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# Cheshire East Council

## Code of Corporate Governance

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**Version Status:** 2.0 - Draft for Audit & Governance  
Committee

**Version Date:** 25<sup>th</sup> June 2015

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**1. Introduction**

1.1. Corporate Governance is about the systems, processes and values by which organisations operate and by which they engage with and are held accountable to their stakeholders.

1.2. Cheshire East Council is committed to the principles of effective corporate governance and has therefore adopted a Code of Corporate Governance which follows the guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE), entitled “Delivering Good Governance in Local Government – Framework” (2012 Edition).

1.3. The CIPFA guidance defines the six core principles as shown in Figure 1, that underpin the governance framework of a local authority:

1. *Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local areas.*
2. *Members and officers working together to achieve a common purpose with clearly defined functions and roles.*
3. *Promoting the values of the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.*

4. *Taking informed and transparent decisions which are subject to effective scrutiny and managing risks.*

5. *Developing the capacity and capability of members and officers to be effective.*

6. *Engaging with local people and other stakeholders to ensure robust public accountability.*

**Figure 1 - CIPFA/SOLACE Core Principles**



- 1.4. Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for citizens and service users. It enables the Council to pursue its vision effectively as well as underpinning that vision with mechanisms for control and the management of risk.
- 1.5. By publishing a Code of Corporate Governance the Council is demonstrating its commitment to ensuring the high quality of its public services. In promoting the principles of openness, accountability, integrity and effective governance, the Council encourages public trust.
- 1.6. The Code provides stakeholders with greater awareness of the Council's arrangements, and provides assurance and knowledge to promote greater engagement.
- 1.7. Internally, the Code provides officers with a clear guide to the Council's expected principles and behaviours in relation to governance.
- 1.8. Cheshire East Council has robust governance arrangements in place. The policies and procedures which make up the arrangements demonstrate that the Council continually seeks to ensure it is and remains, well governed, through integration of the core principles of the CIPFA/SOLACE framework into all aspects of the Council's conduct and operation.
- 1.9. Cheshire East Council, as a commissioning Council increasingly works with a range of other organisations to deliver services and achieve its corporate objectives. There is a need to ensure the Council's governance standards are shared with our delivery partners, and that the Council has mechanisms in place to monitor compliance with these expectations.
- 1.10. The Chief Operating Officer is responsible for ensuring the Code is reviewed annually, and the outcome of the review, along with adoption of any revision to the Code is reported to the Audit and Governance Committee for approval.
- 1.11. The Council produces an Annual Governance Statement to report publicly on how the Council has complied with its own Code of Corporate Governance, including how the effectiveness of these arrangements during the year have been monitored.
- 1.12. The production of the Annual Governance Statement is required for compliance with the Accounts and Audit Regulations 2015, and the Statement is presented to the Audit and Governance Committee annually in conjunction with the Statement of Accounts.
- 1.13. The following tables identify the means by which Cheshire East Council will achieve the core principles of its Code of Corporate Governance, as well as the supporting principles and examples of the evidence associated with them.

**Cheshire East Council – Code of Corporate Governance**

<b>Principle 1</b> <i>Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local areas.</i>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
<p><b>1.1</b> Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcome for citizens and users</p>	<p><b>1.1.1</b> Develop and promote the authority's purpose and long term vision</p>	<ul style="list-style-type: none"> <li>• Sustainable Community Strategy</li> <li>• Medium Term Financial Strategy</li> <li>• Annual Communications on Budget Consultation and Budget Setting</li> <li>• CorVu/Performance reporting to Cabinet and CLB</li> <li>• Oracle / Finance Reporting System</li> <li>• Final Accounts</li> <li>• Media Hub</li> <li>• Underpinned by the Councils commitment to Putting Residents First and our core values and behaviours</li> </ul>
	<p><b>1.1.2</b> Review on a regular basis the authority's priorities for the local area and its implications for the authority's governance arrangements</p>	<ul style="list-style-type: none"> <li>• Quarterly performance reporting</li> <li>• Annual Governance Statement production</li> <li>• Annual budget and service delivery plans</li> <li>• Leader's Announcements</li> <li>• Corporate Objectives</li> <li>• Medium Term Financial Strategy</li> <li>• Consultation evidence including 'ICE' Citizen's Panel</li> </ul>
	<p><b>1.1.3</b> 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"> <li>• Constitution</li> <li>• Finance and Contract Procedure Rules</li> <li>• Individual Partnership Agreements/Compacts etc.</li> <li>• Sustainable Community Strategy</li> <li>• Leader's Board</li> <li>• Area Transformation Groups</li> </ul>
	<p><b>1.1.4</b> Communicate the authority's activities and achievements,</p>	<ul style="list-style-type: none"> <li>• Statement of Accounts</li> <li>• Annual Governance Statement</li> </ul>

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<b>Principle 1</b> <i>Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local areas.</i>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
	its financial position and performance	<ul style="list-style-type: none"> <li>• Quarterly performance reporting to Cabinet</li> <li>• Internal Communications; includes weekly newsletter to staff and Members, regularly updated intranet site, staff roadshows and conferences.</li> <li>• Media Hub</li> </ul>
<b>1.2</b> Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning	<b>1.2.1</b> 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	<ul style="list-style-type: none"> <li>• Commissioning Strategies</li> <li>• Contracts/SLAS</li> <li>• Business Intelligence/Research and Consultation</li> </ul>
	<b>1.2.2</b> Put in place effective arrangement to identify and deal with failure in service delivery	<ul style="list-style-type: none"> <li>• Project Management framework</li> <li>• Commissioning arrangements; contracts, specifications etc.</li> <li>• Compliments and Complaints processes</li> <li>• Business Continuity Plans</li> <li>• Emergency planning</li> <li>• Audit reports and action plans</li> </ul>
<b>1.3</b> Ensuring that the authority makes best use of resources, that tax payers and service users receive excellent value for money, and the charge to tax payers to be affordable and reasonable	<b>1.3.1</b> Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions	<ul style="list-style-type: none"> <li>• Value for Money Strategy</li> <li>• Environmental impact assessments</li> <li>• Carbon Reduction</li> </ul>
	<b>1.3.2</b> Ensure that timely, accurate and impartial financial advice and information is provided to assist in decision making and to ensure that the authority meets its policy and service objectives and provides effective stewardship of public	<ul style="list-style-type: none"> <li>• Project Management framework</li> <li>• Quarterly performance reporting</li> <li>• Calendar of committee meetings</li> <li>• Corporate Leadership Board meetings</li> <li>• Audit and Governance Committee Work</li> </ul>

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<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
	money and value for money in its use	Programme <ul style="list-style-type: none"> <li>• External Audit Reports</li> <li>• Finance Reporting Centre/Collaborative Planning</li> <li>• Transparency Agenda</li> </ul>
	1.3.3 Ensure that the authority maintains a prudential financial framework; keeps its commitments in balance with available resources; monitors income and expenditure levels to ensure that this balance is maintained and takes corrective action when necessary	<ul style="list-style-type: none"> <li>• Medium Term Financial Strategy</li> <li>• Quarterly performance reporting</li> <li>• Annual Statement of Accounts</li> <li>• External inspection of accounts</li> <li>• Internal audit reporting</li> <li>• Reports to Audit and Governance Committee, Cabinet and or Scrutiny</li> <li>• Central Finance Group (Portfolio Holder, S151 Officer and Senior Planning and Performance Managers)</li> </ul>
	1.3.4 Ensure compliance with CIPFA’s The Prudential Code for Capital Finance in Local Authorities and CIPFA’s Treasury Management Code	<ul style="list-style-type: none"> <li>• Treasury Management Strategy</li> <li>• Reports to Audit and Governance Committee, Cabinet and or Scrutiny</li> </ul>

**Cheshire East Council – Code of Corporate Governance**

<b>Principle 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.</b>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
<p><b>2.1</b> Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function</p>	<p><b>2.1.1</b> Set out a clear statement of the respective roles and responsibilities of the Cabinet and the Cabinet members individually and the authority’s approach towards putting this into practice.</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Portfolio information available online</li> </ul>
	<p><b>2.1.2</b> Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• CEC Councillor information online</li> <li>• Committee structure available online</li> <li>• Corporate Structure available online</li> </ul>
	<p><b>2.1.3</b> Ensure that the CFO (Chief Financial Officer –in this case the Chief Operating Officer (COO))reports directly to the Chief Executive and is a member of the leadership team with a status at least equivalent to other members. If different organisational arrangements are adopted, explain the reasons publicly, together with how these deliver the same impact.</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Structure Chart</li> </ul>
<p><b>2.2</b> 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</p>	<p><b>2.2.1</b> Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Finance Procedure Rules</li> <li>• Contract Procedure Rules</li> <li>• Financial and Local Schemes of Delegation</li> </ul>
	<p><b>2.2.2</b> Make the Chief Executive or equivalent responsible and accountable to the authority for all aspects of operational management.</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> </ul>
	<p><b>2.2.3</b> Ensure that the authority’s governance arrangements allow the CFO direct access to the CEO and to other leadership team members</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> </ul>

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	<p><b>2.2.4</b> 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"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> </ul>
	<p><b>2.2.5</b> Make a senior officer (the Chief Operating Officer as Section 151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records, and for maintaining an effective system of internal financial control.</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> </ul>
	<p><b>2.2.6</b> ...whose core responsibilities include those set out in the “Statement on the Role of the CFO in Local Government” and ensure that they are properly understood throughout the authority</p> <p>Ensure that the CFO :</p> <ul style="list-style-type: none"> <li>• leads the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively</li> <li>• has a line of professional accountability for finance staff throughout the organization</li> <li>• Ensure that budget calculations are robust and reserves adequate, in line with CIPFA’s guidance</li> <li>• Ensure that appropriate management accounting systems, functions and controls are in place so that finances are kept under review on a regular basis. These systems, functions and controls should apply consistently to all activities including partnership arrangements, outsourcing or where the authority is acting in an enabling role</li> </ul>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> <li>• Reports to Committees</li> <li>• Quarterly performance reporting to Cabinet</li> <li>• Schemes of Delegation (Financial and Non Financial)</li> <li>• Financial Reporting tools</li> <li>• Performance monitoring and reporting</li> </ul>

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Principle 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.		
Supporting Principles	To meet the requirements of this Principle, Cheshire East Council will;	This will be evidenced by relevant systems, policies and processes including;
	2.2.7 Make a senior officer (the Head of Legal Services and Monitoring Officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Financial and Local Schemes of Delegation</li> <li>• Reports to Committees</li> <li>• Schemes of Delegation (Financial and Non Financial)</li> </ul>
2.3 Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of each other	2.3.1 Develop protocols to ensure effective communication between members and officers in their respective roles	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Member/Officer Code of Conduct</li> </ul>
	2.3.2 Set out terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective independent remuneration panel (for members)	<ul style="list-style-type: none"> <li>• Pay Policy Statement</li> <li>• Constitution</li> <li>• CLB Appraisal Board (for CLB)</li> </ul>
	2.3.3 Ensure that effective mechanisms exist to monitor service delivery	<ul style="list-style-type: none"> <li>• Quarterly performance reporting to Cabinet</li> <li>• Project Management Framework</li> </ul>
	2.3.4 Ensure that the organisations vision, strategic plans, priorities and targets are developed through robust processes, and in consultation with the local community and other stakeholders, and that they are clearly articulated and disseminated	<ul style="list-style-type: none"> <li>• Sustainable Community Strategy</li> <li>• Three Year Plan</li> <li>• Annual Budget</li> <li>• Service Plans</li> </ul>
	2.3.5 Establish a medium term business planning process to deliver strategic objectives including: <ul style="list-style-type: none"> <li>• A medium term financial strategy to ensure sustainable finances</li> <li>• A robust annual budget that ensures financial balance</li> </ul>	<ul style="list-style-type: none"> <li>• Three Year Plan/Medium Term Financial Strategy</li> <li>• Annual Budget setting process – debate at Council</li> <li>• Annual Budget set</li> <li>• Quarterly performance reporting to</li> </ul>

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	<ul style="list-style-type: none"> <li>• A monitoring process that enables scrutiny of delivery and supports appropriate mitigation for estimates that may vary in year.</li> </ul> <p>Ensure that these are subject to regular review to confirm the continuing relevance of assumptions used</p>	<ul style="list-style-type: none"> <li>• Cabinet</li> <li>• Commissioning Plans</li> <li>• Budget and Policy Framework</li> </ul>
	<p>2.3.6</p> <p>When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and the authority</p>	<ul style="list-style-type: none"> <li>• Project Management Framework</li> <li>• Contract/Specification/Accountable Body Agreement etc.</li> </ul>
	<p>2.3.7</p> <p>When working in partnership:</p> <ul style="list-style-type: none"> <li>• Ensure that there is clarity about the legal status of the partnership</li> <li>• Ensure that, when working in partnership, all parties understand and make clear the extent of the authority to bind their organisation to partner decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Project Management Framework</li> <li>• Contract/Specification/Accountable Body Agreement etc.</li> </ul>

## Cheshire East Council – Code of Corporate Governance

Principle 3 <i>Promoting the values of the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.</i>		
Supporting Principles	To meet the requirements of this Principle, Cheshire East Council will;	This will be evidenced by relevant systems, policies and processes including;
<b>3.1</b> Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance	<b>3.1.1</b> 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"> <li>● Leader’s Report to Council</li> <li>● Three Year Plan</li> <li>● Staff and Members Code of Conduct</li> <li>● “FIRST” values and behaviours                             <ul style="list-style-type: none"> <li>○ Flexibility</li> <li>○ Innovation</li> <li>○ Responsibility</li> <li>○ Service</li> <li>○ Teamwork</li> </ul> </li> </ul>
	<b>3.1.2</b> Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols	<ul style="list-style-type: none"> <li>● Staff and Member Code of Conducts/protocols</li> </ul>
	<b>3.1.3</b> 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	<ul style="list-style-type: none"> <li>● Whistleblowing policy</li> <li>● Equalities policies</li> <li>● Declarations of interest</li> <li>● Gifts and Hospitality declarations</li> </ul>
<b>3.2</b> Ensuring that organisational values are put into practice and are effective	<b>3.2.1</b> Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicate these with members, staff, the community and partners	<ul style="list-style-type: none"> <li>● Adoption of “FIRST” values by Council</li> <li>● Promotion through communications to staff, webpages, employee newsletter , staff roadshows and conferences</li> <li>● Employee Recognition schemes</li> <li>● Personal Development Reviews</li> <li>● Media Hub</li> </ul>

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<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
	<p><b>3.2.2</b> 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"> <li>• Corporate Assurance Group</li> <li>• Project Management Office and Processes</li> </ul>
	<p><b>3.2.3</b> Ensure that systems and processes for financial administration, financial control and protection of the authority’s resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice</p>	<ul style="list-style-type: none"> <li>• Finance and Contract Procedure Rules</li> <li>• Constitution Committee</li> </ul>
	<p><b>3.2.4</b> Develop and maintain an effective mechanism for dealing with standards issues</p>	<ul style="list-style-type: none"> <li>• Role of the Monitoring Officer</li> <li>• Use of Audit and Governance Sub-Committee as required</li> </ul>
	<p><b>3.2.5</b> 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"> <li>• Constitution Committee – reviewing and updating the Constitution</li> <li>• Internal staff communications</li> </ul>
	<p><b>3.2.6</b> In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners’ behaviour both individually and collectively</p>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Specific legal advice</li> <li>• Partnership Agreements</li> </ul>

## Cheshire East Council – Code of Corporate Governance

<b>Principle 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risks.</b>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
<b>4.1</b> Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny	<b>4.1.1</b> 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"> <li>• Scrutiny Committee Meetings</li> </ul>
	<b>4.1.2</b> Ensure an effective internal audit function is resourced and maintained.	<ul style="list-style-type: none"> <li>• Internal Audit Annual Report</li> <li>• Reports to Audit and Governance Committee</li> <li>• External Assessment of the Internal Audit function in line with Public Sector Internal Audit Standards</li> </ul>
	<b>4.1.3</b> 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"> <li>• Project Management Framework</li> <li>• Committee Papers; Agenda and Minutes</li> <li>• Consultation Strategy</li> </ul>
	<b>4.1.4</b> Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	<ul style="list-style-type: none"> <li>• Staff Code of Conduct</li> <li>• Member Code of Conduct</li> <li>• Disclosure of Interests</li> <li>• Gifts and Hospitality Declaration</li> <li>• Committee Papers; Agenda and Minutes</li> </ul>
	<b>4.1.5</b> Develop and maintain an effective audit committee (the Audit and Governance Committee) which is independent of the executive and scrutiny functions.	<ul style="list-style-type: none"> <li>• Audit and Governance Terms of Reference</li> <li>• Audit and Governance Committee Papers</li> <li>• Audit and Governance Committee Self Assessment</li> <li>• Audit and Governance</li> </ul>

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		Committee Annual report
	<p><b>4.1.6</b> Ensure that the authority’s governance arrangements allow the CFO direct access to the Audit and Governance Committee and External Audit</p>	<ul style="list-style-type: none"> <li>• Constitution</li> </ul>
	<p><b>4.1.7</b> Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints</p>	<ul style="list-style-type: none"> <li>• Complaints Procedure, including annual report to Audit &amp; Governance Committee</li> </ul>
<p><b>4.2</b> Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs</p>	<p><b>4.2.1</b> Ensure those making decisions, whether for the authority or partnership, are provided with information which is fit for purpose – clear, timely, relevant, accurate and complete, and gives clear explanations of issues and implications on both a financial and non-financial basis.</p>	<ul style="list-style-type: none"> <li>• Project Management Framework</li> <li>• Quarterly performance reporting</li> <li>• Budget monitoring</li> <li>• Consultation Strategy</li> </ul>
	<p><b>4.2.2</b> Ensure information provided on the financial performance of the organisation to budget managers and senior officers is well presented, timely, complete and accurate.</p>	<ul style="list-style-type: none"> <li>• Financial Reporting Centre</li> <li>• Quarterly performance reporting</li> <li>• Financial reporting timetable</li> <li>• Finance Reporting Centre – guidance and ownership</li> <li>• Finance sign off for Committee Reports</li> </ul>
	<p><b>4.2.3</b> Ensure that timely professional advice on matters that have legal or financial implications is available and recorded in advance of decision making and used appropriately.</p>	<ul style="list-style-type: none"> <li>• Committee Paper’s require sign off by Monitoring Officer and Section 151 officer/deputies</li> </ul>
	<p><b>4.2.4</b> Ensure the authority’s governance arrangements allow the CFO (COO) to bring influence to bear on all material decisions</p>	<ul style="list-style-type: none"> <li>• Constitution; Scheme of Delegation to Officers</li> <li>• Constitution; Statutory and Proper Officer Provisions</li> </ul>

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	<p><b>4.2.5</b> Ensure that advice is provided on the levels of reserves and balances in line with good practice guidance.</p>	<ul style="list-style-type: none"> <li>• Quarterly performance reporting</li> <li>• Annual Statement of Accounts</li> </ul>
<p><b>4.3</b> Ensuring that an effective risk management system is in place</p>	<p><b>4.3.1</b> 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 job.</p>	<ul style="list-style-type: none"> <li>• Corporate Risk Management Group reports to Audit &amp; Governance Committee</li> <li>• Risk Management Strategy/Plan</li> <li>• Commissioning Plans</li> <li>• Individual Team/Service Plans</li> </ul>
	<p><b>4.3.2</b> Ensure the authority’s arrangements for financial and internal control and for managing risk are addressed in annual governance reports.</p>	<ul style="list-style-type: none"> <li>• Corporate Risk Management Group reports to Audit &amp; Governance Committee</li> <li>• Internal Audit Annual Report</li> </ul>
	<p><b>4.3.3</b> Ensure the authority puts in place effective internal financial controls covering codified guidance, budgetary systems, supervision, management review and monitoring, physical safeguards, segregation of duties, accounting procedures, information systems and authorisation and approval processes.</p>	<ul style="list-style-type: none"> <li>• Finance and Contract Procedure Rules</li> <li>• Schemes of Local and Financial Delegation</li> <li>• Corporate Leadership Board; Scrutiny of procurement transactions</li> <li>• Internal Audit Reports</li> <li>• External Audit Reports</li> </ul>
	<p><b>4.3.4</b> Ensure that effective arrangements for whistle-blowing are in place to which officers, staff and all those in contracting with or appointed by the authority have access.</p>	<ul style="list-style-type: none"> <li>• Whistleblowing Policy</li> <li>• Annual review of Whistleblowing Policy reported to Audit and Governance Committee</li> </ul>
<p><b>4.4</b> Using their legal powers to the full</p>	<p><b>4.4.1</b> Actively recognise the limits of lawful activity placed on them by, for</p>	<ul style="list-style-type: none"> <li>• TEG/EMB (PMO)</li> <li>• Committee paper sign off by</li> </ul>

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<b>Principle 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risks.</b>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes including;</b>
benefit of the citizens and communities in their area	example, the ultra vires doctrine but also strive to utilise their powers to the full benefit of their communities.	Monitoring Officer/deputies
	<p><b>4.4.2</b> Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on authorities by public law</p>	<ul style="list-style-type: none"> <li>• TEG/EMB (PMO)</li> <li>• Committee paper sign off by Monitoring Officer/deputies</li> </ul>
	<p><b>4.4.3</b> Observe all specific legislative requirements placed upon them, as well as the requirement of general law, and in particular to integrate the key principles of good administrative law - rationality, legality and natural justice – into their procedures and decision making processes.</p>	<ul style="list-style-type: none"> <li>• TEG/EMB (PMO)</li> <li>• Committee paper sign off by Monitoring Officer/deputies</li> </ul>

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<b>Principle 5</b> <i>Developing the capacity and capability of members and officers to be effective.</i>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes;</b>
<b>5.1</b> Making sure that members and officers have their skills, knowledge, experience and resources they need to perform well in their roles	<b>5.1.1</b> 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"> <li>• Councils Training Programmes ('Towards Excellence' and 'The Management Institute of Excellence') including Induction training</li> <li>• Skills Audit</li> <li>• Personal Development Review Process includes regular review and update across the year</li> </ul>
	<b>5.1.2</b> 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"> <li>• Phase 1-3 Management review 2013/14</li> <li>• Personal Development Review framework</li> </ul>
	<b>5.1.3</b> Ensure the CFO has the skills, knowledge, experience and resources to perform effectively in both the financial and non financial areas of their role.	<ul style="list-style-type: none"> <li>• Person specification and Job Description</li> <li>• Performance Feedback from Members and CLB as part of Personal Development Review</li> </ul>
	<b>5.1.4</b> Review the scope of the CFO's other management responsibilities to ensure financial matters are not compromised.	<ul style="list-style-type: none"> <li>• Person specification and Job Description</li> <li>• Performance Feedback from Members and CLB as part of Personal Development Review</li> </ul>
	<b>5.1.5</b> Provide the finance function with the resources, expertise and systems necessary to perform its role effectively	<ul style="list-style-type: none"> <li>• Finance Reporting Centre</li> <li>• Oracle and associated finance systems</li> <li>• Benchmarking Clubs</li> <li>• Project Management processes</li> <li>• Skills mapping and training plans</li> </ul>
<b>5.2</b> Developing the capability of people with governance responsibilities and evaluating their performance as	<b>5.2.1</b> Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.	<ul style="list-style-type: none"> <li>• Personal Development Review framework</li> <li>• Members Skills audits</li> </ul>

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<b>Principle 5 <i>Developing the capacity and capability of members and officers to be effective.</i></b>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes;</b>
individuals and as a group	5.2.2 Embed financial competencies in person specifications and appraisals.	<ul style="list-style-type: none"> <li>• Person specification and Job Description</li> <li>• Personal Development Review framework</li> </ul>
	5.2.3 Ensure that councillors’ roles and responsibilities for monitoring financial performance are clear, that they have adequate access to financial skills and are provided with appropriate financial training on an ongoing basis to help them discharge their responsibilities.	<ul style="list-style-type: none"> <li>• Member training and skills development framework</li> <li>• Committee Terms of Reference</li> </ul>
	5.2.4 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.	<ul style="list-style-type: none"> <li>• Member training and skills development framework</li> </ul>
	5.2.5 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.	<ul style="list-style-type: none"> <li>• Member training and skills development framework</li> </ul>
	5.3 Encouraging new talent for membership of the authority so that best use can be made of individuals’ skills and resources in balancing continuity and renewal	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.
	5.3.2 Ensure that career structures are in place for members and officers to encourage participation and development.	<ul style="list-style-type: none"> <li>• Councils Training programmes (‘Towards Excellence’ and ‘The Management Institute of Excellence’).Personal Development Review framework</li> <li>• Professional career pathways</li> </ul>

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<b>Principle 6 Engaging with local people and other stakeholders to ensure robust public accountability.</b>		
<b>Supporting Principles</b>	<b>To meet the requirements of this Principle, Cheshire East Council will;</b>	<b>This will be evidenced by relevant systems, policies and processes;:</b>
<p><b>6.1</b> Exercising leadership through a robust scrutiny function which effectively engages local people and stakeholders, including partnerships, and develops constructive accountable relationships</p>	<p><b>6.1.1</b> Make clear to all staff and the community to whom they are accountable and for what.</p>	<ul style="list-style-type: none"> <li>• Sustainable Community Strategy</li> <li>• Three Year Plan</li> <li>• Business Plans</li> <li>• Personal Development Review</li> </ul>
	<p><b>6.1.2</b> 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"> <li>• Sustainable Community Strategy and Commissioning/Enabling Plans highlight the key stakeholder relationships for the Council</li> <li>• Variety of performance measures used to assess the effectiveness of relationships with partners, monitor delivery, identify and address concerns.</li> </ul>
	<p><b>6.1.3</b> Produce an annual report on the activity of the scrutiny function and promote a regular dialogue between executive and scrutiny functions.</p>	<ul style="list-style-type: none"> <li>• An Annual Report on the Scrutiny Function is taken to Council</li> <li>• Chairs and Vice Chairs of the Scrutiny Committees meet regularly with the relevant Portfolio Holder from Cabinet</li> </ul>
<p><b>6.2</b> Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning</p>	<p><b>6.2.1</b> Ensure clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements and ensure that they operate effectively</p>	<ul style="list-style-type: none"> <li>• Daily media briefing; summary of local and national news items for Members and Officers</li> <li>• Communications Plans</li> <li>• Reputation Reports</li> <li>• Digital Influence Panel open to Cheshire East Residents</li> </ul>
	<p><b>6.2.2</b> Hold meetings in public unless there are good reasons for confidentiality</p>	<ul style="list-style-type: none"> <li>• Committee agendas identify items to be discussed in confidence.</li> <li>• Where agenda items are to be discussed in confidence, the relevant legislation is referenced.</li> </ul>

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	<p><b>6.2.3</b> Ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that sections of the community have different priorities and establish explicit processes for dealing with these competing demands.</p>	<ul style="list-style-type: none"> <li>• Citizen’s Influence Panel (Influence Cheshire East)</li> <li>• Digital Influence Panel</li> <li>• Business Intelligence</li> <li>• Research and Consultation team</li> </ul>
	<p><b>6.2.4</b> Establish a clear policy on the types of issues they 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"> <li>• Consultation results available on CEC’s website</li> <li>• Citizen’s Influence Panel (Influence Cheshire East)</li> <li>• Digital Influence Panel</li> </ul>
	<p><b>6.2.5</b> On an annual basis, publish information on the authority’s vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p>	<ul style="list-style-type: none"> <li>• Three Year Plan</li> <li>• Annual Budget</li> <li>• Annual Statement of Accounts</li> <li>• Annual Governance Statement</li> </ul>
	<p><b>6.2.6</b> 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 partnership, subject only to those specific circumstances where it is proper and appropriate to do so.</p>	<ul style="list-style-type: none"> <li>• Pay policy statement</li> <li>• Transparency portal</li> <li>• Opportunity for public speaking provided in Committee Meetings</li> <li>• Variety of communication channels available; Customer Service Centres, Online Reporting and Forms, Social Media and Customer Call Centres</li> <li>• Acceptance of paper/online petitions</li> <li>• Publication Scheme/Compliance with the Local Government Transparency Code 2015</li> </ul>
<p><b>6.3</b> Ensure that our staff are engaged in the objectives and ethos of the organisation</p>	<p><b>6.3.1</b> Ensure that staff is fully informed and have an opportunity to feedback with comments and suggestions.</p>	<ul style="list-style-type: none"> <li>• Internal communications, conferences and events</li> <li>• Staff Survey</li> </ul>

Document Control

Revision History

Version	Date	Summary of changes	Made by	Approved by
1.0	19/11/2009	Original Code of Corporate Governance	Governance Group	Governance and Constitution Committee 19/11/2009
1.1	17/11/2010	Revised to take account of the Chartered Institute of Public Finance and Accountancy (CIPFA)'s 'Application Note to Delivering Good Governance in Local Government: a Framework'	Corporate Governance Group	Audit and Governance Committee 17/11/2010
1.2	27/09/2012	Updated to reflect title changes, deleting references to "Use of Resources" (no longer applicable) and to align to Business Planning Process. Additional inclusion requested by Audit and Governance Committee included.	Corporate Governance Group	Audit and Governance Committee 27/09/2012
1.3	28/11/2013	Revision of the introduction to the Code and re-formatting of the Code's layout to make it more user friendly. Changes in title e.g. "Chief Operating Officer" replaces "Director of Finance and Business Services"	Corporate Governance Group	Audit and Governance Committee 28/11/2013
2.0	25/06/2015	Expansion of the introduction to provide greater clarity on the purpose of the Code. Inclusion of evidence sources, which can be used to demonstrate how the Council achieves compliance with its Code	Corporate Assurance Group	

Communication/Distribution

Name Title	Date of Issue	Version
All staff – CEntranet Corporate Policy List <a href="http://centranet.ourcheshire.cccusers.com/council/policies/Pages/CorporatePolicies.aspx">http://centranet.ourcheshire.cccusers.com/council/policies/Pages/CorporatePolicies.aspx</a>	December 2013	1.3
Cheshire East Website <a href="http://www.cheshireeast.gov.uk/council_and_democracy/your_council/council_finance_and_governance.aspx">http://www.cheshireeast.gov.uk/council_and_democracy/your_council/council_finance_and_governance.aspx</a>	December 2013	1.3