notes are available on the Council's internet which can be used should someone want to raise a complaint against an elected member.</p> <p>Similarly there is a standard complaints process for registering dissatisfaction with delivery of services by the Council.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</p>	<p>Ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical and financial issues and their implications.</p> <p>Ensure provision of clear, well presented, timely, complete and accurate information and reports to budget managers and senior officers on the budgetary and financial performance of the authority.</p>	<p>The programme of training made available to elected members included the provision of Chairman training if required.</p> <p>The Committee Timetable 2015-16 lists all the meetings for the year with specific deadlines for submission of reports.</p> <p>Standard templates exist for use ensuring consistency in presentation.</p> <p>Clear, well presented, timely and accurate financial reports are produced for Budget Holders, Performance Management Team and Leaders Board.</p> <p>Key decisions are signed off by Finance and Legal as part of the process for presenting items to Members for consideration and decision making.</p>
	<p>Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.</p> <p>Ensure the authority's governance arrangements allow the CFO to bring influence to bear on all material decisions.</p> <p>Ensure that advice is provided on the levels of reserves and balances in line with good practice guidance.</p>	<p>Committee reports and corresponding minutes provide evidence of decisions taken with the recording of the rationale and considerations upon which these are based on. All are available, with exception to the exempt reports, through the Council's internet site. These indicate where advice has been given in the meeting.</p> <p>The Chief Finance Officer is included in the process leading to decisions with a material impact, before a decision is made.</p> <p>The Budget and Council Tax report, presented annually to Council includes advice on reserves and balances.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Ensuring that an effective risk management system is in place.</p>	<p>Ensure that risk management is embedded into the culture of the authority; with members and managers at all levels recognising that risk management is part of their jobs.</p> <p>Ensure the authority's arrangements for financial and internal control and managing risk are addressed in annual governance reports.</p> <p>Ensure the authority puts in place effective internal financial controls covering codified guidance, budgetary systems, supervision, management review and monitoring, physical safeguards, segregation of duties, accounting procedures, information systems and authorisation and approval processes.</p> <p>Ensuring that these controls are an integral part of the authority's underlying framework of corporate governance and that they are reflected in its local code.</p>	<p>The Risk Policy and Risk Management Statement of Practice 2015 include the roles and responsibilities of individuals and groups with respect to risk management and explain how the risk management process operates.</p> <p>The committee report template refers to risk management issues that should be considered.</p> <p>The authority's arrangements for financial and internal control and managing risk are addressed in the Annual Governance Statement.</p> <p>The Financial Instructions published on the Council's Intranet provide adequate guidance on accounting procedures.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those contracting with or appointed by the authority have access.	<p>The Council's Constitution (Part 5 – Codes and Protocols) includes the whistle-blowing policy, accessible to all via the Council internet. Officers are periodically alerted of the Anti-Fraud and Corruption Policy, Whistle-Blowing Policy and the Anti-Bribery Policy through Core Brief. The whistle-blowing policy provides contact details should anyone wish to raise a concern under the Whistle Blowing Policy.</p> <p>The annual submission to the Audit Commission Fraud Survey provides an indication that whistle-blowing arrangements are effective.</p>
Using their legal powers to the full benefit of the citizens and communities in their area.	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities.	The Chief Operating Officer undertakes the role of Monitoring Officer (appointed under Section 5 of the Local Government and Housing Act 1989) that has responsibility for ensuring the lawfulness of any proposals, decisions or omissions of the Council and for the promotion and maintenance of high standards of conduct within the Council.
	Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law.	Every committee report and Portfolio Holder Decision Notice is reviewed for legal content and checked/amended before issue to members. Sometimes the legal advice is specifically referred to as being given by the Chief Operating Officer or by the Head of Legal and Democratic Services. In other reports the legal content is incorporated in reports without this specific reference but has still been validated before being sent out by committee staff as legal and finance sign off is required before dispatch of all reports.

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes.	The Chief Operating Officer undertakes the role of Monitoring Officer (appointed under Section 5 of the Local Government and Housing Act 1989) that has responsibility for ensuring the lawfulness of any proposals, decisions or omissions of the Council and for the promotion and maintenance of high standards of conduct within the Council.
Core Principle 5 – Developing the Capacity and Capability of Members and Officers to be effective		
Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.	Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.	<p>Induction training is provided to all newly elected members. There is a Members Training and Development Programme for the year to develop the skills and knowledge of new and existing Members.</p> <p>An Induction Checklist is completed with new starters / employees, evidencing that they have familiarised themselves with their role. There is also a requirement for new starters to complete the e-induction course, covering various policies and procedures through the e-learning zone on the Council's Intranet.</p> <p>Ongoing training and development is available for all officers with the publication of courses via the intranet and the HR training portal page as well as more formally directed through the appraisal process</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority.</p> <p>Ensure the CFA has the skills, knowledge, experience and resources to perform effectively in both the financial and non financial areas of their role.</p> <p>Review the scope of the CFO's other management responsibilities to ensure financial matters are not compromised.</p> <p>Provide the finance function with the resources, expertise and systems necessary to perform its role effectively.</p>	<p>The Head of Paid Service, Monitoring Officer and S151 Officer have the necessary skills required to perform their role effectively.</p> <p>The roles and responsibilities of the Statutory Officers are clearly defined in the Constitution and included on individual job descriptions.</p> <p>Financial Services needs to be structured to provide the necessary resources and expertise to perform its role effectively. A review of the service during 2012/13 resulted in structural changes being made to meet ongoing requirements to support the Council. A further review is planned in 2015.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.</p>	<p>Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.</p> <p>Embed financial competencies in person specifications and appraisals.</p> <p>Ensure that Councillors roles and responsibilities for monitoring financial performance / budget management are clear, that they have adequate access to financial skills and are provided with appropriate financial training on an ongoing basis to help them discharge their responsibilities.</p> <p>Assess the financial skills required by members of the Leadership Team and commit to develop those skills to enable their roles to be carried out effectively.</p> <p>Assess the financial skills required by managers and commit to develop those skills to enable their roles to be carried out effectively.</p>	<p>New Member Induction Evenings are held when required, presented by the Chief Executive, Corporate Management Team and Assistant Directors aimed at outlining the work of their respective groups.</p> <p>The Member Training and Development Programme is established each year to develop Members' skills and knowledge. The programme is also designed to provide guidance on new initiatives / changes in Local Government.</p> <p>Officers' performance and any specific training needs are evaluated through the Council's performance appraisal process.</p> <p>Member training on specific financially related topics has been provided during the year; including externally facilitated Treasury management training, and risk management training.</p>
	<p>Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p>	<p>The Member Training and Development Programme is established each year to develop Members' skills and knowledge. The programme is also designed to provide guidance on new initiatives / changes in Local Government.</p> <p>Officers' performance and any specific training needs are evaluated through the Council's performance appraisal process.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan, which might, for example, aim to address any training, or development needs.	<p>The O&SC receives reports relating to performance monitoring and considers any issues arising from this.</p> <p>Informal Scrutiny Groups (task and finish groups) are appointed by the O&SC and report their findings accordingly.</p> <p>The Leader of the Council conducts the Chief Executive's appraisal. The Chief Executive conducts the Directors' appraisals.</p> <p>Officers' performance and any specific training needs are evaluated through the Council's performance appraisal process.</p>
Encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.	Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority.	<p>The Council works with its partners in the community through when the opportunities arise and are appropriate.</p> <p>The Council works closely with its Housing Tenants, through TACT (Tenants and Council Together) to involve them in the management of its housing stock.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	Ensure that career structures are in place for members and officers to encourage participation and development.	<p>Personal Development Plans form part of the Performance Appraisal Process.</p> <p>The 1-Team initiative enables staff skills and experience to be shared across the Council and encourages development. It makes greater use of the skills and resources of the organisation.</p> <p>The E-learning portal includes management development opportunities.</p> <p>The ASPIRE programme helps develop overall management potential.</p>

Core Principle 6 – Engaging with local people and other stakeholders to ensure robust public accountability		
Exercising leadership through a robust scrutiny function, which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.	Make clear to themselves, all staff and the community to whom they are accountable and for what.	<p>The O&SC has a clearly defined scrutiny role. Members of the public can attend meetings.</p> <p>Employees are informed at Chief Executive Briefings of the overall strategy and direction of the organisation.</p>
	Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required.	<p>The O&SC can review the City Council's partnership working in relevant areas. The O&SC is able to look at all aspects of a partnership's work including WCC's role, performance management and monitoring work programmes.</p> <p>The Joint Environmental Services Scrutiny Committee was established in 2013-14 in order to scrutinise the depot services contract as well as recycling performance and joint working as part of the Project Integra Partnership.</p> <p>The commissioning process is being applied to identify different ways to engage with small businesses and voluntary sector organisations to deliver services.</p>
	Produce an annual report on the activity of the scrutiny function.	An Annual Report will be presented to the O&SC in June 2015, commenting on the activity of the scrutiny function.

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.	Ensure clear channels of communication are in place with all sections of the community and other stakeholders, including monitoring arrangements, and ensure that they operate effectively.	<p>Council branding is used to raise public awareness of services provided by the authority; press releases are available on the internet site.</p> <p>The Council's internet site is used as a source of information to the community and other stakeholders as well as inviting comments to be made to the Council.</p> <p>Twitter and Facebook are being used as additional communication channels. The effective take up of these communication channels are monitored against specific performance indicators.</p>
	Hold meetings in public unless there are good reasons for confidentiality.	All decision making meetings and formal Scrutiny Meetings are open to the public with public participation, other than for items falling within exempt categories of business.
	Ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands	<p>Various arrangements are in place to engage with different sections of the community including direct engagement with housing tenants through TACT.</p> <p>Councillors' represent their communities.</p> <p>Previous consultations are listed on WCC internet and demonstrate that during 2014-15 there was evidence of consultations taking place.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Establish a clear policy on the types of issues on which they will meaningfully consult on or engage with the public and service users, including a feedback mechanism for those consultees to demonstrate what have changed as a result.</p>	<p>Consultations can be via the WCC internet site and link to e-panel pages for interested members of the public to engage with.</p> <p>Previous consultations are listed on the Council's website and demonstrate that during 2014-15 there was evidence of consultations taking place.</p> <p>Feedback mechanism is less transparent, but can be discerned from policy decisions made by the Council where relevant – although the lead time between the initial consultation and the final result can be lengthy.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Publish an annual performance plan giving information on the Authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p>	<p>Change Plans / Portfolio Plans are in place that shows the Authority's vision and strategy. The plans are the overarching planning documents for the conduct of Council business. Performance plans are at a high level with outcomes being expressed more as aspirations rather than quantitative targets.</p> <p>The Council's Budget is produced annually and in consultation with key stakeholders. The general fund budget is aligned directly to the outcomes defined in the Winchester District Strategic Plan 2010-20 (plus the efficient and effective outcome).</p> <p>The audited Annual Financial Report 2013-14 was presented to the Audit Committee on 25 September 2014; it was published on the Council's internet.</p> <p>O&SC receives annual and mid year reports on performance against outcomes included in the approved the Change / Portfolio Plans.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
	<p>Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</p>	<p>The Council's Customer Service Centre provides a single point of contact for customer queries.</p> <p>The Council intranet provides staff with a wealth of information, although not all links contained in the pages work.</p> <p>Constitution and Cabinet / Committee reports are available on the Council's internet site (minutes).</p> <p>Details of the Freedom of Information Act 2003 and the right to access information held by the Council are clearly outlined on the Council's internet site.</p> <p>The Council issues the weekly newsletter 'City Voice' to all staff via the intranet.</p> <p>The Management Core Brief is communicated to all staff via their managers each month.</p> <p>Information on Council Tax is available at reception points and on the internet.</p>

Supporting Principles	Specific requirements to:	<i>Compliance Commentary (italicised areas for improvement)</i>
<p>Making best use of human resources by taking an active and planned approach to meet responsibilities to staff.</p>	<p>Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision-making.</p>	<p>The Council issues the weekly newsletter 'City Voice' to all staff via the intranet. The Management Core Brief is communicated to all staff via their managers each month.</p> <p>The Chief Executive advises staff periodically via e-mail and by group briefings where there are important items for staff to be aware of.</p> <p>The Council participates in the 'Best Places to Work' survey that provides feedback on staff perceptions that relate (in part) to staff terms and conditions.</p>