

REPORT TO: Audit and Governance Committee

MEETING DATE: 19 May 2015

BY: Chief Executive

SUBJECT: 2015 Corporate Governance Self-evaluation/ Annual Governance Statement

1 PURPOSE

- 1.1 To advise Audit and Governance Committee of the outcome of the 2015 Corporate Governance Self-evaluation and seek approval for the content of the Annual Governance Statement.

2 RECOMMENDATIONS

- 2.1 Committee is asked to consider and comment on the self-evaluation (Appendix 1) and to approve the summary (paras 3.4 – 3.6) for inclusion in the Annual Governance Statement that will form part of the Council's 2014/15 Annual Accounts.

3 BACKGROUND

- 3.1 Cabinet (11th May 2010) approved the adoption of a Code of Corporate Good Governance based on the six principles of good governance and the self-evaluation model outlined in the CIPFA/ SOLACE *Guidance on Delivering Good Governance in Local Government*. A task group comprising senior officers of the Council was given responsibility for developing, monitoring and reviewing the code and governance statement.
- 3.2 This group, comprising the Monitoring Officer (Depute Chief Executive, Partnerships and Community Services), Section 95 Officer, Chief Social Work Officer, Head of Communities and Partnerships and Internal Audit Manager, has reviewed the documentary evidence and practice around each of the six supporting principles and code requirements as detailed in the corporate governance code. The group also reviewed progress in achieving the actions points arising from last year's self-evaluation that were incorporated into the 2014/15 Council Improvement Plan.

- 3.3 The review formed the basis of the self-evaluation which is detailed in Appendix 1.
- 3.4 The 2015 corporate governance self-evaluation has found that East Lothian Council continues to have good governance and control arrangements in place across the six principles. The improvement actions which have been carried out over the last four years have addressed the weaknesses that have been identified in previous self-evaluations. All the improvement points included in the 2014/15 Council Improvement Plan have been completed or are being completed (see Appendix 2).
- 3.5 The self-evaluation has highlighted the actions and development that have been implemented or begun in 2014/15 to further improve the Council's governance arrangements and has not identified any further actions or improvement points to be implemented in 2015/16.
- 3.6 The reports of the Council's auditors (Interim Management Report to Audit & Governance Committee, May 2015) and the Local Area Network (Local Scrutiny Plan 2015/16, reported to Council, April 2015) provide assurance that there are no significant concerns about the council's governance arrangements.

4 POLICY IMPLICATIONS

- 4.1 The corporate governance code and self-evaluation framework detailed in Appendix 1 complement the Council's *How Good is Our Council* self-evaluation. The corporate governance self-evaluation fulfils the Council's commitment to assess whether it meets the principles and requirements set out in the guidance on Delivering Good Governance in Local Government. The addition of the summary of the self-evaluation to the Internal Financial Control statement will fulfil the remit to include an Annual Governance Statement in the Council's Annual Accounts.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none.
- 6.2 Personnel – none.
- 6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Appendix 1: Corporate Governance Self-evaluation, May 2015
- 7.2 Appendix 2: 2014/15 Council Improvement Plan: Monitoring Report
- 7.3 Delivering Good Governance in Local Government: Guidance Note for Scottish Authorities. (CIPFA 2008)
- 7.4 Report on Corporate Governance Self-evaluation; Corporate Governance PPRP, 22nd June 2010

AUTHOR'S NAME	Paolo Vestri
DESIGNATION	Service Manager: Corporate Policy and Improvement
CONTACT INFO	pvestri@eastlothian.gov.uk 01620 827320
DATE	27 th April 2015

APPENDIX 1: CORPORATE GOVERNANCE SELF-EVALUATION: April 2015

PRINCIPLE 1: Focusing on the purpose of the authority; on outcomes for citizens; and, service users and creating and implementing a vision for the area

Supporting Principle & Code Requirements	Evidence	2014 Update and Improvement Points	Update and 2015 Improvement Points
1.1 Exercising strategic leadership by developing and clearly communicating the authority's purpose, vision and its intended outcome for citizens and service users			
1.1.1 Develop and promote the authority's purpose and vision	<ul style="list-style-type: none"> • 2020 Vision • Council Plan 2012-2017 • Council Improvement Plan • Single Outcome Agreement (SOA) • HGIOC Self Evaluations • Communications of corporate objectives across services • Incorporation of objectives and outcomes in Service Planning guidance • Corporate Induction Pack and training course • Three-year Financial Strategy • One Council Workshops <p>The 2015 Employee Engagement Survey showed 93% of staff agreed "I know how my job contributes to the Council's objectives"</p>	<p>Council Plan monitoring report being prepared</p> <p>Continue with programme of communicating Plan priorities to staff and citizens</p> <p>Service Plans should reflect Council Plan priorities and actions</p> <p>Workforce Development Plan emphasises link to Council purpose and vision and PRDs</p> <p>One Council - Working Together workshop programme for staff across the Council is being organised</p> <p>No further action required</p>	<p>The Council Plan was reviewed in October 2014 and key priorities were identified to ensure the Plan is achieved</p> <p>One Council Workshops successfully piloted in January 2015 and programme of Workshops planned to take place in May – July and then in the autumn</p> <p>The Council's intranet is being refreshed and will enhance staff communications which will promote the Council's purpose and vision to staff</p> <p>No further action required</p>

<p>1.1.2 Review on a regular basis the authority's vision for East Lothian and its implications for the authority's governance arrangements</p>	<ul style="list-style-type: none"> • Corporate Governance Code and self-evaluation framework adopted in May 2010 • Report on Council's vision, priorities and policies (Council, 22nd Feb 2011) • Council Plan 2012-2017 • Council Plan reviewed in October 2014 • Chief Officers/ Council Management Team re-structured March 2012 and in July 2013 • Senior Management level restructured in Nov 2013 	<p>Area Partnership framework agreed and six Area Partnerships being established to develop six Area Plans linked to the SOA / Council Plan vision and priorities</p> <p>2020 Vision still relevant and forms basis of Council Plan and SOA</p> <p>No further action required</p>	<p>Area Partnerships are preparing their Area Plans</p> <p>The Health and Social Care Integration scheme has been approved by the Council and NHS Lothian and appropriate governance arrangements (including the Integrated Joint Board) are being established</p> <p>A draft Strategic Health and Social Care Plan is being consulted on</p> <p>No further action required</p>
---	--	---	---

<p>1.1.3 Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners</p>	<ul style="list-style-type: none"> • SOA 2013 • East Lothian Partnership structure and remit and roles of partnerships • East Lothian Partnership self-evaluation carried out in Dec 2014 • New Children's Strategic Partnership established in 2014 • Agreements between East Lothian Council and partners • Shared Services agreement with Midlothian Council continuing through Joint Liaison Group • Local Policing Plan • Local Fire and Rescue Plan 	<p>New CPP structure and SOA focused on delivering agreed vision, priorities and outcomes;</p> <p>Jointly Accountable Officer appointed and the Shadow Health & Social Care Partnership established. Integration Plan being developed and will be implemented from early 2015</p> <p>Local Policing Plan and Local Fire and Rescue Plan agreed by Council</p> <p>Partnering arrangements with Midlothian Council developed on a business case basis</p> <p>2014 Actions:</p> <p><i>Develop toolkit of self-evaluation of Partnerships based on Improvement Service model</i></p> <p><i>Work with partners to develop and implement Children's Services inspection Improvement Plan</i></p>	<p>Various toolkits are being used for self-evaluation</p> <p>East Lothian Partnership self-evaluation carried out in Dec 2014 using the Improvement Service framework</p> <p>Health and Social Care Partnership developing use of Public Service Improvement Framework for self evaluation of health services</p> <p>New Children's Strategic Partnership established following inspection of children's services and taking the lead in implementing the improvement plan arising from the inspection including programme of self-evaluation</p> <p>A self-evaluation is being carried out of partners involved in delivering adult services</p> <p>Partners are developing new arrangements for community justice and to achieve the outcome of 'reducing reoffending'</p> <p>No further action required</p>
--	---	---	---

<p>1.1.4 Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance</p>	<ul style="list-style-type: none"> • Annual Accounts • Annual Performance Reports • SOA Annual Report • Unaudited Annual Accounts reported to Audit & Governance Co in June and to Council in August 	<p>Unaudited accounts to be submitted to July meeting of Audit & Governance Committee</p> <p>Annual Performance Report 2013/14 to be published on Council website in September</p> <p>No further action required</p>	<p>Unaudited accounts to be submitted to June meeting of Audit & Governance Committee instead of a meeting in the summer recess period. This requires an acceleration of the preparation of the accounts</p> <p>Annual Performance Report 2014/15 to be published on Council website in September</p> <p>No further action required</p>
--	--	--	---

1.2 Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning

<p>1.2.1 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>	<ul style="list-style-type: none"> • Service standards • HGIOC, Business Plans and Improvement Plans • SOA Annual Report • Key Performance Indicators including local Government Benchmarking Framework indicators • PPR Co reporting and performance briefings for elected members • Complaints and compliments feedback • Independent inspection reports • Chief Social Work Officer's Annual Report • Service users' surveys • Citizens' Panel • Tenants' scrutiny activity including estate inspections, mystery shopping, surveys and focus groups • East Lothian Profile and Ward Profiles 	<p>Review of consultation strategy resulted in decision to establish an East Lothian Citizens' Panel to regularly review citizens' views about services; first survey in May 2014</p> <p>Data profiles have been completed and are being used to inform Council strategies and plans as well as Area Plans</p> <p>Use of Consultation hub being monitored</p> <p>East Lothian Partnership developing a Consultation and Engagement Framework to guide/ support partnership consultation and engagement</p> <p>Budget consultation took place prior to setting 2014/15 budget</p> <p>No further action required</p>	<p>Citizens' Panel being surveyed twice a year</p> <p>Citizens' Led Inspection (Residents' Review) of amenity services to be piloted (May/ June 2015)</p> <p>Budget consultation took place prior to setting 2015/16 budget</p> <p>Tenants consultation took place over rent levels</p> <p>No further action required</p>
---	--	--	---

<p>1.2.2 Put in place effective arrangements to identify and deal with failure in service delivery</p>	<ul style="list-style-type: none"> • PPR Co reporting on key Performance Indicators, the Local Government Benchmarking Framework and customer feedback • HGIOC and service improvement plans incorporated into Service Plans • Significant case reviews in Social Work • Social Work Appeals Sub-Co • Social Work Complaints Review Co • Reporting of customer complaints and feedback • Whistleblowing Policy • External audits and inspection reports • Responding to issues raised by elected members 	<p>Six-monthly Customer Feedback performance reports presented to PPR Co. Poor customer feedback reflected back to relevant service for action</p> <p>Quarterly Performance reports considered by PPR Co and poor performance monitored and acted on</p> <p>Assurance and Improvement Plan provides assurance on overall performance</p> <p>No further action required</p>	<p>Participation in national and family group benchmarking exercises based on the Local Government Benchmarking Framework</p> <p>The Council participates in the Scottish Housing Best Value Network and supports a range of tenant led scrutiny activity that is leading to service improvements</p> <p>Poor performance in rent arrears led to the establishment of the rent arrears working group which has contributed to improvements in performance</p> <p>No further action required</p>
--	---	--	---

1.3 Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money

<p>1.3.1 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. Measure the environmental impact of policies, plans and decisions</p>	<ul style="list-style-type: none"> • Procurement Strategy • Performance Management framework • PPR Co reporting • Audit & Governance Co reporting • Citizens' Panel • Customer feedback / surveys • Consultation and Engagement Strategy • Procurement Improvement Plan and Procurement Capability Assessment 	<p>Introduction of Combined Impact Assessment (including environmental impact) delayed to allow for agreement with Midlothian Council and NHS Lothian on a single CIA across the agencies. Final version agreed April 2014 and will be used in association with new reports template in August 2014</p> <p>Best Value Review template being developed</p> <p>Key Performance Indicators agreed and monitored</p> <p>Improved Procurement Capability Assessment achieved</p> <p>Benchmarking exercises using the Local Government Benchmarking Framework have begun</p> <p>Senior management group established to oversee reduction in rent arrears</p> <p>Chief Executive's budget review group established to ensure Council services operate within their approved budgets and the financial strategy</p> <p>No further action required</p>	<p>Best Value Review of Strategic Asset and Capital Plan Management to be undertaken in 2015/16 using the Best Value Review template</p> <p>Internal Audit undertakes annual audit of Performance Indicators</p> <p>No further action required</p>
---	---	---	--

PRINCIPLE 2: Members and Officers working together to achieve a common purpose with clearly defined functions and roles

Supporting Principle & Code Requirements	Documentary Evidence <i>(new items in italics)</i>	2014 Update and Improvement Points	Update and 2015 Improvement Points
2.1 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			
2.1.1 Set out a clear statement of the respective roles and responsibilities of Members generally and of Senior Officers	<ul style="list-style-type: none"> • Scheme of Delegation • Member/ officer protocol • CPD pilot for elected members • Review of Impact of Multi-Member Wards and Officer Member Relations carried out in 2011 • Induction programme for new elected members • Improvement Service Notebooks for new elected members • Guide to Scrutiny for elected members • Roles and Responsibilities for Elected members 	<p>Roles and Responsibilities for elected members agreed by Council</p> <p>Five elected members enrolled in CPD</p> <p>Regular briefings for elected members including Standards Commission session</p> <p>2014 Action:</p> <p><i>Review and develop elected members' training and briefings including briefing on Capital Investment Strategy and development issues arising from Councillors' responses to a survey based Audit Scotland Overview of Scottish Local Government Councillors' Checklist</i></p>	<p>Survey of elected members based on Overview of Scottish Local Government Councillors' Checklist undertaken in December 2014. The results have informed the programme of Elected members' briefings for 2015 including briefing from the Standards Commission</p> <p>No further action required</p>

2.2 Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard			
2.2.1 Determine a Scheme of Delegation and reserve powers within constitution, including a formal scheme on 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	<ul style="list-style-type: none"> • Scheme of Delegation • Policies such as HR policies include delegation of powers to officers 	<p>New Standing Orders and Scheme of Delegation agreed by Council</p> <p>No further action required</p>	<p>Standing Orders reviewed regularly and revised as required</p> <p>No further action required</p>
2.2.2 Ensure the Chief Executive is responsible and accountable to the authority for all aspects of operational management within the Scheme of Delegation	<ul style="list-style-type: none"> • Chief Executive's job description • Appraisal of Chief Executive • Peer review by Executive Directors • Scheme of Delegation • Members Library reports record decisions taken under delegated powers 	<p>As above</p>	<p>No further action required</p>
2.2.3 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	<ul style="list-style-type: none"> • Member/ officer protocol within Council Standing Orders • Regular meetings between Chief Executive and Council Leader • Annual appraisal for Chief Executive with Leader and Depute Leader • New Council Plan based on joint working between Chief Executive and Council Management Team and Council Leader and Administration agreed by Council • Chief Executive and Council Leader jointly represent the Council at various forums 	<p>See 2.1.1</p>	<p>No further action required</p>

<p>2.2.4 Make a Senior Officer (the Section 95 Officer) responsible to the authority for ensuring appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining effective systems of internal financial control</p>	<ul style="list-style-type: none"> • Section 95 Officer • Annual Accounts and Statement of Internal Financial Control • Internal and external audit reports 	<p>No further action required</p>	<p>No further action required</p>
<p>2.2.5 Make a senior officer (the Monitoring Officer; and for social work services the Chief Social Work Officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with</p>	<ul style="list-style-type: none"> • Monitoring Officer • Chief Social Work Officer • Internal audit reports • CSWO Annual Report • Scottish Government guidance on the role of CSWO and registered social workers 	<p>No further action required</p>	<p>No further action required</p>
<p>2.3 Ensuring relationships between the authority, its partners and the public are clear so that each know what to expect of each other</p>			
<p>2.3.1 Develop protocols to ensure effective communication between Members and Officers in their respective roles</p>	<ul style="list-style-type: none"> • Member/ officer protocol within Council Standing orders • New Council Plan based on joint working between Chief Executive and Council Management Team and Council Leader and Administration agreed by Council • Regular Joint Senior Officers and Members group meetings held 	<p>See 2.1.1</p>	<p>No further action required</p>

<p>2.3.2 Ensure that an established scheme for remuneration of Members and Officers and an effective structure for managing the process including an effective remuneration panel (if applicable) are in place</p>	<ul style="list-style-type: none"> • The Council follows the recommendations made by the Scottish Local Authorities Remuneration Committee • Chief Executives' scheme of remuneration • Registers of Interest for Members and Chief Officials • Auditors reviewed the outcome of the review of senior officers 	<p>No further action required</p>	<p>No further action required</p>
<p>2.3.3 Ensure that effective mechanisms exist to monitor service delivery</p>	<ul style="list-style-type: none"> • Performance Management / Improvement framework • Performance website includes details of key performance indicators • Members' quarterly briefings and reports to PPR Committee • HGIOC • Service Plans and Corporate Improvement Plan • Independent inspections • Assurance and Improvement Plan agreed with Local Area Network 	<p>See 1.3.1</p> <p>Monthly Heads of Service Highlight reports with a focus on performance considered by Council Management Team</p> <p>Focused work with Local Area Network on self-evaluation programme</p> <p>No further action required</p>	<p>See 1.2 and 1.3</p> <p>No further action required</p>
<p>2.3.4 Ensure that the authority's vision, corporate 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"> • New Council Plan based on draft approved in Jan 2012 and administration party manifestos • Single Outcome Agreement • Citizens' Panel • Consultation and Engagement Strategy • Council's vision, Plan and priorities are communicated to the Senior Management Team, including Head Teachers 	<p>See 1.1.1</p>	<p>No further action required</p>

<p>2.3.5 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>	<ul style="list-style-type: none"> • Scheme of Administration, including Scheme of Delegation and Councillors' Code of Conduct • Memorandums and Articles of arms length companies • Induction programme for new elected members • Improvement Service Notebooks for new elected members • Advice provided to members on partnerships and outside bodies (e.g. Enjoy Leisure and Musselburgh Joint Racecourse Committee) 	<p>See 2.1.1</p> <p>East Lothian Partnership Handbook includes roles and responsibilities of Partnership members</p> <p>No further action required</p>	<p>Training being developed for the members of the Integrated Joint Board</p> <p>The Council is actively engaged in trying to reverse the Scottish Local Government Boundary Commission's intention to reduce the number of elected members from 23 to 21 as a reduction in the number of elected members will reduce capacity to effectively engage with partnerships</p> <p>No further action required</p>
<p>2.3.6 When working in partnership, 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 organisations to partner decisions</p>	<ul style="list-style-type: none"> • As above • Partnership Funding Strategy • East Lothian Partnership Improvement Plan • Service Level Agreements increasingly used when funding outside organisations • Procurement Improvement Plan • Adult and Children's Services Commissioning strategies • Draft Health and Social Care Integration scheme approved by Council 	<p>Joint Asset Management Group established by East Lothian Partnership</p> <p>Transfer of Community Centres to Management Committees progressing</p> <p>No further action required</p>	<p>Working group developing an Asset Transfer policy that will prepare the Council for the new responsibilities and duties arising from the Community Empowerment Bill</p> <p>No further action required</p>

PRINCIPLE 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behavior

Supporting Principle & Code Requirements	Documentary Evidence <i>(new items in italics)</i>	2014 Update and Improvement Points	Update and 2015 Improvement Points
3.1 Ensuring authority Members and Officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance			
<p>3.1.1 Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect</p>	<ul style="list-style-type: none"> • Scheme of Administration, including Councillors' Code of Conduct • Various mechanisms used to inform council staff and the public of council decisions and policies • Customer Excellence • East Lothian Way • Service based Joint Consultative Committees have been established • Annual Employee Engagement Survey and feedback to staff • All FOI responses are on the Council's website • Whistleblowing Policy • Council's website has been improved and achieved positive SOCITM score • Workforce Development Plan 	<p>Review of Whistleblowing Policy completed</p> <p>Employee Engagement Survey found 90% of staff able to disclose personal information and 87% of staff feel they are treated fairly</p> <p>Management training (CMI 5 and CMI 3) rolled out for senior managers and frontline managers</p> <p>No further action required</p>	<p>2015 Employee Engagement Survey showed 91% of staff feel able to disclose personal information, 89% are able to discuss health and wellbeing issues with their manager and 88% feel they are treated fairly</p> <p>Three CMI 5 training courses have been run involving 20 service managers. Another course will begin in October 2015.</p> <p>Three CMI 3 courses have been run with further courses planned for later in 2015</p> <p>No further action required</p>

<p>3.1.2 Ensure that standards of conduct and personal behaviour expected of all Members and staff, and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols</p>	<ul style="list-style-type: none"> • Scheme of Administration, including Councillors' Code of Conduct • East Lothian Partnership, three supporting Partnerships and six Area Partnerships • Disciplinary Code of Conduct for Employees • The East Lothian Way • Performance Review and Development Scheme for employees • Transformational Leadership Programme for senior officers and managers • Review of Impact of Multi-Member Wards and Officer Member Relations • Scottish Social Services Council Code of Conduct • Social Media Policy 	<p>East Lothian Partnership is to agree a Code of Conduct for members of the Partnership groups</p> <p>Elected members' Roles and responsibilities agreed by the Council</p> <p>Workforce Development Strategy includes refresh of PDFs and East Lothian Way</p> <p>Staff Communications being reviewed</p> <p>No further action required</p>	<p>East Lothian Partnership has agreed a Code of Conduct for members</p> <p>Performance Review and Development, incorporating the East Lothian Way for staff is being reviewed</p> <p>No further action required</p>
<p>3.1.3 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>	<ul style="list-style-type: none"> • Members' and Officers Codes of Conduct and Registers of Interests • Standing Orders • Single Equality Scheme • Standing Orders including Scheme of Delegation and Equalities Policies • Whistleblowing Policy • Gifts and Hospitality policy • Induction programme for new elected members 	<p>See 2.1.1</p>	<p>Gifts and Hospitality Policy was revised</p> <p>Internal audit audited elected members gifts and hospitality</p> <p>No further action required</p>

3.2 Ensuring that organisational values are put into practice and are effective			
3.2.1 Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicating these with Members, staff, the community and partners	<ul style="list-style-type: none"> • East Lothian Way • Council Plan 2012-2017 • SOA and Community Plan • Customer Excellence • Transformational Leadership Programme • Performance Review & Development Scheme for employees • Corporate Induction Pack and Course for Managers • Code of Conduct and Disciplinary Procedures for all employees • Team Talk communication channel • Workforce Development Strategy and Plan 	<p>Workforce Development Strategy and plan developed including actions to review the East Lothian Way</p> <p>CMI 5 and CMI 3 programme for senior managers and frontline managers</p> <p>Response to Employee Engagement Survey 2014 being developed</p> <p>Staff communications being reviewed</p> <p>No further action required</p>	<p>See 3.1.1</p> <p>Council Plan was reviewed and refreshed in Oct 2014</p> <p>A series of One Council Workshops s being organised to engage with staff from across the Council</p> <p>No further action required</p>
3.2.2 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	<ul style="list-style-type: none"> • Standing Orders including Councillors' Code of Conduct • Gifts and Hospitality policy 	No further action required	<p>See 3.1.3</p> <p>No further action required</p>
3.2.3 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	<ul style="list-style-type: none"> • Standing Orders • East Lothian Way • Roll out of PRD for all employees • Annual Employee Engagement Survey • Council Plan 2012-2017 	No further action required	<p>See 3.2.1</p> <p>No further action required</p>

PRINCIPLE 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Supporting Principle & Code Requirements	Documentary Evidence <i>(new items in italics)</i>	2014 Update and Improvement Points	Update and 2015 Improvement Points
4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny			
4.1.1 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	<ul style="list-style-type: none"> • Scheme of Administration • Audit & Governance Committee • PPR Committee • Reviews of the use of Scrutiny Guide by Audit & Governance and PPR Committees • Local Area Network and external auditors review the Council's scrutiny activity 	<p>CIPFA course on the Role of Audit Committee attended by Audit & Governance Committee and Chair of PPR Co</p> <p>LAN supported HGIOC peer review sessions and 2013 Corporate Governance Self-evaluation</p> <p>2014 Action: <i>Scrutiny training for PPR Co members</i></p>	<p>Local Area Network has participated in HGIOC peer review sessions in early 2015</p> <p>Elected members' briefing on performance management to be held in September 2015</p> <p>No further action required</p>
4.1.2 Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	<ul style="list-style-type: none"> • Scheme of Administration including Scheme of Delegation • Members Library Service and Bulletin to report delegated decisions • E-gov provides access to all reports and minutes 	No further action required	No further action required
4.1.3 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	<ul style="list-style-type: none"> • Standing Orders including Scheme of Delegation and Councillors' Code of Conduct with provisions for Registers and Declarations of Interest • Recruitment and Selection procedures and training • Discipline and Grievance Procedures • Whistleblowing Policy • Gifts and Hospitality policy • Procurement Strategy 	<p>Whistleblowing Policy reviewed and will be published and publicised to staff in May</p> <p>No further action required</p>	<p>See 3.1.3</p> <p>Standards Commission delivering training session for elected members on Declaration of Interest (May 2015)</p> <p>No further action required</p>

<p>4.1.4 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>	<ul style="list-style-type: none"> • Standing Orders and Scheme of Administration • Audit & Governance Committee • Elected members Scrutiny Guide • Assurance and Improvement Plan agreed with Local Area Network • Quarterly briefing on performance indicators 	<p>See 4.1.1</p>	<p>No further action required</p>
<p>4.1.5 Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints</p>	<ul style="list-style-type: none"> • Complaints policy 'Feedback' • Publicity about complaints procedures • Six-monthly report on complaints and feedback made to PPR Committee 	<p>Six-monthly Customer Feedback performance reports presented to PPR Co. Poor customer feedback reflected back to relevant service for action</p> <p>No further action required</p>	<p>No further action required</p>

4.2 Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs

<p>4.2.1 Ensure that those making decisions are provided with information that is fit for purpose - relevant, timely and gives clear explanations of technical issues and their implications</p>	<ul style="list-style-type: none"> • Format of Council, Cabinet, Audit & Governance Co, PPR Co and Community Planning Board reports • Calendar of meetings and timely preparation of agendas and papers • Three-year Financial Strategy • Advice in preparing annual budget • Performance website and quarterly briefing for elected members 	<p>See 2.1.1</p>	<p>Survey of elected members carried out in December 2014 indicated that elected members are satisfied with the level and quality of information provided to assist them in decision making (e.g. 16 agreed they receive adequate information covering service performance and only 1 disagreed; 13 agreed they receive adequate information covering service costs and only 2 disagreed)</p> <p>Elected members briefings programme in 2015 will include sessions on performance management and capital planning</p> <p>No further action required</p>
<p>4.2.2 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>	<ul style="list-style-type: none"> • Agendas and papers for Council, Cabinet, Audit & Governance Co, PPR Co and Community Planning Board • Monitoring Officer, s95 Officer and Chief Social Work Officer provide advice on legal or financial implications as required 	<p>No further action required</p>	<p>Arrangements for report preparation and presentation, including reporting of legal and financial implications, will be reviewed in line with the review of the report template</p> <p>No further action required</p>

4.3 Ensuring that an effective risk management system is in place

4.3.1 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	<ul style="list-style-type: none"> • Risk Management Strategy • Risk Management Groups • Role of Audit & Governance Co • Corporate and Service Risk Registers • Service Plans reflect corporate and service risks 	No further action required	No further action required
4.3.2 Ensure that arrangements are in place for whistleblowing to which staff and all those contracting with the authority have access	<ul style="list-style-type: none"> • Standing Orders including Codes of Conduct • Whistleblowing Policy 	See 4.1.3	No further action required
4.4 Using the authority's legal powers to the full benefit of the citizens and communities in their areas.			
4.4.1 Actively recognise the limits of lawful activity placed on the authority by, for example, the ultra vires doctrine, but also strive to utilise powers to the full benefit of East Lothian's communities	<ul style="list-style-type: none"> • Senior officers and elected members have a general understanding of statutory powers • Standing Orders detail statutory powers under which senior officers operate • Monitoring Officer, s95 Officer and Chief Social Work officer provide appropriate advice • Internal and external Audit reports 	No further action required	No further action required
4.4.2 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	<ul style="list-style-type: none"> • Scheme of Administration including Scheme of Delegation • Monitoring Officer, s95 Officer and Chief Social Work officer provide appropriate advice • Internal and external Audit reports 	Standards Commission briefing session held for elected members No further action required	Standards Commission briefing session on declaration of interests to be held for elected members No further action required

<p>4.4.3 Observe all specific legislative requirements placed upon the authority, 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 the authority’s procedures and decision making processes</p>	<ul style="list-style-type: none"> • Standing Orders including establishment of quasi judicial committees and sub-committees • Monitoring Officer, s95 Officer and Chief Social Work Officer provide appropriate advice • Legal advice provided to elected members to support decision-making; for example: <ul style="list-style-type: none"> ○ Procurement ○ Coastal car park charging ○ School catchment areas 	<p>No further action required</p>	<p>See 4.2.2</p> <p>No further action required</p>
--	--	-----------------------------------	--

PRINCIPLE 5: Developing the capacity and capabilities of members and officers to be effective

Supporting Principle & Code Requirements	Documentary Evidence <i>(new items in italics)</i>	2014 Update and Improvement Points	Update and 2015 Improvement Points
5.1 Make sure that Members and Officers have the skills, knowledge, experience and resources they need to perform their roles well.			
5.1.1 Provide induction programmes tailored to individual needs and opportunities for Members and Officers to update their knowledge on a regular basis	<ul style="list-style-type: none"> • Induction programme for officers, CPD and training opportunities for staff • Piloted CPD for members • Performance Review and Development for all employees • Corporate Learning • E-Learning / LearnNet on ELnet • Induction programme for new elected members • Induction Notebooks on Elnet • Programme of briefing sessions for elected members 	<p>Five elected members enrolled in CPD programme</p> <p>Programme of briefing sessions for elected members</p> <p>No further action required</p>	<p>See 4.2.1 and 4.4.2</p> <p>No further action required</p>
5.1.2 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	<ul style="list-style-type: none"> • Job descriptions for statutory officers • Networking and development opportunities for statutory officers through professional associations • Role of statutory officers recognised in Scheme of Administration • People Strategy • Workforce Development Strategy and Plan 	<p>No further action required</p>	<p>No further action required</p>

5.2 Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group

<p>5.2.1 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>	<ul style="list-style-type: none"> • CPD pilot for elected members • Performance Review and Development all employees • Guide to Scrutiny and Review published and scrutiny training provided for elected members • Elected members' Performance Briefings to encourage scrutiny of performance information 	<p>See 2.1.1</p>	<p>See 2.1.1 No further action required</p>
<p>5.2.2 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>As above</p>	<p>See 2.1.1</p>	<p>See 2.1.1 No further action required</p>
<p>5.2.3 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>	<ul style="list-style-type: none"> • CPD pilot for elected members • Elected Members' Code of Conduct & complaints about performance 	<p>See 2.1.1</p>	<p>See 2.1.1 No further action required</p>

5.3 Encouraging new talent for membership of the authority so that best use can be made of individual's skills and resources in balancing continuity and renewal.

<p>5.3.1 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>	<ul style="list-style-type: none"> • Six Area Partnerships • Community Planning Community Engagement Strategy • Tenants and Residents Panel • Support for Voluntary Action East Lothian to participate in the Community Planning structures • Community Councils • Petitions Committee, including new online features • Council Consultation and Engagement Strategy 	<p>See 1.2.1</p>	<p>Citizens' Panel has been established with over 1,200 members</p> <p>Youth E-Panel being established</p> <p>Area Partnerships consulted on Main Issues Report and Health and Social care Strategy and developing Area Plans</p> <p>Pilot of Residents review (Citizens' Led Inspection) in Spring 2015</p> <p>Tenants' scrutiny activity including mystery shopping and rent level survey</p> <p>No further action required</p>
<p>5.3.2 Ensure that career structures are in place for members and officers to encourage participation and development</p>	<ul style="list-style-type: none"> • CPDs for officers • People Strategy • Transformational Leadership Programme • Performance Review and Development for all employees • Customer Service Professional Qualification • CMI 3 and CMI 5 courses • Workforce Development Strategy and Plan 	<p>Workforce Development Strategy and Plan includes action around succession planning – creating a workforce for the future</p> <p>No further action required</p>	<p>See 3.1.1</p> <p>Performance Review and Development process has been reviewed; new PRD process is being piloted in the spring with a view to be rolled out across all services in the autumn.</p> <p>No further action required</p>

PRINCIPLE 6: Engaging with local people and other stakeholders to ensure robust public accountability

Supporting Principle & Code Requirements	Documentary Evidence <i>(new items in italics)</i>	2014 Update and Improvement Points	Update and 2015 Improvement Points
6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.			
6.1.1 Make clear to all staff and the community to whom the authority's leadership are accountable and for what	<ul style="list-style-type: none"> • Council Plan 2012-2017, SOA, Corporate Improvement Plan, Service and Business Plans • Information on Council structure available on Council website • Annual Performance Reports • Living newspaper 	No further action required	See 5.3.1 No further action required
6.1.2 Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required	<ul style="list-style-type: none"> • Various forums for engaging with stakeholders including the CPP, Local Area Forums, ELTRP, Community Councils and Parents Councils • Consultation and Engagement Strategy 	See 1.2.1	No further action required
6.1.3 Produce an annual report on the activity of the scrutiny function	<ul style="list-style-type: none"> • Annual Performance Reports • Internal and external Audit Plans reviewed • Quarterly performance information published on-line • Internal controls assurance statement 	No further action required	Both Audit & Governance and PPR Committee have work programmes that are reviewed at each meeting and at agenda setting meetings Annual Performance Report includes review of work of these two scrutiny committees No further action required

6.2 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 or in partnership or by commissioning

<p>6.2.1 Ensure 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</p>	<ul style="list-style-type: none"> • Communications Strategy • Community Planning Community Engagement Strategy • People’s Voice, the Community Planning Engagement Strategy includes monitoring framework • Citizens’ Panel • Consultation and Engagement Strategy • Complaints procedures and monitoring reports 	<p>See 1.2.1</p>	<p>See 5.3.1 No further action required</p>
<p>6.2.2 Hold meetings in public unless there are good reasons for confidentiality</p>	<ul style="list-style-type: none"> • Council meetings are held in public • Agendas, papers and minutes are published on the Council’s website 	<p>No further action required</p>	<p>No further action required</p>
<p>6.2.3 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>	<ul style="list-style-type: none"> • Equality and Diversity Network • Community Planning Community Engagement Strategy • Community Councils • Local Area Forums • ELTRP • Citizens’ Panel • Consultation and Engagement Strategy 	<p>See 1.2.1</p>	<p>See 5.3.1 No further action required</p>
<p>6.2.4 Establish clear policy on the types of issues the authority 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</p>	<ul style="list-style-type: none"> • Community Planning Community Engagement Strategy • ELTRP • Community Councils consulted on planning matters • Consultation and Engagement Strategy 	<p>As above</p>	<p>See 5.3.1 No further action required</p>

<p>6.2.5 Publish an annual performance plan giving information on the authority's vision, strategy, plans and finances well as information about incomes, achievements and satisfaction of service users in the previous period</p>	<ul style="list-style-type: none"> • Annual Performance Reports • Annual Accounts • Performance Management Framework – Improvement to Excellence 	<p>No further action required</p>	<p>No further action required</p>
<p>6.2.6 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>	<ul style="list-style-type: none"> • Compliance with the Freedom of Information Act and Data Protection Act • Council meetings held in public • Agendas for meetings, minutes and reports published on the Council website • Living newspaper • Star Awards Public Nominations • Petitions Committee • Performance website 	<p>See 1.2.1</p> <p>Most recent FOI/ Data Protection inspection provided assurance that the Council is complying with legislation</p> <p>FOI responses published on website</p> <p>No further action required</p>	<p>See 5.3.1</p> <p>Trade Union and management Joint Efficiency Group has been established</p> <p>No further action required</p>
<p>6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff</p>			
<p>6.3.1 Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making</p>	<ul style="list-style-type: none"> • People Strategy • JCC and JC Groups • Employee and JTU Consultations • Annual Budget Review and Development Discussions for JTU • Employee Engagement Survey • Annual Working Together Forum • Staff involved in HGIOC 	<p>Workforce Development Plan responds to issues raised in the Employee Engagement Survey and Working together Forum</p> <p>Communications and engagement protocol being developed with Trade Unions and Joint Consultative Groups being revised</p> <p>No further action required</p>	<p>No further action required</p>

Appendix 2: 2014/15 Council Improvement Plan: Monitoring Statement (April 2015)

2014/15 Council Improvement Plan

We deliver excellent services as effectively and efficiently as possible

	ACTION	LEAD SERVICE	TIMESCALE	UPDATE
1	Develop toolkit for self-evaluation of strategic partnerships	Communities and Partnerships	Completed	The East Lothian Partnership undertook a strategic self-assessment supported by the Improvement Service. The toolkit used for this self-evaluation can be adapted for use by other strategic partnerships. Work is also underway to develop a self-evaluation framework for the Children's Strategic Partnership.
2	Scrutiny training for PPR Co members	Council Resources	August 2015	An elected member survey was conducted in December 2014 to identify training needs. The survey has contributed to the development of the elected members' briefing programme for 2015 which includes a session on Performance Management to be held in August 2015
3	Review and revise the Improvement Framework and make more effective use of benchmarking, develop guidance and training on the use of benchmarking, Best Value reviews and options appraisal	Communities and Partnerships	Completed	The Improvement Framework has been reviewed. The Council is participating in several benchmarking exercises based on the Local Government Benchmarking Framework and carried out a charges benchmarking exercise. A template for undertaking Best Value Reviews, including options appraisal has been completed.
4	Introduce Combined Impact Assessment	Communities	September	A draft Combined Impact Assessment toolkit

	and process for monitoring the needs of minority and vulnerable groups	and Partnerships	2015	has been prepared jointly with Midlothian Council, City of Edinburgh Council and NHS Lothian. Roll out of the new impact assessment has been delayed but will commence in spring 2015.
5	Prepare and implement Records Management Plan setting out arrangements for management and retention of records in line with requirements of the Public Records (Scotland) Act 2011	Council Resources	Completed	The Records Management Plan was adopted by the 28 th October Council meeting.
6	Work with partners to develop and implement the Children's Services inspection Improvement Plan	Children's Wellbeing	Completed	The Improvement Plan has been approved and the Action Plan is being implemented by the Children's Strategic Partnership.
7	Review and develop elected members' training and briefings including briefing on Capital Investment Strategy and development issues arising from Councillors' responses to a survey based Audit Scotland Overview of Scottish Local Government Councillors' Checklist	Communities and Partnerships / Council Resources	Completed	See 2 above
8	Implement the action plan based on the Investors in People Improvement Plan and Workforce Development Plan	Communities and Partnerships	Completed	The key actions from the Investors in People assessment are reflected in the Workforce Development Plan
9	Review and revise the staff communications plan to ensure staff are fully informed and engaged	Communities and Partnerships	Completed	Staff communications has been revised and actions to improve staff engagement will be carried out over the next three months, including new staff newsletter / briefings. A key part of the engagement with staff over the next year will be the roll out of a series of 'One Council – Working Together' workshops starting in February 2015.
10	Implement the Web Development strategy	Communities	September	The Web Development Strategy has been

	to provide a more responsive and effective Council website that will support more 'self-service' activity by council service users	and Partnerships	2016	<p>agreed to produce a new website using Responsive Design to suit a range of devices, replace existing website self-service functions with improved self-service facilities and extend self-service capability to other services and provide improved on-line booking and payments facilities.</p> <p>Implementation has been delayed but measures are now in place to begin the project.</p>
11	Further develop the Council's service planning process moving towards three-year service planning linked to financial planning based on staff and stakeholder engagement	Communities and Partnerships	Completed	<p>A three-year service planning framework linked to financial planning and How Good is Our Council self-evaluation with staff and stakeholder engagement has been developed. This will be rolled out for use by all services over the next year.</p>