

**Scottish Borders Council Local Code of Corporate Governance (revised February 2023)**

Scottish Borders Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Council operates through a governance framework for the conduct of its affairs which brings together an underlying set of legislative requirements, governance principles and management processes. The Council's revised Local Code of Corporate Governance, which is consistent with the principles and requirements of the CIPFA/SOLACE Framework 2016 "Delivering Good Governance in Local Government", will help to ensure proper arrangements continue to be in place to meet the Council's responsibilities.

The concept underpinning the Framework is that it assists local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework helps authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that:

- resources are directed in accordance with agreed policy and according to priorities
- there is sound and inclusive decision making
- there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The environment in which it works local government is increasing in complexity. The Public Bodies (Joint Working) (Scotland) Act 2014 and other legislation have brought about new roles, opportunities and greater flexibility, as well as challenges for authorities.

The development of new structures, such as health and social care partnerships, necessitates the design of governance structures from the bottom up, ensuring that the core principles of good governance covering openness and stakeholder engagement, defining outcomes, monitoring performance and demonstrating effective accountability are integrated and embedded within the new structures and that mechanisms for effective scrutiny are established.

Whether working with other authorities, public sector bodies, the third sector or private sector providers, local authorities must ensure that robust governance arrangements are established at the outset. The 'Framework' defines the seven core principles of good governance, which the Council fully supports, namely:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it
- F. Managing risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Scottish Borders Council aims to meet the highest standards of corporate governance to help ensure that it meets its objectives. It will test its structure against these principles by:

- Reviewing its existing governance arrangements against the 'Framework'
- Developing and maintaining an up-to-date Local Code of Governance including arrangements for ensuring its ongoing application and effectiveness
- Preparing a governance statement (Annual Governance Statement) in order to report publicly on the extent to which it complies with its own code on an annual basis, including how it has monitored the effectiveness of its governance arrangements in the year, and on any planned changes for the coming period.

The preparation and publication of an Annual Governance Statement in accordance with the Framework fulfils the statutory requirement for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts. This process not only creates an opportunity for the Council to set out its standards for good governance but also to ensure that its governance arrangements are seen to be sound. This is important as the governance arrangements in public services are closely scrutinised.

**A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

**A1 Behaving with integrity**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Standards and obligations are set out in the Councillors' Code of Conduct, covered during Induction process and included in Welcome Pack for continual reference supplemented by ongoing support from Officers.  Protocol on Relationships between Political Groups, Elected Members and Officers.  Employees' Code of Conduct reflects the values of the Council, incorporates "The Seven Principles of Public Life" identified by the Nolan Committee on Standards in Public Life, and includes Whistleblowing Policy.  The Appraisal and Competency Framework in place for employees is based upon the Council's Values and Standards and includes Demonstrating Positive Behaviours, as part of People Plan linked to Council Plan.
2	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	The Council Plan (approved by Council and published on website) sets out the Council's vision, values and standards to guide the way it works and to inform strategies and policies based on priorities.
3	Leading by example and using these standard operating principles or values as a framework for decision making and other actions	Declarations of Interest are set out in the Council's Procedural Standing Orders, which govern the conduct of each Committee meeting. Members Registers of Interest is published on the Council's website.
4	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	Counter Fraud Policy and Strategy approved by Council.  Councillors' and Employees' Codes of Conduct outline the arrangements for identifying, mitigating and recording conflicts of interest, hospitality and gifts.  Declarations of Interest are set out in the Council's Procedural Standing Orders, which govern the conduct of each Committee meeting.  Members' Registers of Interest is published on the Council's website.  Employees' Code of Conduct includes Whistleblowing Policy.  Annual Complaints Reports to relevant committee.

## A2 Demonstrating strong commitment to ethical values

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Annual Governance Statement is the outcome of self-evaluation of compliance. The Audit Committee has high-level oversight role to ensure the highest standards of probity and public accountability are demonstrated.
2	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	Standards of conduct and behaviour including communication are set out in the Councillor and Employees' Codes of Conduct (embodies Nolan principles). Induction programmes include the above to ensure competency.
3	Developing and maintaining robust policies and procedures	Employees' Code of Conduct reflects the Council's values and "The Seven Principles of Public Life". The Council's values are included within the competency framework for appraisal of all employees.
4	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	The 'Procurement and Contract Standing Orders' apply to all contracts made by or on behalf of the Council for the procurement of the execution of works, the supply of goods and materials to the Council, and/or for the provision of services. Objectives and values from the Council Plan included within the Sustainable Procurement Charter.

## A3 Respecting the rule of law

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	Advice and overseeing compliance on legal matters is provided by the Chief Legal Officer (the Monitoring Officer) and the Clerk to the Council as set out in Scheme of Delegation, job descriptions, and protocols.
2	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	The roles and responsibilities of statutory officers (Head of Paid Service, Chief Social Work Officer, s95 Financial Officer, and Monitoring Officer) are set out in their respective job descriptions and associated legislation. Membership of Professional Bodies is required. The Scheme of Delegation sets out powers delegated to specific officers to fulfil their functions.
3	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	The Local Code of Corporate Governance includes Scheme of Administration, Procedural Standing Orders, Scheme of Delegation and Financial Regulations, which reflect the legal requirements placed upon the authority.
4	Dealing with breaches of legal and regulatory provisions effectively.	Advice and overseeing compliance on legal matters is provided by the Chief Legal Officer (the Monitoring Officer) and the advice on procedural matters is provided by the Clerk to the Council as set out in Scheme of Delegation, job descriptions, and protocols. HR policies and procedures ensure compliance with legislation and standards of conduct.
5	Ensuring corruption and misuse of power are dealt with effectively	Counter Fraud Policy and Strategy approved by Council. Integrity Group of Officers with role to improve the Council's resilience to fraud, corruption, theft and crime. Counter Fraud Annual Report presented to Audit Committee, including assurance self-assessment.

## B. Ensuring openness and comprehensive stakeholder engagement

Local government is run for the public good; organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders

### B1 Openness

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	The Council Plan (approved by Council and published on website) sets out the Council's vision, values and standards (including "Be fair, equal and open") to guide the way it works and to inform strategies and policies based on priorities.
2	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Calendar of main Council and Committee meetings. Minutes and committee reports published on the Council's website. Council meetings held in public unless there are good reasons for not doing so on the grounds of confidentiality. Committee meetings livestreamed and recordings stored for 180 days.
3	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Committee report templates include Implications section covering Financial, Risk and Mitigations, Integrated Impact Assessment, Sustainable Development Goals, Climate Change, Rural Proofing, Data Protection Impact Statement, and Changes to Schemes of Administration or Delegation. Committee reports published on Council's website 10 calendar days in advance of meetings.
4	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action	The CPP Community Engagement Framework sets out principles for engagement and the Toolkit shares best practice methods and enables engagement activities to be delivered in a consistent, cost effective and transparent manner.

### B2 Engaging comprehensively with institutional stakeholders

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	The Scheme of Administration sets out arrangements for and appointments to Community and Partnership bodies, including Community Planning Partnership (CPP), and Other Committees / Boards, including Integration Joint Board.
2	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	In addition to B2.1, Elected Members appointed as Representatives on Other Bodies.
3	Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>• trust;</li> <li>• a shared commitment to change;</li> <li>• a culture that promotes and accepts challenge among partners; and</li> <li>• that the added value of partnership working is explicit</li> </ul>	The Strategic Assessment underpins the strategic vision for the Council and its partners and the commitment to change. The CPP Governance Structure provides forum for challenge, and themes and priorities include sub-groups to support delivery.

**B3 Engaging stakeholders effectively, including individual citizens and service users**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	The CPP Community Engagement Framework sets out principles for engagement and the Toolkit shares best practice methods and enables engagement activities to be delivered in a consistent, cost effective and transparent manner.
2	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	As B3.1
3	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs	The Council seeks community views on a wide range of issues and undertakes regular consultation and engagement with citizens and service users, for example via Citizen Space.  The Council has put arrangements in place to comply with key elements of the Community Empowerment Act. The Council fully supports community empowerment and recognises the importance of building community capacity and volunteering as a key factor in building stronger, safer, and supportive communities.
4	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	The Council seeks feedback from the public through its complaints and comments policy and procedures, responds to the outcomes, as appropriate, and reports the results annually.
5	Taking account of the interests of future generations of tax payers and service users	The Strategic Assessment is the body of evidence which underpins the strategic vision for the Council and its partners.  Local Housing Strategy led by Council in collaboration with 4 main Registered Social Landlords sets out framework towards delivering future housing needs.  School-Employer partnerships as part of developing the Young Workforce objectives and priorities (The Wood Report).

**C. Defining outcomes in terms of sustainable economic, social, and environmental benefits**

The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available

**C1 Defining outcomes**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions	<p>The Community Planning Partnership (CPP), of which the Council is a partner, has an approved Community Plan as the Local Outcomes Improvement Plan (LOIP), underpinned by 5 Locality Plans.</p> <p>The Community Plan, produced in conjunction with local partners in public services, the private sector, voluntary sector and communities, focuses on themes, includes targets and challenges, and sets out measures for reducing inequality and improving outcomes, thereby setting the context for future service planning for the partners.</p> <p>The Council’s vision, strategic objectives and priorities underpinned by the Strategic Assessment are reflected in the approved Council Plan.</p>
2	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Decision-making reports to Committees outlining any proposals to change policies, strategies and plans include a section on Implications covering Financial, Risk and Mitigations, Integrated Impact Assessment, Sustainable Development Goals, Climate Change, Rural Proofing, Data Protection Impact Statement, and Changes to the Scheme of Administration or Scheme of Delegation.
3	Delivering defined outcomes on a sustainable basis within the resources that will be available	<p>There is an annual Council Plan, approved by full Council, and Performance Indicators (PIs) which are aligned to Council Priorities are monitored through the Executive Committee on a quarterly cycle.</p> <p>The budget development process ensures that the financial plans of the Council, approved by full Council, are aligned with its business and people planning objectives and the level of resources available. The Executive Committee on a quarterly cycle monitors the delivery of the revenue and capital financial plans, including scrutiny of in-year and future-year savings.</p>
4	Identifying and managing risks to the achievement of outcomes	<p>Risk Management Policy and Strategy approved by the Council.</p> <p>Risk management practices embedded in business planning and performance management processes, underpinned by a corporate training programme.</p>
5	Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available	<p>Budget Communications Strategy sets out the steps taken to engage with stakeholders as part of a consultation exercise on the budget.</p> <p>The Council’s Performance Management Framework establishes the mechanism for all services across the Council to ensure the Council meets its legal duty to provide best value to its citizens.</p>

**C2 Sustainable economic, social and environmental benefits**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	<p>The Council committed to implementing the UN Sustainable Development Goals as they relate to local government, recognising the increasing urgency to use resources in ways which does not compromise the quality of life of future generations. Decision-making reports to Committees outlining any proposals to change policies, strategies and plans include an Implications section on Sustainable Development Goals.</p> <p>Asset management planning and capital investment is structured to consider and balance the combined economic, social and environmental impact of policies and plans when taking decisions about service provision. Project Business Cases for Capital Programme include assessment of need and strategic fit. As part of this asset life, as well as social and economic impact, is implicitly considered.</p> <p>Planning processes are in place for revenue and capital expenditure. Social and environmental impact is implicitly considered.</p>
2	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	<p>Various strategies and transformative programmes, including the Digital Strategy and the Corporate Transformation Programme, are in place to respond to the social, economic and demographic challenges facing the Council and still deliver high quality and improved services.</p> <p>The Long Term Financial Strategy, including the 10-year revenue and capital financial plans, provides the framework to refocus the scale and pace of delivery of change and transformation resulting from significant changes to the financial landscape.</p>
3	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	Decision-making reports to Committees outlining any proposals to change policies, strategies and plans include an Implications section covering Financial, Risk and Mitigations, Integrated Impact Assessment, Sustainable Development Goals, Climate Change, Rural Proofing, Data Protection Impact Statement, and Changes to Schemes of Administration or Delegation.
4	Ensuring fair access to services	<p>Conducting an Integrated Impact Assessment is a requirement relating to any new or revised proposals such as policy, service or budget change, which affects people (the public or staff).</p> <p>The Integrated Impact Assessment process is a two stage procedure which enables the development or review of projects, policies, strategies, functions and services that meet the demands of Equality legislation and do not discriminate. The process incorporates the requirements to meet the Fairer Scotland Duty. The Equalities Forum to ensure that equalities are properly mainstreamed leads on publication of an annual Equality Mainstreaming Report.</p> <p>Service-specific governance arrangements include Fair access to social care policy and resource panels for children and adults services to ensure consistency.</p> <p>Rural Proofing Policy and Committee reports include section on Rural implications.</p>

**D. Determining the interventions necessary to optimise the achievement of the intended outcomes**

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

**D1 Determining interventions**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	Decision makers receive detailed information indicating how intended outcomes would be achieved together with the risks, financial and other implications associated with the proposals, by way of the compulsory sections of the Committee report template.  Guidance on preparing reports for Committees.  Committee reports are published on Council's website 10 days in advance of meeting dates.  Officers attend Committee meetings to advise as appropriate.
2	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	In determining how services and other courses of action should be planned and delivered the Council is increasingly engaging with internal and external stakeholders.  The Council fosters effective relationships, collaborative working and contractual arrangements with other public, private, and voluntary organisations in delivering services that meet the needs of the local community.

**D2 Planning interventions**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	Calendar of main Council and Committee meetings.  Regular refreshes of key strategic and operational plans, priorities and targets.
2	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	As D1.2
3	Considering and monitoring risks facing each partner when working collaboratively including shared risks	Risk Management Policy and Strategy.
4	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	Business, Financial and People Planning processes aligned to Council Plan priorities and outcomes.  The Corporate Transformation Programme sets out a far-reaching programme of change to enable the Council to respond to unprecedented social, demographic and economic challenges.



	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
5	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	Performance Management Framework approved by Council.  Quarterly performance reporting to the Executive Committee of Performance Indicators aligned to the priorities and outcomes in the Council Plan. These reports, published on website, show the progress towards achieving the outcomes in the Council Plan.
6	Ensuring capacity exists to generate the information required to review service quality regularly	Business Intelligence Programme is being developed with a view to delivering improvements to the quality of that data and the quality of management information and management reporting and assurance practices.
7	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan	The budget development process ensures that the financial plans of the Council, approved by full Council, are aligned with its business and people planning objectives and the level of resources available.  Project Business Cases for Capital Programme include assessment of need and strategic fit. As part of this asset life, as well as social and economic impact, is implicitly considered.
8	Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	Long Term Financial Strategy and 10-year revenue and capital plans for approval by Council in February each year, aligned to the priorities and outcomes in the Council Plan.

### D3 Optimising achievement of intended outcomes

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Long Term Financial Strategy and 10-year revenue and capital plans for approval by Council in February each year, aligned to the priorities and outcomes in the Council Plan.
2	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	The budget development process ensures that the financial plans of the Council, approved by full Council, are aligned with its business and people planning objectives and the level of resources available.
3	Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	Long Term Financial Strategy and 10-year revenue and capital plans for approval by Council in February each year, aligned to the priorities and outcomes in the Council Plan.  The Corporate Transformation Programme supports the delivery of the Council's Corporate Priorities and the delivery of the significant savings set out in the Financial Strategy and Plans.
4	Ensuring the achievement of 'social value' through service planning and commissioning  <i>(Social Value is technically referred to as Community Benefit in Scotland)</i>	The Council policy 'Adding Value to the Community through Procurement' embedded into the procurement strategy to ensure every procurement is considered for additional opportunities, such as community benefits, that create added value and will be social, economic or environmental benefits. This is achieved through the inclusion of specific clauses within contracts known as 'community benefit clauses'. The Community Benefits are tracked and summarised within the Procurement Annual Report.

**E. Developing the entity's capacity, including the capability of its leadership and the individuals within it**

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

**E1 Developing the entity's capacity**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness	Business, Financial and People Planning processes aligned to Council Plan priorities and outcomes. Regular refreshes of key strategic and operational plans, priorities and targets.
2	Improving resource use through appropriate application of techniques such as benchmarking and other options to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	Performance Management Framework approved by Council. Participation in the Local Government Benchmarking Framework; data submission in August each year.
3	Recognising the benefits of partnerships and collaborative working where added value can be achieved	Options considered where relevant in any decision-making or service review. Strong ties between the Council and the Community Planning Partnership. Effective joint working and collaboration as a legacy of the emergency response.
4	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	People Planning process applied across the Council on an ongoing basis.

**E2 Developing the capability of the entity's leadership and other individuals**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	Induction Programme for elected members to understand roles, protocols and standards, and included in Welcome Pack for continual reference supplemented by ongoing support from Officers. Protocol on Relationships between Political Groups, Elected Members and Officers.
2	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	The Scheme of Administration, Procedural Standing Orders, Scheme of Delegation and Financial Regulations reflect the powers delegated to specific committees and officers to enable effective and efficient fulfilment of their roles. Reviewed and updated on a regular basis.
3	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	Regular meetings are held between Chief Executive and Leader. The Chief Executive is a Statutory post with job description. Responsibilities delegated to Chief Executive are detailed within the Scheme of Delegation.

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
4	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:-	
-	- ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged	'Introduction to becoming a Councillor' programme in advance of local elections (best practice) and a comprehensive Induction programme post-local elections.  Ongoing training programme (including e-learning, seminars and courses) for all employees and elected members, and briefings for elected members and for employees on key priorities.
-	- ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis	Identification of training needs for elected members.  The Appraisal and Competency Framework in place for all employees, as part of People Plan linked to Council Plan, to set individual goals and development plans, and assess performance.  Training provided to elected members and employees in areas of identified need e.g. licensing, planning, employment, pension fund, audit, and data protection.
-	- ensuring personal, organisational and system wide development through shared learning, including lessons learnt from both internal and external governance weaknesses	Reports by external scrutiny and inspection bodies outlining findings and recommendations presented to the relevant Committee, including associated Action Plans for improvement.
5	Ensuring that there are structures in place to encourage public participation	The CPP Community Engagement Framework sets out principles for engagement and the Toolkit shares best practice methods and enables engagement activities to be delivered in a consistent, cost effective and transparent manner.  The Community Plan is highly co-produced, and based on extensive public participation.  The Council has put arrangements in place to comply with key elements of the Community Empowerment Act. The Council fully supports community empowerment and recognises the importance of building community capacity and volunteering as a key factor in building stronger, safer, and supportive communities.
6	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	The Appraisal and Competency Framework in place for all employees, as part of People Plan linked to Council Plan, to set individual goals and development plans, and assess performance. This includes leadership characteristics to fulfil roles.
7	Holding staff to account through regular performance reviews which take account of training or development needs	The Appraisal and Competency Framework in place for all employees, as part of People Plan linked to Council Plan, to set individual goals and development plans, and assess performance.
8	Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	Provision of a mix of formal and informal offerings to support the wellness of the Council's employees, ranging from occupational health, HR policies, themed events, training, helplines and other support.

**F. Managing risks and performance through robust internal control and strong public financial management**

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.

A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.

It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

**F1 Managing risk**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Risk management practice embedded in business planning and performance management processes. Committee Report templates include a section on Implications covering Risk and Mitigations.
2	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Risk Management Policy and Strategy scrutinised by Audit Committee and then approved by the Council. Risk Management Annual Report to enable Audit Committee to evaluate effectiveness of arrangements for managing risk. Regular review of Corporate and Service (strategic and operational) risk registers, programme and project risk registers, and partnership risk registers by relevant risk owners using new Risk Appetite, Capacity and Tolerance Toolkit for Managers.
3	Ensuring that responsibilities for managing individual risks are clearly allocated	Risk Management Policy sets out Roles and Responsibilities to manage risks effectively. Reliance on partners' risk arrangements relating to joint working and collaboration activities.

**F2 Managing performance**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review	Monitoring and progress reports on the Corporate Transformation Programme, Financial Plans and Performance are presented quarterly to Executive Committee for monitoring and review purposes. Public Performance Reporting published on Council's website.
2	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	Reports to Committees include a section on implications covering financial, risks and mitigations, equalities, environmental, rural, and governance. Committee reports published 10 calendar days in advance of meeting dates. Guidance on preparing Committee reports.

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
3	<p>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system)</p> <p>Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</p> <p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p>	<p>The Council's scrutiny arrangements are established through the Scheme of Administration through committee structures and specified remits.</p> <p>The Scrutiny and Petitions Committee's main scrutiny function is for monitoring and reviewing policy decisions, and to also act as a focus for value for money and service quality exercises.</p> <p>The Audit Committee has high-level oversight role to ensure the highest standards of probity and public accountability are demonstrated.</p>
4	<p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p>	<p>Calendar of meetings approved by Council in advance. Timetables for preparation of and consultation on reports to meet publication dates.</p>
5	<p>Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements )</p>	<p>The Scheme of Administration, Procedural Standing Orders, Scheme of Delegation and Financial Regulations reflect the powers delegated to specific committees and officers to enable effective and efficient fulfilment of their roles. Reviewed and updated on a regular basis.</p>

### F3 Robust internal control

	Behaviours and actions that demonstrate good governance	Demonstration of good governance in practice
1	<p>Aligning the risk management strategy and policies on internal control with achieving objectives</p>	<p>Risk Management Policy and Strategy scrutinised by Audit Committee and approved by the Council.</p> <p>Internal Audit Strategy and risk-based annual Plans approved by Audit Committee.</p>
2	<p>Evaluating and monitoring risk management and internal control on a regular basis</p>	<p>Risk Management Annual Report to enable Audit Committee to evaluate effectiveness of managing risk. Regular Internal Audit reports on work, findings and recommendations to Audit Committee.</p>
3	<p>Ensuring effective counter fraud and anti-corruption arrangements are in place</p>	<p>Counter Fraud Policy and Strategy scrutinised by Audit Committee and approved by Council.</p> <p>Integrity Group with role to improve the Council's resilience to fraud, corruption, theft and crime.</p> <p>Counter Fraud Annual Report to Audit Committee, including assurance self-assessment, to enable monitoring of the counter fraud actions and resources to mitigate fraud risks.</p>
4	<p>Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor</p>	<p>Internal Audit Annual Assurance Report used to inform the Annual Governance Statement.</p> <p>Reports to Audit Committee on provision of Internal Audit statutory service and conformance with Public Sector Internal Audit Standards (PSIAS).</p>
5	<p>Ensuring an Audit Committee or equivalent group or function which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> <li>- provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>- that its recommendations are listened to and acted upon</li> </ul>	<p>The role of the Audit Committee is to have high-level oversight of internal control, governance and risk management.</p> <p>Independence maintained through separate committee and appointment of external members.</p> <p>Audit Committee Action Tracker to monitor recommendations.</p> <p>Annual self-evaluation of effectiveness of Audit Committee and Annual Report to Council (best practice).</p>

**F4 Managing data**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Information Management policies and procedures include: Data Protection; Data Sharing; Freedom of Information; Information Management and Records Management (Retention and Disposal). Information Technology Policies and Procedures include: Email & Internet Use Policy; Information Security Policy; Protective Marking Policy. Information Asset Registers overseen by the Information Governance Group. The Records Management Plan agreed by Keeper of Records Scotland. Independent assurance from PSN and Cyber Essentials Plus certifications.
2	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Procedures, guidance and protocol on sharing of information. Conducting a Data Protection Impact Assessment is a requirement relating to any new or revised proposals such as policy, service or budget change. Register of Data Sharing agreements is in place (for PSN & Cyber Essentials Plus Compliance). Periodic Internal Audit reviews covering Information Governance and GDPR.
3	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Quality and Validation of data used in decision-making and performance reporting is the responsibility of the service area, ultimately the Director. Internal Audit annual reviews on Performance Management framework and indicators.

**F5 Strong public financial management**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance	Long Term Financial Strategy and 10-year revenue and capital plans for approval by Council in February each year, aligned to the priorities and outcomes in the Council Plan. Financial Strategy provides the overall framework for the financial management of the Council and covers the revenue budget, capital investment plan, treasury management arrangements and the recommended policy on reserves. The Corporate Transformation Programme supports the delivery of the Council's Corporate Priorities and the delivery of the significant savings set out in the Financial Strategy and Plans.
2	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	The budget development process ensures that the financial plans of the Council are aligned with the Council's business and people planning objectives and the level of resources available. The Executive Committee on a quarterly cycle monitors the delivery of the revenue and capital financial plans, including scrutiny of in-year and future-year savings. Financial Strategy Risk Register presented at approval stage to Council in February each year.

**G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

**G1 Implementing good practice in transparency**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	Public Performance Reporting published on Council's website Committee reports published on the modern.gov site for transparency to reflect the decision-making structure within the Council's Scheme of Administration.
2	Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	A Committee report template used to ensure published information is written clearly and concisely, having regard to the complexity of the subject matter, with information on the implications of the proposals contained therein.

**G2 Implementing good practices in reporting**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Reporting at least annually on performance, value for money and the stewardship of its resources	The Statement of Accounts, incorporating a Management Commentary, provides financial and other performance information regarding the operation of the Council, its wider achievements and areas for development. The Statement of Accounts produced in accordance with statutory guidance and deadlines. External Audit Annual Report provides assurance and key recommended improvements.
2	Ensuring members and senior management own the results	Guidance on preparing Committee reports includes mandatory consultation in advance, and templates incorporate appropriate approvals.
3	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	A self-evaluation of compliance with the Governance Framework is undertaken annually. The Annual Governance Statement is the outcome of that process which includes the Governance Framework, the Review of Framework, and Improvement Areas of Governance.
4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	The annual assurance process and the Annual Governance Statement reflect the assurances received from Directors and other senior management, which covers the Council's service delivery arrangements reflected in the Group Accounts.
5	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	The Management Commentary in the Statement of Accounts provides financial and other performance information regarding the operation of the Council, its wider achievements, and areas for development.

**G3 Assurance and effective accountability**

	<b>Behaviours and actions that demonstrate good governance</b>	<b>Demonstration of good governance in practice</b>
1	Ensuring that recommendations for corrective action made by external audit are acted upon	External Audit reports outlining findings and recommendations (including follow-up progress) presented to the Audit Committee.
2	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	Regular reports on Internal Audit performance against plan and compliance with Public Sector Internal Audit Standards presented to the Audit Committee. Chief Audit Executive meets regularly with Chair of the Audit Committee. Compliance with CIPFA's Statement on the Role of the Head of Internal Audit. Regular reports presented to the Audit Committee on Management's progress with implementation of recommendations made by Internal Audit to ensure these are acted upon.
3	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Reports by external scrutiny and inspection bodies outlining findings and recommendations presented to relevant Committee including associated Action Plans for improvement.
4	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	Risk Management Policy sets out Roles and Responsibilities to manage risks effectively. Reliance on partners' risk arrangements relating to joint working and collaboration activities. The existing governance framework including alternative service delivery arrangements, and assurances on risks, are reflected in the annual assurance process and reported within the Annual Governance Statement.
5	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	The Community Planning Partnership and the Health and Social Care Integration Joint Board, which are the most significant joint working and partnership arrangements of which the Council is a partner, have their own Governance Frameworks in place to ensure clarity of roles and responsibilities and to align with the Council's Governance Framework on public accountability.