

REPORT TO: Audit and Governance Committee

MEETING DATE: 17 May 2016

BY: Chief Executive

SUBJECT: 2016 Corporate Governance Self-evaluation/ Annual Governance Statement

1 PURPOSE

- 1.1 To advise Audit and Governance Committee of the outcome of the 2016 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 3.3 – 3.4) for inclusion in the Annual Governance Statement that will form part of the Council's 2015/16 Annual Accounts.

3 BACKGROUND

- 3.1 Cabinet (11 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 year, the whole Council Management Team has undertaken the self-evaluation of the Corporate Governance, reviewing the documentary evidence and practice around each of the six supporting principles and requirements of the corporate governance code. The review formed the basis of the self-evaluation which is detailed in Appendix 1.
- 3.3 The 2016 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 reports of the Council's external auditors and inspectors (Interim Management Report to Audit and Governance Committee, March 2016) and the Local Area Network (Local Scrutiny Plan 2016/17, reported to Council, April 2016) provide assurance about the council's governance arrangements.

3.4 The Council Management Team's Corporate Governance self-evaluation has identified twelve areas of development and improvement, which build on existing good practice and improvement action already being implemented in order to ensure the Council's progress through continuous improvement. These are:

- The Council will begin developing a new Council Plan for 2017 – 2022 in autumn 2016. It will engage with communities and partners on a refresh of the Council Vision and priorities that will form the basis for the new Plan (1.1.2)
- The Council will undertake benchmarking exercises on three service areas in order to better understand the variance in East Lothian Council performance against other councils (1.2.2)
- A Best Value review will be undertaken of at least one service during 2016/17 (1.3.1)
- An elected members' Induction Programme, including mandatory elements and a briefing on the role of elected members on partnership bodies and arms length organisations, will be prepared for council approval prior to the May 2017 council elections (2.1.1 and others)
- The Council will review Standing Orders including Scheme of Administration and Scheme of Delegation (2.2.1)
- The Council will review the Workforce Development Plan (3.1.1)
- The Council will promote greater awareness of Council policies such as the Gifts and Hospitality policy and Register of Interests (3.1.1)
- The roles and remits of Audit & Governance and Policy Performance and Review Committees and scrutiny arrangements associated with the Integration Joint Board will be reviewed (4.1.1)
- Elected members to be offered the opportunity of undertaking a Continuous Personal Development programme (5.1.1)
- The Council will review and where appropriate, act on the recommendations of the East Lothian Poverty Commission (5.3.1)
- The Council will review and where appropriate, act on the new duties and responsibilities from the Community Empowerment (Scotland) Act 2015 (5.3.1)

- The Council will follow up the review of STRIVE to further strengthen the relationship between the third sector and the Council and East Lothian Partnership (6.1.2)

3.5 These actions will be incorporated into the 2016/17 Council Improvement Plan which will be submitted for approval to the Council in June 2016.

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 INTEGRATED IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Integrated 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, April 2016

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DATE	5 May 2015

APPENDIX 1: CORPORATE GOVERNANCE SELF-EVALUATION: April 2016

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	Documentary Evidence	2015 Update and Improvement Points	Update and 2016 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 2016 Employee Engagement Survey showed 90% of staff agreed "I know how my job / individual objectives contribute to the Council's objectives"</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>The Council reviewed the Council Plan in October 2015 and agreed a set of priorities for the remaining period of the Plan that will contribute to meeting the Council's ambition.</p> <p>Over 700 staff have attended a One Council Workshop. Five further workshops are being held in the spring and a new round of Workshops will be held in the autumn</p> <p>Staff are being consulted on the Council's values and communications around values and vision will form a key focus of staff communications in 2016/17</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 and October 2015 • Chief Officers/ Council Management Team re-structured March 2012 and in July 2013 • Senior Management level restructured in Nov 2013 	<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>The 2020 Vision forms the basis of the Council Plan and is still relevant.</p> <p>The reviews of the Council Plan and priorities have set priorities that will contribute to achieving the Council Plan's ambition.</p> <p>The Council has supported a bid for funding from the UK and Scottish Governments for a City Region Deal</p> <p>The Local Development Plan has been developed</p> <p>The Strategic Health and Social Care Plan and Children's and Young People Plan have established priorities that will contribute towards the achievement of the Single Outcome Agreement and the Council Plan</p> <p>The Community Planning Partnership's governance arrangements are being reviewed to ensure that it takes account of development such as the establishment of the Integratration Joint Board and the Children's Strategic Partnership</p> <p>Action</p> <p>The Council will begin developing a new Council Plan for 2017 – 2022 in autumn 2016. It will engage with communities and partners on a refresh of the Council Vision and priorities that will form the basis for the new Plan</p>
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<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 • Children and young People's Services Plan 2016-2019 • Integration Joint Board Strategic Plan • Six Area Partnerships are developing Area Plans • Joint Asset Management Planning group • Edinburgh and South East Scotland City Region Deal 	<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>The Children's Strategic Partnership has developed the Children and Young Peoples Plan</p> <p>The Integration Joint Board has developed a Strategic Plan</p> <p>The Safe & Vibrant Communities Partnership has taken on the role of Reducing Reoffending Strategic Partnership and a Community Justice Strategic Plan is being developed by relevant partners</p> <p>East Lothian partnership is reviewing its Single Outcome Agreement and its structure and governance arrangements to ensure that they are fully aligned with the common vision and priorities of the partnership</p> <p>The Council has played a major role in the partnership that has developed the proposals for the Edinburgh and South East Scotland City Region Deal around the theme of 'Accelerating Growth'</p> <p>No further action required</p>
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<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 • Local Government Benchmarking Framework report to PPR Committee • Unaudited Annual Accounts reported to Audit & Governance Co in June and to Council in August 	<p>Unaudited accounts to be submitted to June meeting of Audit & Governance Committee instead of a meeting in the summer recess period.</p> <p>Annual Performance Report 2014/15 to be published on Council website in September</p> <p>No further action required</p>	<p>Unaudited accounts are being prepared for presentation to Audit governance Committee in June</p> <p>Annual Performance Report 2015/16 will be published in September</p> <p>No further action required</p>
<p>1.2 Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning</p>			
<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"> • HGIOC, Business Plans and Improvement Plans • SOA Annual Report • Key Performance Indicators including local Government Benchmarking Framework indicators • PPR Co reporting and members' performance briefings • 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 • East Lothian Profile and Ward Profiles • Young People's Viewpoint and Education surveys 	<p>Citizens' Panel being surveyed twice a year</p> <p>Citizens' Led Inspection (Residents' Review) of amenity services piloted in 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>Citizens' Panel will be surveyed twice in 2016 and the results will be used to inform the Council and East Lothian Partnership performance monitoring</p> <p>The pilot Residents' Review was completed and the report is being used to inform improvements in amenity services</p> <p>Residents' Reviews will be held in 2016/17</p> <p>Budget consultation took place prior to setting the 2016/17 budget</p> <p>Tenants consultation took place over rent levels</p> <p>The Education and Children's Wellbeing services will use the results of the new children's Wellbeing Survey to inform service improvement</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>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>	<p>Continued participation in family group benchmarking supported by the Improvement Service, APSE and the Scottish Housing Network</p> <p>Council Management Team is reviewing quarterly performance indicators and the Local Government Benchmarking Framework to identify areas for further improvement or benchmarking</p> <p>The Council will participate in the new National Improvement Framework for education</p> <p>Action</p> <p>The Council will undertake benchmarking exercises on three service areas in order to better understand the variance in East Lothian Council performance against other councils</p>
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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>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>	<p>A Best Value Review of Asset and Capital Plan Management has been completed</p> <p>Action</p> <p>A Best Value review will be undertaken of at least one other service during 2016/17</p>
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PRINCIPLE 2: Members and Officers working together to achieve a common purpose with clearly defined functions and roles

Supporting Principle & Code Requirements	Documentary Evidence	2015 Update and Improvement Points	Update and 2016 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>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>	<p>Elected member survey to be carried out in May 2016 and results will inform the elected member training and briefing programme for 2016/17</p> <p>Action</p> <p>An elected members' Induction Programme, including mandatory elements and a briefing on the role of elected members on partnership bodies and arms length organisations, will be prepared for council approval prior to the May 2017 council elections</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>Standing Orders reviewed regularly and revised as required</p> <p>No further action required</p>	<p>Action</p> <p>The Council will review Standing Orders including Scheme of Administration and Scheme of Delegation</p>

<p>2.2.2 Ensure the Chief Executive is responsible and accountable to the authority for all aspects of leadership and management within the Scheme of Delegation</p>	<ul style="list-style-type: none"> • Chief Executive's job description • Appraisal of Chief Executive • Peer review by Depute Chief Executives • Scheme of Delegation • Members Library reports record decisions taken under delegated powers 	<p>No further action required</p>	<p>As above</p>
<p>2.2.3 Develop protocols to ensure that the Leader and Chief Executive establish their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained</p>	<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>No further action required</p>	<p>As above</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>As above</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>As above</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>No further action required</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 1.2 and 1.3</p>	<p>See 1.2 and 1.3 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 • Consultation around Main Issues Report and Local Development Plan 	<p>No further action required</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>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>See 2.1.1</p> <p>Council has continued to argue against the Local Government boundary Commission proposal to reduce the number of elected members on East Lothian Council and is awaiting the final outcome of the review</p> <p>Six Area Partnerships are chaired by community representatives</p> <p>Action</p> <p>An elected members' Induction Programme, including mandatory elements and a briefing on the role of elected members on partnership bodies and arms length organisations, will be prepared for approval by the Council prior to the May 2017 council elections</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>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>	<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	2015 Update and Improvement Points	Update and 2016 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 published on the Council's website • Whistleblowing Policy • Workforce Development Plan 	<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>The final CMI 5 course was delayed but will begin in August 2016.</p> <p>CMI3 course is still being run for frontline managers and aspiring managers</p> <p>Senior Management Team (CMT, Service Managers and Head Teachers) meets 4-6 times a year</p> <p>New PRD for all staff is being rolled out across the council</p> <p>One Council Workshops have helped to strengthen the climate of openness amongst staff</p> <p>Action</p> <p>The Council will review the Workforce Development Plan</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 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>Revision of PRD process has been completed and new PRD is being rolled out across all services</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>Gifts and Hospitality Policy was revised</p> <p>Internal audit audited elected members gifts and hospitality</p> <p>No further action required</p>	<p>See 2.1.1</p> <p>Action</p> <p>The Council will promote greater awareness of Council policies such as the Gifts and Hospitality policy and Register of Interests</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>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>	<p>See 3.1.1 and 3.1.2</p> <p>Staff are being consulted on the Council's values and communications around values and vision will form a key focus of staff communications in 2016/17</p> <p>These will be re-enforced through the Performance Review and Development process and staff communications</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 	<p>See 3.1.3</p> <p>No further action required</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 	<p>See 3.2.1</p> <p>No further action required</p>	<p>See 3.1.2</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	2015 Update and Improvement Points	Update and 2016 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 • Police, Fire & Rescue and Community Scrutiny Committee • Accounts Commission reports are considered by the Audit & Governance Committee 	<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>	<p>Police, Fire & Rescue and Community Scrutiny Committee established in 2015</p> <p>Elected members survey (May 2016) will identify whether members require further scrutiny training</p> <p>Action</p> <p>The roles and remits of Audit & Governance and PPR Committees along with the scrutiny arrangements associated with the Integration Joint Board will be reviewed</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

<p>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</p>	<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 • Monitoring Officer • Recruitment and Selection procedures and training • Discipline and Grievance Procedures • Whistleblowing Policy • Gifts and Hospitality policy • Procurement Strategy 	<p>See 3.1.3 Standards Commission delivering training session for elected members on Declaration of Interest (May 2015) No further action required</p>	<p>See 2.1.1 Action An elected members' Induction Programme, including mandatory elements and a briefing on the role of elected members on partnership bodies and arms length organisations, will be prepared for council approval prior to the May 2017 council elections</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>No further action required</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 / Feedback policy • Publicity about complaints procedures • Six-monthly report on complaints and feedback and lessons learned made to PPR Committee 	<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>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>See 2.1.1</p> <p>Report templates are being reviewed</p> <p>East Lothian Profile, Ward Profiles and group specific profiles (e.g. Young People) will be reviewed and updated in 2016</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>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>	<p>No further action required</p>

4.3 Ensuring that an effective risk management system is in place

<p>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</p>	<ul style="list-style-type: none"> • Risk Management Strategy • Risk Management Groups • Role of Audit & Governance Co • Corporate and Service Risk Registers approved by Cabinet or Audit & Governance Committee • Service Plans reflect corporate and service risks 	<p>No further action required</p>	<p>Council Management Team (CMT) has reviewed Corporate and Service Risk Registers</p> <p>CMT has a programme of reviewing and approving Health & Safety policies and management arrangements</p> <p>No further action required</p>
<p>4.3.2 Ensure that arrangements are in place for whistleblowing to which staff and all those contracting with the authority have access</p>	<ul style="list-style-type: none"> • Standing Orders including Codes of Conduct • Whistleblowing Policy 	<p>No further action required</p>	<p>No further action required</p>
<p>4.4 Using the authority's legal powers to the full benefit of the citizens and communities in their areas.</p>			
<p>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</p>	<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 	<p>No further action required</p>	<p>No further action required</p>
<p>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</p>	<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 	<p>Standards Commission briefing session on declaration of interests to be held for elected members</p> <p>No further action required</p>	<p>See 2.1.1</p> <p>No further action required</p>

<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 	<p>See 4.2.2</p> <p>No further action required</p>	<p>No further action required</p>
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PRINCIPLE 5: Developing the capacity and capabilities of members and officers to be effective

Supporting Principle & Code Requirements	Documentary Evidence	2015 Update and Improvement Points	Update and 2016 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 	See 4.2.1 and 4.4.2 No further action required	See 2.1.1 Action Elected members to be offered the opportunity to undertake a Continuous Personal Development programme
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 	No further action required	The review of Council Standing Orders and Scheme of Delegation (see 2.2) will include review of roles of statutory officers No further action required

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 and 5.1.1</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>As above</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>As above</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 • Champions Board for Looked After Children 	<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>See 1.2.1</p> <p>The East Lothian Poverty Commission was established to recommend actions to tackle poverty based on evidence from the community and people' lived experience of poverty</p> <p>Action</p> <p>The Council will review and, where appropriate, act on the recommendations of the east Lothian Poverty Commission</p> <p>The Council will review and, where appropriate, act on the new duties and responsibilities from the Community Empowerment (Scotland) Act 2015</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>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>	<p>The new PRD process is being rolled out across all services</p> <p>Action</p> <p>The Council will review the Workforce Development Plan</p>

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

Supporting Principle & Code Requirements	Documentary Evidence	2015 Update and Improvement Points	Update and 2016 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 	See 5.3.1 No further action required	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 East Lothian Partnership, Area Partnerships, East Lothian Tenants and Residents Panel, Community Councils and Parents Councils, STRIVE (the Third Sector Interface) • Consultation and Engagement Strategy 	No further action required	STRIVE – East Lothian's Third Sector Interface is being reviewed Action The Council will follow up the review of STRIVE to further enhance the relationship between the third sector and the Council and East Lothian Partnership
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 	Both Audit & Governance and PPR Committee have work programmes that are reviewed at each meeting and at agenda setting meetings Annual Performance Report includes a review of work of these two scrutiny committees No further action required	Audit Scotland's review of local authority Performance Reports showed that East Lothian Council fully met all but two of the criteria tested. Action is being taken to improve performance reporting in these two areas 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			
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	<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 5.3.1</p> <p>No further action required</p>	No further action required
6.2.2 Hold meetings in public unless there are good reasons for confidentiality	<ul style="list-style-type: none"> • Council meetings are held in public • Agendas, papers and minutes are published on the Council's website 	No further action required	No further action required
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	<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 5.3.1</p> <p>No further action required</p>	<p>See 1.2.1</p> <p>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>As above</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 5.3.1</p> <p>Trade Union and management Joint Efficiency Group has been established</p> <p>No further action required</p>	<p>No further action required</p>

6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff

<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 • One Council Workshops • Staff involved in HGIOC 	<p>No further action required</p>	<p>No further action required</p>
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