

REPORT TO: Audit and Governance Committee

MEETING DATE: 12 June 2018

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: 2018 Corporate Governance Self-evaluation/ Annual Governance Statement

1 PURPOSE

- 1.1 To advise Audit & Governance Committee of the outcome of the 2018 Corporate Governance Self-evaluation and seek approval for the content of the Annual Governance Statement for presentation to Audit & Governance Committee.

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 2017/18 Annual Accounts.
- 2.2 Committee is asked to note that the improvement actions identified through the Corporate Governance Self-evaluation will be incorporated into the 2018/19 Council Improvement Plan along with any actions arising from the Best Value Assurance Report which will be published by Audit Scotland in October 2018..

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 set out in the CIPFA/ SOLACE *Guidance on Delivering Good Governance in Local Government*.
- 3.2 The 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 outcome of the 2018 self-evaluation is detailed in Appendix 1.

3.3 The 2018 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 (for example, the Local Area Network's Local Scrutiny Plan 2018/19, which is to be reported to Council on 26 June 2018) provide assurance about the strength of the council's governance arrangements.

3.4 The Council Management Team's Corporate Governance self-evaluation has identified eight 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:

- Implement the Workforce Plan (5.2.1)
- Promote and publicise the Workforce Plan and key elements of the plan such as the Staff Deal to all staff (1.1.1)
- Develop a small set of key indicators that will be used to measure the delivery of the Council Plan (1.1.2)
- Review the format of the Annual Performance Report / 'State of the Council' report (1.1.4)
- Publish the new Consultation and Engagement Strategy and provide further advice and support to Council and services in using the results of consultation and engagement activities to inform policy development and service improvements (1.2.1)
- Implement the revised Performance Management / Continuous Improvement Framework (2.3.3)
- Implement the recommendations of the review of the Musselburgh Racecourse (2.3.6)
- Agree and implement an Improvement Plan based on the recommendations of the Best Value Assurance Review (4.1.1)

3.5 Members are asked to note that Audit Scotland are carrying out a Best Value Assurance review of the Council as part of its rolling programme of reviewing all Councils over a four year period. The report of this review is to be presented to the Accounts Commission in October 2018. It is expected that the review will include recommendations.

3.6 The actions arising from the Best Value Assurance Report will be incorporated into the 2018/19 Council Improvement Plan along with the improvement actions arising from the Corporate Governance Self-evaluation as detailed above.

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 2017

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DATE	1 June 2018

APPENDIX 1: CORPORATE GOVERNANCE SELF-EVALUATION: May 2018

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	2017 Update and Improvement Points	Update and 2018 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 • The 2017 Employee Engagement Survey showed 91% of staff agreed "I know how my job / individual objectives contribute to the Council's objectives" • Council vision and objectives of each service linked to Council Plan objectives are a key element of staff PRDs 	<p>One Council Workshops which were run in autumn 2016 and continued to be well received by staff</p> <p>The Council Intranet was refreshed and a staff e-zine – Inform – was launched in early 2017.</p> <p>The 2016 Employee survey showed high level of support for using the East Lothian Way as basis or the Council values. These values have been communicated through Inform.</p> <p>It is recognised that further work is required to promote the Council's vision to, and engage positively with, staff</p> <p>Action Further develop staff communications and engagement, building on positive programmes such as the One Council Workshops</p>	<p>Communications with staff has continued to be a priority. Inform – the staff e-zine – has been well received and is being used to provide staff with information and key messages about council priorities, news items, council staff, healthy working lives and partnerships</p> <p>Publicity about the Council Plan and the East Lothian Way has been distributed across all main council premises</p> <p>A new programme of One Council Workshops will be start in autumn 2018</p> <p>The Council's purpose and vision are at the heart of the new Workforce Plan</p> <p>Action Promote and publicise the Workforce Plan and key elements of the plan such as the Staff Deal to all staff</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 • Draft Council Plan 2017-2022 • Strategic Assessment to inform new context of new Council Plan and new East Lothian Plan • Establishment of East Lothian Partnership Leadership group 	<p>The Draft Council Plan 2017-2022, which was approved by Council in Feb 2017, is based on the Council vision and existing strategic priorities.</p> <p>Work has commenced on finalising the 2017-2022 Council Plan</p> <p>2017 Residents Survey (March 2017) showed overwhelming approval ratings for the Council objectives and priorities</p> <p>Action</p> <p>Adopt a 2017-2022 Council Plan</p>	<p>The 2017-2022 Council Plan was adopted in June 2017. This is based on the vision: of an even more prosperous, safe and sustainable East Lothian, with a dynamic and thriving economy, that enables our people and communities to flourish.</p> <p>The Plan continues with the four themes from the previous plan – Growing our Economy; Growing our people; Growing our communities; and Growing our Capacity. It has seven key goals.</p> <p>The delivery of the Plan will be monitored by the Council Management Team and reported to members via the Annual Report.</p> <p>Action</p> <p>Develop a small set of key indicators that will be used to measure the delivery of the Council 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 Area Plans • Joint Asset Management Planning Group • Edinburgh and South East Scotland City Region Deal • Strategic Assessment to inform new context of new Council Plan and new East Lothian Plan • Establishment of East Lothian Partnership Leadership group 	<p>Review of East Lothian Plan (Single Outcome Agreement) has commenced with view to agreement on a small number of key strategic objectives for the East Lothian Partnership. Agreement on new governance for the Partnership will follow</p> <p>Community Justice Outcome Improvement Plan approved and new Community Justice Partnership to be established by the East Lothian Partnership to ensure effective governance on Community Justice matters</p> <p>Continued progress has been made in developing the City Region Deal – final agreement on funding from UK and Scottish Governments has been delayed partly due to elections</p> <p>Action</p> <p>Support the East Lothian Partnership to prepare and adopt a new East Lothian Plan (meeting its statutory duty to prepare a Local Outcome Improvement Plan) and review the East Lothian Partnership governance structure</p>	<p>The East Lothian Plan 2017-2027 (our Local Outcome Improvement Plan) was approved by the East Lothian Partnership in September 2017. The new Plan is based on three themes: Prosperous, Community-minded, and Fair with seven outcomes.</p> <p>The governance structure of the East Lothian partnership was reviewed and a new structure put in place in March 2018; incorporating a revised Community Justice Partnership, the Children’s Strategic Partnership, a new Connected Economy Group; a Governance Group and the East Lothian Partnership Forum.</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 Co. • Unaudited Annual Accounts reported to Audit & Governance Co in June and to Council in August 	<p>2015/16 Annual Performance report was published in October 2016</p> <p>2016/17 report will be published in June 2017</p> <p>Unaudited accounts will be presented in June 2017</p> <p>No further action required</p>	<p>The Council's 2016/17 Annual Performance Report was presented in two parts – Annual Performance Indicators and East Lothian Council Annual Report.</p> <p>Action Review the format of the Annual Performance Report / 'State of the Council' report</p>
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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"> • 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, mystery shopping, surveys and focus groups • East Lothian and Profiles • Young People's Viewpoint and Education surveys • 2017 Residents Survey • Guide to Community Participation Opportunities 	<p>The Citizens' Panel has been refreshed and continues to be surveyed at least twice a year</p> <p>One Residents Review was carried out in 2016. Further Reviews planned for 2017</p> <p>A Residents Survey with over 1,500 respondents carried out in March 2017</p> <p>The Council's Consultation and Engagement strategy is being reviewed in line with new duties under the Community Empowerment Act</p> <p>Action</p> <p>Promote the Council's consultation and engagement strategy and opportunities for public engagement and participation, which meet the Community Empowerment Act's statutory requirements relating to 'Participation Requests'</p>	<p>The Council's Consultation and Engagement Strategy has been revised.</p> <p>The Council undertook an extensive budget consultation exercise in December 2017 which helped to inform budget decisions</p> <p>A comprehensive guide to Community Participation Opportunities has been published on the Council website, including details of the implications of the Community Empowerment Act and how the Council will meet statutory requirements relating to 'participation requests' and 'Community Asset Transfer' requests.</p> <p>Action Publish the new Consultation and Engagement Strategy and provide further advice and support to Council and services in using the results of consultation and engagement activities to inform policy development and service improvements</p>
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<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>Council continues to monitor the Local Government Benchmarking Framework and participates in Improvement Service sponsored benchmarking activity</p> <p>Council Management Team reviews quarterly Performance Indicator report to identify any areas of poor performance that may require intervention/ action</p> <p>Council Management Team is carrying out 'peer review' sessions with every Service</p> <p>Action</p> <p>Review the Council's key performance indicators and targets</p>	<p>The Council's key Performance Indicators and targets were reviewed by the Council Management Team and the Policy performance and Review Committee. The new set of KPIs was approved by PPR Co in September 2018.</p> <p>Action Develop a set of key indicators that will be used to measure the delivery of the Council Plan</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 • Integrated Impact Assessment includes environmental impact 	<p>No specific Best Value Review was carried out in 2016/17. However, the Transformation programme team is to undertake a series of reviews or services</p> <p>The Council is preparing for an Audit Scotland Best Value Assessment in 2018/19 including self assessment against 18 Best Value Toolkits</p> <p>The Council's auditors will report on value for money as part of the annual audit</p> <p>No further action required</p>	<p>No further action required</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	2017 Update and Improvement Points	Update and 2018 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>A comprehensive induction programme was organised for new and returning elected members following the May 2017 council election. Elements of the programme were mandatory for new members and some for all members. The programme included advice on the roles and responsibilities of members and senior officers</p> <p>No further action required</p>	<p>The Standards Commission published an Advice Note for Councillors on Distinguishing between their Strategic Role and Operational Work in May 2018. This has been circulated to all elected members and senior officers</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>Standing Orders and the Schemes of Administration and Delegation have been reviewed and revised</p> <p>No further action required</p>	<p>The Council's Standing Orders and Schemes of Delegation and Administration are reviewed regularly and amended as required</p> <p>No further action required</p>

<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</p>	<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>No further action required</p>	<p>As above No further action required</p>
<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</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 2.2.1 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 • Three year Financial Strategy approved by Council • Treasury Management Strategy approved by Council 	<p>No further action required</p>	<p>As 2.2.1 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>As 2.2.1 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 	<p>See 2.1.1 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 1.3.1</p>	<p>See 1.2.2</p> <p>The Council's Performance Management / Continuous Improvement Framework is being revised to ensure that the focus on improving performance in service delivery is maintained</p> <p>Action Implement the revised Performance management / Continuous Improvement Framework</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 • 2017 Residents Survey 	<p>See 1.1.2 and 1.2.1</p>	<p>See 1.1.2 and 1.2.1</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) • 2017 members' induction programme 	<p>The members' Induction Programme has included sessions which highlight their roles in partnerships and arms lengths organisations and an introductory session with key partners</p> <p>No further action required</p>	<p>See 2.1.1</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 • Health and Social Care Integration scheme approved by Council 	<p>No further action required</p>	<p>The legal status of the Musselburgh Joint Racecourse Committee was reviewed and new interim governance arrangements put in place. A further review is being carried out</p> <p>Action Implement the recommendations of the review of the Musselburgh Racecourse</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	2017 Update and Improvement Points	Update and 2018 Improvement Points
3.1 Ensuring authority Members and Officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance			
3.1.1 Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect	<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 Plan 2018-2022 • 2017 employee engagement survey results 	<p>See 1.1.1</p> <p>The members' induction programme has highlighted the members the Code of Practice principles which are aligned to the Council's values which are being promoted to all staff</p> <p>Action</p> <p>Further develop staff communications and engagement, building on positive programmes such as the One Council Workshops</p>	<p>See 1.1.1 and 2.1.1</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>As above No further action required</p>	<p>As above 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 and Equality Plan • Standing Orders including Scheme of Delegation and • Whistleblowing Policy • Gifts and Hospitality policy • Induction programme for new elected members 	<p>No further action required</p>	<p>See 2.1.1 No further action required</p>

3.2 Ensuring that organisational values are put into practice and are effective			
<p>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</p>	<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 • Workforce Plan 2018-2022 • Staff e-zine 	<p>See 1.1.1</p>	<p>See 1.1.1 No further action</p>
<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</p>	<ul style="list-style-type: none"> • Standing Orders including Councillors' Code of Conduct • Gifts and Hospitality policy 	<p>No further action required</p>	<p>No further action required</p>
<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</p>	<ul style="list-style-type: none"> • Standing Orders • East Lothian Way • Roll out of PRD for all employees • Annual Employee Engagement Survey • Draft Council Plan 2017-2022 	<p>See 1.1.1 An Ideas Bank has been launched as means of generating ideas and providing feedback to staff on these ideas No further action required</p>	<p>The Ideas Bank has been a useful vehicle for generating ideas, some of which have been progressed and acted on The Workforce Plan 2018-2022 is based on the Council's shared values 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	2017 Update and Improvement Points	Update and 2018 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>The Guide to Scrutiny for elected members has been reviewed and will be considered by the members of the scrutiny committees</p> <p>The Council's Key Performance Indicators are being reviewed and will be considered by the PPR Committee</p> <p>The Council will be subject of a Best Value Assessment by Audit Scotland in 2018/19.</p> <p>No further action required</p>	<p>See 1.1.4, 1.2.2 and 2.3.3</p> <p>Audit Scotland has carried out the Best Value Assurance Review of the Council. The results of the BVAR will be published in October 2018</p> <p>Action Agree and implement an Improvement Plan based on the recommendations of the Best Value Assurance Review</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 2.1.1 No further action required</p>	<p>See 2.1.1 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, chaired by member of the Opposition and with no Cabinet members • 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 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			
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	<ul style="list-style-type: none"> • Format of Council, Cabinet, Audit & Governance Co, PPR Co and East Lothian Partnership 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>The East Lothian Profile has been updated. Analysis of new challenges and opportunities informed the development of the Draft Council Plan</p> <p>No further action required</p>	<p>Updated ward profiles and snapshots have been produced and are being used to inform the development of Locality/ Area Plans</p> <p>The development of key performance indicators for the Council Plan and the East Lothian Plan is based on evidence from a range of sources</p> <p>No further action required</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	<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 	No further action required	No further action required
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 approved by Cabinet or Audit & Governance Committee • Service Plans reflect corporate and service risks • Full suite of Health & Safety policies and management arrangements 	No further action required	<p>Training in risk management will be provided for senior officers and elected members in 2018/19</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> <p>The Council will comply with the Scottish Regulators' Strategic Code of Practice</p>	<ul style="list-style-type: none"> • Senior officers and elected members have a good 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 • Environmental Health Service Charter and Service Plan 	<p>The Environmental Health Service Charter and Service Plan includes the objective to comply with the Scottish Regulators' Strategic Code of Practice</p> <p>Action</p> <p>Develop a regulatory services charter covering all services that provide regulatory services to business</p>	<p>A regulatory services charter covering all services that provide regulatory services to business</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>See 2.1.1</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 • 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>No further action required</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	2017 Update and Improvement Points	Update and 2018 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>See 2.1.1</p> <p>The new employees' induction programme has been reviewed and revised</p> <p>No further action required</p>	No further action required
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>See 2.2.1</p> <p>Members' induction programme included information about the role of the Statutory Officers</p> <p>No further action required</p>	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"> • 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 • Workforce Plan 2018-2022 	<p>A Council Workforce Plan, incorporating the Workforce Development Plan is being prepared</p> <p>Elected members' development needs will be reviewed following the completion of the induction programme</p> <p>Actions</p> <p>Prepare and adopt a Workforce Development Plan, incorporating a Workforce Development Plan</p> <p>Review elected members' development needs and provide an ongoing training and development programme</p>	<p>A Workforce Plan 2018-2022 has been agreed includes several key actions relating to training and development of staff and managers</p> <p>Action Implement the Workforce Plan</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>As above</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>As above</p>	<p>A training needs survey of elected members has been carried out and the results will inform members' future training and development</p> <p>No further action</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>See 1.2.1</p>	<p>See 1.2.1</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 5.2.1</p>	<p>See 5.2.1</p>

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

Supporting Principle & Code Requirements	Documentary Evidence	2017 Update and Improvement Points	Update and 2018 Improvement Points
<p>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.</p>			
<p>6.1.1 Make clear to all staff and the community to whom the authority's leadership are accountable and for what</p>	<ul style="list-style-type: none"> • Draft Council Plan 2017- 2022, SOA, Corporate Improvement Plan, Service and Business Plans • Information on Council structure available on Council website • Annual Performance Reports • Living newspaper 	<p>No further action required</p>	<p>No further action required</p>
<p>6.1.2 Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required</p>	<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 • New governance arrangements for the East Lothian Partnership 	<p>The outcomes of the STRIVE review are being implemented with new appointment arrangements being agree with East Lothian Partnership</p> <p>The governance arrangements for the East Lothian Partnership are being reviewed alongside the development of the new East Lothian Plan</p> <p>No further action required</p>	<p>See 1.1.3</p>
<p>6.1.3 Produce an annual report on the activity of the scrutiny function</p>	<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 	<p>The 2016/17 Annual Performance Report is being presented to the PPR Committee in June 2017</p> <p>An annual report on the activity of the scrutiny function will be incorporated into the Annual Public Performance report</p> <p>No further action required</p>	<p>See 1.1.4</p>

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 Action Promote the Council’s consultation and engagement strategy and opportunities for public engagement and participation, which meet the Community Empowerment Act’s statutory requirements relating to ‘Participation Requests’</p>	<p>See 1.2.1</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 • 2017 Residents’ Survey 	<p>See 1.2.1 The Health & Social Care Partnership has engaged with service users and carers in developing a service model and specification for commissioning £20m care at home services for adults and older people No further action required</p>	<p>See 1.2.1</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>See 1.2.1 and 6.2.1</p>	<p>See 1.2.1</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>See 6.1.3</p>	<p>See 1.1.4</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>No further action required</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>No further action required</p>	<p>Staff and Trade Unions were consulted on the draft Workforce Plan and will continue to be engaged and consulted on the development of the actions in the Plan</p> <p>No further action required</p>