

# Governance, Risk and Best Value Committee

10am, Tuesday 27 November 2018

## Corporate Governance Framework Self-Assessment 2017/18

Item number	7.4
Executive/routine	
Wards	All
Council Commitments	

### Executive Summary

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The Council's Corporate Governance Framework (CGF) is based on the Chartered Institute of Public Finance & Accountancy and Society of Local Authority Chief Executives model framework Delivering Good Governance in Local Government.

The Council's self-assessment of its compliance with the framework for the financial year 1 April 2017 to 31 March 2018 is presented for scrutiny.

## Corporate Governance Framework Self-Assessment 2017/18

### 1. Recommendations

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- 1.1 To note the Corporate Governance Framework Self-Assessment 2017-18.
- 1.2 To note that the Council overall has an effective framework and actions had been identified where improvement action was necessary.

### 2. Background

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- 2.1 In November 2017 Committee considered officers' self-assessment against the framework for the 2016/2017 financial year and agreed that the format and reporting on the framework be reviewed.
- 2.2 An initial workshop with committee members and officers identified areas for improvement and was followed up with a full day round table session for key officers on reformatting the framework, defining the evidence required to demonstrate compliance and good governance and the provisional assessment of that evidence.
- 2.3 Further evidence was provided by service areas and the self-assessment reviewed by the Corporate Leadership Team (CLT).

### 3. Main report

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- 3.1 The Corporate Governance Framework (CGF) self-assessment template demonstrates the Council's compliance with the CIPFA/SOLACE framework by providing narrative and links to key documentary evidence.
- 3.2 Officers assess the Council's compliance with each requirement on a scale out of 10.
- 3.3 Areas for improvement are identified and actions added to the improvement plan section at the end of each framework principle.

## **2017/18 Self-Assessment (position at 31 March 2018)**

- 3.4 Overall officers considered that overall the framework was generally effective, although there were a number of areas that were adequate and required improvement to ensure controls were more robust. The Council was also aware of several areas where significant improvement was required. However, improvement actions were either set to be put in place or were already in motion in April 2018 for these areas.
- 3.5 Areas where we are performing well include: integrity, ethical values, rule of law; openness; engagement with citizens and service users; vision; public financial management; business planning; capability of leadership and others; audit committee (effective assurance); transparency and reporting.
- 3.6 Areas requiring significant improvement were: 6.2.1 alignment of risk management and internal control with achieving objectives; 7.2.2 robust arrangements for assessing compliance with CGF principles, publishing results and improvement actions; and 7.3.3 ensuring recommendations from audits, peer challenge, reviews and inspections are welcomed and acted upon. Where improvement actions are still required these have been included in the improvement plan section.
- 3.7 In conclusion, officers consider compliance with the CGF to be generally effective with significant improvements required in areas highlighted at 3.7 above and more general improvement needed in areas with mid-range self-assessment scores to provide a more robust set of internal controls.

### **Current position**

- 3.8 Improvement actions are being progressed and outcomes will be included in next year's self-assessment.
- 3.9 In preparation for the next reporting year (2018/19) work has started on further improving the process by bringing the annual assurance and CGF self-assessment processes together to create one joined up process and ensure both elements conclude in time to be considered in the annual governance statement.

## **4. Measures of success**

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- 4.1 Success will be measured through the annual self-assessment exercise.

## **5. Financial impact**

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- 5.1 There are no direct financial impacts as a result of this report.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 The process of reporting and senior management oversight of the corporate governance framework serves to strengthen the control environment and where appropriate prompt mitigating actions.

## **7. Equalities impact**

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- 7.1 There are no equalities impacts arising from this report.

## **8. Sustainability impact**

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- 8.1 There are no sustainability impacts arising from this report.

## **9. Consultation and engagement**

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- 9.1 Consultation with all relevant service areas is undertaken in preparation of the self-assessment.

## **10. Background reading/external references**

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None.

**Andrew Kerr**

Chief Executive

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## **11. Appendices**

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Appendix 1 – The City of Edinburgh Council Corporate Governance Framework Self-Assessment 2017/18

**The City of Edinburgh Council  
Corporate Governance Framework  
Self-Assessment 2017/18**

<b>Principle 1</b>	<b>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>	
<b>Supporting principle</b>	<b>1.1 Behaving with integrity and Demonstrating Strong Commitment to Ethical Values</b>	
<b>Requirement of the Council's Framework</b>	<b>1.1.1 Developing a leadership culture based on values, integrity and public interest that is communicated and understood by all and forms the basis of a framework for decision making and action.</b>	<b>Score out of 10: 8</b>
Evidence of compliance and links	<p>The Council has begun a journey to strengthen the leadership culture and support improved decision making at officer level. This though involves cultural change with officers and is not yet embedded throughout the organisation. Decision making at committee level is strong and there is a robust framework that is supported by a suite of governance documentation, that is regularly reviewed by officers and elected members.</p> <p>There is strong and demonstrable commitment from the Corporate Leadership Team (CLT) to promote a strong organisational culture that behaves with integrity, the rule of law and that is value led. Examples of this come from the establishment of strong corporate values that underpin the culture we are trying to create. The priority of CLT to develop the leadership culture within the organisation has included creating a Wider Leadership Team (top 100 managers) and ensuring that all managers across the organisation have undertaken leadership training which was values led. CLT have regular away days where they reflect on their leadership and this has included a joint session with senior councillors. This is an ongoing process in a complex organisation and leadership development training is under review by HR.</p> <p>From a legal and compliance perspective we have an independent whistleblowing process to ensure any concerns raised are investigated independently working closely with the Council's Monitoring officer.</p> <p>In addition to this there are several different facets that ensure we have a robust framework in place. These include:</p> <ul style="list-style-type: none"> <li>▪ The <u>Member/Officer Protocol (2016)</u> sets out the roles and responsibilities of Elected Members and Council officers, including the Chief Executive, to ensure clarity when carrying out their respective duties.</li> <li>▪ Mandatory training sessions provided for Elected Members on their obligations under the <u>Councillors' Code of Conduct</u>.</li> <li>▪ Comprehensive induction and ongoing training programme for Elected Members that includes mandatory, essential and developmental sessions on a wide range of responsibilities, skills and areas of topical interest.</li> <li>▪ The <u>Scheme of Delegation</u> (June 2017) sets out the powers delegated by the City of Edinburgh Council to officers, pursuant to the <u>Local Government (Scotland) Act 1973</u>. The Scheme facilitates the efficient conduct of Council business by clearly setting out the nature and extent of the powers delegated to officers by the Council, thereby ensuring that decisions are taken at an appropriate level and ensure sufficient and appropriate scrutiny.</li> <li>▪ <u>Councillors' register of interests and expenses</u> and <u>membership of organisations</u> published in full on the Council's website.</li> <li>▪ The <u>Council's People Strategy and People Plan for 2017-20</u> is built around a core set of values that guide everything we do. Our values define the culture we want to build within our organisation and set out our commitment to each other within our workforce as well as to our citizens and communities.</li> <li>▪ Our <u>Employee Code of Conduct</u> and the Council's <u>values</u> of Put Customers First, Honesty and Transparency, Working Together and Forward Thinking are now included as part of our performance framework and set out our expectations. New <u>employee induction</u> is focussed on our four values so all new starts understand the importance of living these values in the early days of their employment with the Council.</li> <li>▪ Principles and our values are communicated regularly to staff, are on our internal intranet and inform the build and delivery of learning and development interventions. Values are a key part of our performance management system and our people's performance framework therefore takes account of how they are living those values in service delivery.</li> <li>▪ Our employees are expected to refresh their knowledge and understanding of key policies such as <u>Anti-Bribery</u>, <u>Complaints</u> etc.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ There is strong and demonstrable commitment from the Corporate and Wider Leadership Teams to drive cultural change and leadership development with development sessions taking place.</li> <li>▪ The <a href="#">Council's Business Plan</a>, agreed on 24 August 2017, is reviewed at Full Council on an annual basis. This review is supported by an annual mid-term review of progress towards implementation.</li> <li>▪ The Council's <a href="#">Whistleblowing Policy</a> encourages a culture of disclosure of wrongdoing that is much wider than that covered by public interest disclosure legislation. Our whistleblowing arrangements are a key risk management tool and widely seen as an exemplar across the public sector.</li> <li>▪ Monitoring Officer reports are independent when considered by Council or committee.</li> <li>▪ The Monitoring Officer and Chief Internal Auditor have an independent reporting line to Governance, Risk and Best Value and direct access to the Chief Executive.</li> </ul> <p>Whilst a strong operational framework exists to ensure that employees behave with integrity (for example established Council policies and decision making processes), it is important that is effectively applied, with employees held accountable where they do not behave with integrity or demonstrate strong commitment to ethical values. This is achieved through the Council's performance framework with ongoing employee conversations and formal 'looking backwards' conversations, and the disciplinary process.</p>	
<b>Requirement of the Council's Framework</b>	<b>1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The <a href="#">Council's Corporate Policy Framework</a> mandates the annual review of policies which must be approved by Council or the responsible Executive Committee. The Council's <a href="#">Policy Register</a> maintains a central public facing record of all council policies.</p> <p>A council policies toolkit has been developed and is available on the Council's intranet site. This includes consultation and engagement strategies for new policies, a how-to guide, guide to policies and annual review, examples and a policy template for committee reporting.</p> <ul style="list-style-type: none"> <li>▪ The Council consults and engages with stakeholders on policies and procedures, eg. Trade Unions, relevant service providers, legal advisers.</li> <li>▪ <a href="#">Assurance Statements for Council policies</a> are reviewed and are considered as being current, relevant and fit for purpose. These are <u>reported</u> to the relevant <a href="#">Committee</a>. Working closely with the Communications Team, relevant information is cascaded to staff via Managers' news and the internal intranet pages are updated as necessary.</li> <li>▪ A programme of policy review has been agreed and <a href="#">policy refresher</a> arrangements are in place for employees. Employment policies are subject to Governance, Risk and Best Value Committee (GRBV) policy assurance with a revised process having been agreed at the <a href="#">GRBV in September 2017</a> which will provide further scrutiny.</li> <li>▪ As part of readiness for implementation of the new IT system (Enterprise Resource Planning System) circa 30 process workshops have been completed in relation to core HR processes coupled with the design and build of 'to be' policies, procedures and guidance.</li> <li>▪ Employment policy compliance controls have been designed for incorporation into Enterprise Resource Planning System to automate manual processes, ensure consistency across the organisation, assist employees and managers with compliance and enable efficient monitoring/reporting at all levels.</li> <li>▪ Report template and guidance are regularly updated and incorporate reporting of adherence to council business plan commitments and policy implications.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>1.1.3 Ensuring the organisation's ethical standards permeate all aspects of the organisation's culture and operation and are reflected in its policies and procedures</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>Council values are an integral part of our strategic planning and performance management frameworks. The council has embedded mechanisms to ensure ethical standards are permeated across the organisation.</p> <ul style="list-style-type: none"> <li>▪ Consideration of regular <a href="#">internal</a> and <a href="#">external</a> (September 2017) audit reports by Governance, Risk and Best Value Committee.</li> </ul>	

- The Council's Whistleblowing Policy mandates an independent service provider with authority to decide on the categorising of disclosures and investigations, with investigation outcomes reported quarterly to the Governance, Risk and Best Value Committee.
- Consideration of The Standards Commission for Scotland Hearing results by Council.
- As a public authority, the values of public service delivery are at our core and are reflected in Programme for the Capital: The City of Edinburgh Council Business Plan 2017-22. The principles and actions set out in this plan drive the way we work and the way we deliver services.
- Council Framework to Advance Equality and Rights 2017-21 ensures that citizens are able to use Council services and join in with the life and work of the city.
- The current Council Performance Framework was agreed in August 2017 and ensures a clear statement of vision, values and strategic objectives aligned with the Coalition agreement is embedded within the operation of the Council. The framework details performance measures and describes the monitoring of performance which is reported twice a year to all executive committees.
- As a public authority, the values of public service delivery are at our core, we work in partnership with communities and service partners to deliver services of benefit to our people.
- Employee Code of Conduct sets out the Council's values and describes how we carry out our business and the standards of conduct we expect from our employees.
- Disciplinary Code Provides details of the conduct, attitude and behaviours expected of employees.
- Performance Management Framework is designed to support managers and employees to have open, honest, and supportive performance conversations.
- The Avoidance of Bullying and Harassment at Work Policy covers management of complaints in relation to bullying and harassment at work. The focus is on early intervention and resolution by managers, to ensure complaints are dealt with quickly.
- Equality and Diversity Policy was updated in August 2017 with the purpose of ensuring that all our employees are treated fairly, equally and with respect in their working lives covering: pay and benefits and terms and conditions of employment; dealing with grievances and disciplinary issues, dismissal, redundancy; parental leave and flexible working; recruitment, promotion, training and development.
- Equality, Diversity and Rights Framework 2017-21 is a response to legislation, including the Human Rights Act 1998, the Scotland Act 2003, and the Equality Act 2010. Co-produced with members of the Edinburgh Equality and Rights Network (EaRN) during 2016/17, it sets out a series of commitments to ensure that equality, diversity and rights are central to the Council's vision of being a fair, inspired, thriving and connected city.
- The Council's People Strategy and People Plan for 2017-20 (February 2017) provides a clear line of sight from the Council's Business Plan and describes the people opportunities and challenges the Council faces over the short, medium and long term and sets out the key strategic people themes we need to address in order to deliver our commitments. Council values are linked to performance through a number of routes, including our New approach to performance co-produced with employees.
- The response to Serious Organised Crime within a local authority involves coordinating a number of disparate services to ensure consistency of approach, governance and reporting, and compliance to the duties outlined in Scotland's Serious Organised Crime Strategy. The strategy focuses on the detection and disruption of Serious Organised Crime and preventing it at source. Work is facilitated through a Council-wide group.
- Contract Standing Orders – establish the principles of transparency, equal treatment, non-discrimination and proportionality in how the Council procures its goods, services and works.
- The Council's Monitoring Officer (the Council's Head of Legal and Risk) actively investigates any significant issues coming to his attention, whether through whistleblowing, complaints or other avenues. This has on occasion resulted in reports to full Council, demonstrating that it is taken seriously and that any issues are actively managed.
- The Council's Information Governance team manages the Council complaints systems and the relationship with the SPSO. The council has a new complaints policy agreed by CP&S in July 2017.
- In September and December 2017, the Learning and Development Team piloted an induction/welcome event for new leaders, 'Setting Leaders up for Success'. From April 18, new leaders joining the City of Edinburgh Council and newly promoted leaders within the Council are invited to a welcome event. This takes place every 4-6 weeks, led by the Chief Executive. The aim is to welcome new leaders, help them get clear on their leadership role, help to develop their leadership skills and introduce them to our leadership culture. New leaders are also expected to complete relevant essential



	<p>learning on key council policies as part of their induction. A dedicated space has been created on the Council’s e-learning platform for new leader essential learning.</p> <ul style="list-style-type: none"> <li>▪ The Pensions and Trusts Committee adopted, on behalf of Lothian Pension Funds, the United Nations Principles for Responsible Investment and a revised Statement of Investment Principles in March 2008.</li> <li>▪ Non-compliance with standards is reported to Committee. For example non-compliance with Public Sector Internal Audit Standards was reported to Governance Risk and Best Value Committee on <a href="#">31 July 2018</a>.</li> </ul>	
<b>Supporting principle</b>	<b>1.2 Relationship with External Providers</b>	
<b>Requirement of the Council’s Framework</b>	1.2.1 Ensuring the organisation’s ethical standards are understood and upheld by external providers of services.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council has strong controls to ensure external providers of services understand the organisation’s aims and ethical standards. Improvements are necessary though and work in particular is taking place on grant management to ensure a greater level of consistency and a robust control process.</p> <ul style="list-style-type: none"> <li>▪ The Council’s Annual Assurance Process, which seeks assurance on ethical standards, includes significant Council companies and the Joint Boards. This process informs the Annual Governance Statement reported to <a href="#">Full Council in June 2017</a> as part of the un-audited financial accounts.</li> <li>▪ The Council’s <a href="#">Procurement Handbook</a> (updated in 2017) incorporates guidance relating to ethical procurement which includes relevance of award criteria relating to fair work practices and supply or use of ethically- or fairly-traded products as applicable.</li> <li>▪ As part of the procurement process for goods and services, the Council has set standards to manage integrity, compliance and monitoring, taking into account but not limited to, ethical and fair work practices in the tender submission documents. It is noted that should a contract be adopted from the Scottish Government Framework these standards are also included within the documentation. Contract management by service areas may give a weighting to these standards (where applicable) and they are monitored throughout the duration of the contract term.</li> <li>▪ Template procurement documentation including terms and conditions is drafted with advice from Legal Services. On larger projects and bespoke contracts, specific legal advice is obtained. Legal obligations imposed upon contractors cover the Council’s ethical standards in relation to such matters as community benefits, environmental and sustainability impact and workers’ rights.</li> <li>▪ The Council provides grant funding to third parties to improve social, environmental and economic outcomes for Edinburgh’s citizens and communities and grant agreements shall require the grant recipient to have in place proper employment, recruitment and selection practices, disclosure checks where appropriate and comply with all equal opportunities requirements.</li> <li>▪ The Council’s Standard Condition of Grant states that organisations in receipt of a grant should have policies and practices in place which should minimise any detrimental environmental impacts and complement the Council’s commitment to protecting and improving Edinburgh’s environment for future generations.</li> <li>▪ Following risk assessment where the Council has agreed an action which is non-compliant with Contract Standing Orders the action is recorded and noted publicly via Committee meeting transparency obligations and providing challenge to the decision.</li> <li>▪ The Council’s Standard Condition of Grant determines that organisations in receipt of a grant must have a commitment to mainstream equalities and rights in accordance with the <a href="#">Equality Act 2010</a>. Both in terms of its practices employing staff and volunteers and in providing services, the organisation should be able to demonstrate that it: advances equality of opportunity; fosters good relations; and eliminates any unlawful discrimination, harassment and victimisation.</li> <li>▪ <a href="#">Section 2 of the Local Government Act 1986</a> prohibits the Council from publishing any material that appears to be designed to affect public support for a political party. The same section also prohibits the Council from awarding funding to organisations for this purpose.</li> <li>▪ The Council expects grant funded organisations to adopt policies which comply with fair work practices and promote fair and equal pay, including the Living Wage.</li> <li>▪ The Edinburgh Compact Partnership’s principles of openness, transparency, integrity, fairness, mutual respect and accountability will apply to all decisions on the provision of grant funding.</li> </ul>	

Supporting principle	1.3 Respecting the rule of law	
Requirement of the Council's Framework	1.3.1 Demonstrating commitment to adherence to the rule of the law and regulations while ensuring individuals fulfil their responsibilities and optimise available powers to the benefit of all.	Score out of 10: 8
Evidence of compliance and links	<p>The council is committed to adhering to the rule of law and has a strong framework to ensure effective controls are in place and respond to changes in legislation such as the introduction of GDPR.</p> <ul style="list-style-type: none"> <li>▪ The Council has appointed statutory officers as follows, <u>Monitoring Officer</u>, <u>Head of Paid Service</u>, <u>Head of Finance</u> (section 95 officer), <u>Chief Education Officer</u>, <u>Chief Internal Auditor</u>, <u>Chief Social Work Officer</u> and <u>Data Protection Officer</u>.</li> <li>▪ Members have the opportunity to challenge officers submitting reports and seek advice from the Head of Legal &amp; Risk and Chief Internal Auditor.</li> <li>▪ Members are encouraged to seek advice from senior officers on legislative and regulatory matters and are offered appropriate training.</li> <li>▪ <u>Employee Code of Conduct</u> approved by Corporate Policy and Strategy Committee in August 2012.</li> <li>▪ The Chief Financial Officer's responsibilities are set out in the <u>Financial Regulations</u>.</li> <li>▪ The Chief Financial Officer is a standing member of the Corporate Leadership Team.</li> <li>▪ The Integration Joint Board is tasked with delivering its vision for a caring, healthier, safer Edinburgh through taking actions to transform how Council and NHS services and staff teams work together; with other partners; and those who use services and communities. A <u>Strategic Plan 2016-19</u> has been agreed and published. The Council is also co-signatory to the Scheme of the Establishment of the Edinburgh Integration Joint Board (EIJB) and as such complies with the legislative requirements of the Public Bodies (Joint Working) (Scotland) Act 2014.</li> <li>▪ The Chief Social Work Officer provides an <u>annual report</u> to the Corporate Policy and Strategy Committee each year.</li> <li>▪ The Council Health and Safety Manager provides an annual report on health and safety performance to the Finance and Resources Committee.</li> <li>▪ The <u>Internal Audit Opinion</u>, a requirement of Public Sector Internal Audit Standards, includes required details on Internal Audit independence.</li> <li>▪ <u>Committee Terms of Reference and Delegated Functions</u> and <u>Scheme of Delegation to Officers</u> are regularly reviewed (most recently June 2017). These terms of reference and delegated functions set out the powers delegated by the City of Edinburgh Council to its officers, committees and sub-committees pursuant to the Local Government (Scotland) Act 1973.</li> <li>▪ Contracts of employment, job descriptions, the Employee Code of Conduct, HR policies and the Scheme of Delegation to Officers are clear on the responsibilities given to job roles and/or individuals.</li> <li>▪ Promotion of codes of conduct of regulatory bodies such as Scottish Social Services Council (SSSC) and General Teaching Council Scotland (GTCS).</li> <li>▪ Key Council policies are reviewed on request by Legal Services to ensure compliance with relevant laws and regulations. Where any proposed course of action or policy is potentially non-compliant, this is flagged by Legal Services. Legal Services will escalate concerns to senior management as appropriate.</li> <li>▪ <u>The Community Empowerment (Scotland) Act</u> received Royal Assent in 2015 and sets out duties for public bodies in relation to community planning. In response, the Edinburgh Partnership is undertaking a review and consultation of community planning governance arrangements, together with the development of a new Local Outcome Improvement Plan and Locality Improvement Plans, to ensure the planning and partnership working arrangements in the city meet the legislative requirements set out in the Act.</li> <li>▪ The Community Empowerment (Scotland) Act additionally sets out a range of duties to allow community bodies to ask the Council, or other public bodies, to be involved in decisions and have a greater role in improving outcomes for their communities. This includes the establishment of participation requests and duties in relation to asset transfer. The Council approved in March 2018 its approach for managing participation requests and has reviewed its existing asset transfer policy to ensure it meets the new legal requirements.</li> </ul>	
Requirement of the Council's Framework	1.3.2 Dealing with breaches, corruption and misuse of power effectively.	Score out of 10: 8
Evidence of compliance and links	<ul style="list-style-type: none"> <li>▪ The Monitoring Officer is the Head of Legal and Risk and was appointed by <u>Council on 4 February 2016</u>. Allegations of corruption or misuse of power are considered by the Monitoring Officer, who acts independently of the Council. He has the power to conduct investigations and report his findings to full Council. He has done so previously (last time was June 2016).</li> </ul>	

- Legal Services will report breach of legal and regulatory provisions to senior management (primarily through Head of Legal and Risk and Monitoring Officer). Serious breaches may be dealt with by the Monitoring Officer. Other breaches will be addressed by Legal Services providing appropriate advice to service areas and monitoring implementation of that advice. Legal Services are also consulted in relation to complaints from the public which allege non-compliance with laws or regulations.
- Staff at all levels will report breaches of the Council’s statutory obligations under the Data Protection Act, 2018 to the Council’s Data Protection Officer via the Information Governance Unit. This is done through an established and revised Personal Data Protection Procedure (February 2018). High risk breaches will then be reported by the Data Protection Officer to the UK Information Commissioner.
- The Council’s Whistleblowing Policy mandates an independent service provider with authority to decide on the categorising of disclosures and manner of investigations, with investigation outcomes reported quarterly to the Governance, Risk and Best Value Committee.
- Consideration of regular internal and external (September 2017) audit reports by Governance Risk and Best Value Committee.
- The Council Health and Safety Strategy and Plan 2018-20 was approved by the Finance and Resources Committee (March 2018)
- Relevant policies and procedures are in place:
  - Disciplinary Procedure
  - Anti-bribery Policy – update report to CP&S in Feb 2017 (Note:- Employee Relations (ER) related policies no longer need to be automatically reviewed every year. This was agreed as a change to our governance arrangements last year (finalised at F&R in Dec 2017, following GRBV and CP&S). ER related Policies will now only be reviewed where we have expressly stated in a report, e.g. performance management, or where there is a legislative change or organisational need etc. So, the Anti-Bribery Policy did not need to be formally reviewed in March 2018)
  - Fraud Prevention Procedure – update report on Fraud Prevention and Detection considered by Committee in September 2017
  - Whistleblowing Policy (revised March 2018)

Following a review of our practices and procedures for recording, retaining, and monitoring employee lifecycle checks in 2017, we identified a need to strengthen how we are meeting our internal and statutory obligations in 2 specific areas, Right to Work and ‘Grey Fleet’ (this is the terminology used for colleagues who use their personal vehicle for work purposes). Work has been ongoing to ensure that we are 100% compliant and at the time of writing the following outcomes have been achieved:

Right to work:

- 93% of colleagues right to work information has been verified and updated on iTrent. The remaining 7% are proactively being contacted to collect the information;
- We now understand the nationalities of our workforce and this has helped us proactively communicate with colleagues who may be directly impacted by Brexit; and
- We are now able to proactively work with colleagues who are required to provide ongoing evidence of their right to work in the UK. This has significantly reduced the financial and reputational risk to the Council as where it is found that we do not comply with the current legislation we may face a financial penalty (civil penalty) and in some cases, prosecution.

Grey Fleet.

- 1188 colleagues have now provided information which enables them to continue claiming mileage;
- 1691 colleagues who had not claimed mileage in the last year have been removed from the scheme and can no longer claim mileage;
- For colleagues who are still to provide information we are proactively contacting them, but should the appropriate information not be provided they will be removed from the scheme.
- This work has significantly reduced the risk to the organisation.

**Principle 1 - Improvement plan**

- Improve links and further embed CLT in committee reporting process. In autumn 2018 a review of the Council’s operational governance processes will commence. This aims to bring a greater level of transparency, clear accountability and build greater links between committees, CLT and officer management teams

Responsible officer(s)  
Democracy, Governance & Resilience Manager

	<ul style="list-style-type: none"> <li>• Policy management refresh – review arrangements and ensure controls and processes in place.</li> <li>• Grant Standing Orders</li> </ul> <p>Further action has been taken to support the aims of Principle 1. The Council has undertaken a review of some of its activities and procedures and now has in place, or has plans to have in place the following:</p> <ul style="list-style-type: none"> <li>• A new enterprise risk management policy and risk appetite statement have been approved by CLT and August 2018 Corporate Policy and Strategy Committee. Together with the rollout of Pentana as the Council’s risk management software, this will aid understanding of risk management Council wide, improve risk awareness and improve the identification and management of risks.</li> <li>• The Council Health and Safety Strategy and Plan 2018-20 was approved by the Finance and Resources Committee (March 2018). Good Progress is being made to deliver the plan, including: roll out of the IOSH Leading Safely course to the wider leadership team (100 senior managers); new Water Safety Policy; H&amp;S training needs analysis is almost complete; Chief Executive chairing of the Health and Safety Committee, and a campaign to promote accident and near miss reporting.</li> <li>• The Council won a 2018 ALARM award for the design and rollout of a self-assurance framework, collaborated on by multiple service areas.</li> <li>• Renewed focus on the internal control environment through delivery of the internal audit plan identified areas for improvement. This has received significant CLT attention as well as political oversight and this, together with a rebranded service and training sessions on the role of internal audit, is helping drive better understanding and focus on closing agreed management actions which should create more strongly controlled environment.</li> <li>• Team Central is to be implemented to ensure that Internal Audit findings are appropriately addressed by mitigating control weaknesses identified by Internal Audit and ensuring that risks are appropriately managed.</li> <li>• The Council is working with the Edinburgh Partnership to undertake a comprehensive review of its community planning arrangements. This has been to CP&amp;S and Culture and Communities Committee in October and will be agreed by the end of the calendar year.</li> <li>• The Council will review its locality governance arrangements in the winter of 2018 and will have completed its review of Community Councils by the end of April 2019.</li> </ul>	Head of Finance
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<b>Principle 2</b>	<b>Ensuring openness and comprehensive stakeholder engagement</b>	
<b>Supporting principle</b>	<b>2.1 Openness</b>	
<b>Requirement of the Council’s Framework</b>	2.1.1 Demonstrating an open culture through decisions that have been subject to consultation and/or engagement, are public, evidenced, impact assessed and, where necessary, justification for confidentiality explained.	<b>Score out of 10: 7</b>
Evidence of compliance and links	The council is committed to ensuring open and transparent decision making and that people and communities are engaged in the process of policy development ahead of decisions being taken. We always consult on all major decisions of the council – issuing 93 consultations through the council’s singular consultation hub. We have engaged extensively on the council’s budget for 2018/19 undertaking a range of engagement types. We are also currently consulting on the city’s community planning arrangements to ensure maximum participation and are developing plans for increasing the amount of the council’s budget that is decided upon by the public to 1% by the end of this council period.	

Ensuring open decision making is fundamental to ongoing trust in the democratic process. As budget pressures only increase over the coming years, trust from the public is fundamental and to that end the council intends to redouble its efforts through the it's change strategy. Plans are currently being developed to undertake long term engagement work with the public on some of the challenges faces by the council to try and ensure there is as much buy-in as possible on the decisions taken by the council. This must be seen as a first step to increase our efforts to further ensure all aspects of the council are as transparent as possible.

- The [Access to Information Act 1985](#) schedule 1 requirements regarding exempt information are implemented throughout policy and procedure. Training on the act is provided for key officers and elected members as part of the Governance Framework Training Session.
- [Webcasting of Council and major committees](#), with access to archive recordings for five years.
- All Council and Committee reports and decisions are recorded and are available on the CEC web site via [Council papers online](#) (since May 2003).
- The committee report template and guidance include standard sections requiring authors to detail consultation and engagement, sustainability impact, equalities impact, financial impact, measures of success and risk, policy, compliance and governance impact. This provides necessary information for elected members to take decisions with clear explanation of key considerations.
- Any decisions that are taken by officers under urgency provision require a report to the next committee detailing the decision taken and the reasons. See [Committee Terms of Reference and Delegated Functions \(June 2017\)](#).
- [Council Diary](#) arrangements reported to Council annually (last reported March 2018)
- The [Scheme of Delegation](#) (June 2017) sets out the powers delegated by the City of Edinburgh Council to officers, pursuant to the [Local Government \(Scotland\) Act 1973](#). The Scheme facilitates the efficient conduct of Council business by clearly setting out the nature and extent of the powers delegated to officers by the Council, thereby ensuring that decisions are taken at an appropriate level and ensure sufficient and appropriate scrutiny.
- Copies of agendas, minutes and reports for all Council and committee meetings are held by Edinburgh City Archives.
- Members have the opportunity to challenge officers submitting reports at Agenda Planning Meetings and committee.
- [Petitions](#) procedure streamlined as part of most recent review of [political management arrangements](#). (June 2017).
- [Deputations](#) (representative of a group or organisation speak at a committee meeting on a subject of their choice) are welcomed to feed into policy making at Council and Committees.
- Statutory requests for information are dealt with via an established process. Council responses are routinely made publicly available through its [FOI Disclosure Log](#).
- Complaints made to the Council are dealt with under the [Council's Complaints Procedure](#), which has a clear outline of responsibilities, timescales and escalation routes to the Scottish Public Services Ombudsman. This procedure is available on our website for the public and on the Orb for staff. There is a Corporate Complaints Management Group which promotes and facilitates better complaints management throughout the organisation.
- [Edinburgh People Survey – annual citizen survey](#) measures satisfaction with key universal services and highlights where further research or consultation may be necessary.
- The Council's online [Strategy and Performance](#) hub provides an overview of all Council strategies and reports against progress and performance. This framework is developed in line with the strategic direction provided by the Accounts Commission and follows best practice guidance provided by the Improvement Service.
- The Council regularly consults and engages with stakeholders and members of the public on its plans and policies. Methods to seek feedback include surveys, focus groups, public meetings, and involving relevant stakeholders in participatory budgeting and local community planning. Details on how to find out about and participate in consultations and records are available via our [Consultation Hub](#).
- The Council's budget engagement process explains the pressures the Council faces and the areas where it proposes to spend and save, then records what was done as a result of public feedback. This has recorded high engagement levels and garnered positive attention in local press and on social media.
- Honesty and transparency is enshrined in the [protocol for member officer relations](#) in decision-taking and advice giving.
- Financial impact reporting arrangements are embedded in the [financial regulations](#).

- Contract Standing Orders (June 2016) ensure that proper procedures are adhered to throughout the procurement process and that there is compliance with relevant sustainable development and equality requirements required by law and co-production with key stakeholders is planned as appropriate. Contract Standing Orders demonstrate the Council's compliance with the general principles of equal treatment, non-discrimination, transparency and proportionality.
- Procurements must not be designed with the intention of unduly favouring or disadvantaging any potential tenderer. Contract Standing Orders clearly demonstrate the Council's open approach to tendering processes and details Relevant Values and Associated Tender Procedures for all potential Contracts including appropriate approval and delegation levels.
- The Council's performance reporting takes into consideration appropriate feedback to the relevant stakeholders of any decisions taken by Council by using appropriate communication routes. The annual performance report which went to CP&S and Council in August includes insight from the Edinburgh People Survey which is the largest local authority survey of its type in the UK.
- Community engagement is core for the Neighbourhood Partnership and localities approach. A wide range of activities are carried out, ensuring opportunities are provided in ways that are appropriate for communities of place, interest and identity. These inform service development and responses by Council and partners.
- Locality Improvement Planning - each locality has produced a Locality Improvement Plan based on a significant programme of community engagement with local stakeholders and the wider community. The engagement was delivered by a range of partners involving a wide variety of methods and focussing on service users and people living in areas experiencing the highest levels of deprivation.
- Service Developments – the development of facilities and new services are planned and delivered in consultation with local communities with changes and improvements seeking to reflect identified local need where possible e.g. upgrades to local playparks (e.g. Leith Links Play Park Designs); library service refurbishments
- Participatory Budgeting – local communities are increasingly involved in having a say on the allocation of small grants, and neighbourhood environment improvement funds through participatory budgeting, with the development of a range of creative ways both digital and events based to engage greater numbers of local people. E.g. Leith Chooses as an example of the most developed process engaging over 1,000 people at a community voting event and attracting over 31,000 votes cast
- Place Improvements – linked to the bullets above, Locality teams are regularly engaged in significant local stakeholder consultation on wider public realm projects – eg. Regeneration of Westside Plaza, Queensferry High Street etc, as well as very localised engagement and consultation regarding locally prioritised environmental improvement projects, reported back through Neighbourhood Partnerships and Locality Committee's.
- Community Planning Review - The Council in establishing locality committees as part of the new governance framework, acknowledged the potential for enhancing community planning arrangements at neighbourhood and locality levels. This basis, a proposal for a review and consultation of these arrangements was agreed at the City of Edinburgh Council meeting on 26 October 2017 and was referred to the Edinburgh Partnership for formal agreement. A programme of engagement and consultation on these proposals with a wide range of stakeholders is currently underway and is scheduled to be completed in October 2018.
- Community participation is core to community planning and the Council's approach. Communities are involved in decision making structures, such as the Neighbourhood Partnerships, where they can influence and shape service design and delivery in partnership with the Council and partners. For example, extensive engagement was carried out to inform the development of the Locality Improvement Plans, approved in November 2017, and particularly with those experiencing the greatest inequality. Through this process communities of place, interest and identity identified their priorities and will continue, through ongoing dialogue and engagement, to influence the design and delivery of services to improve outcomes in their areas. A key area of the locality-based working has been to involve communities in decision making on the use of devolved funds such as the Community Grants Fund and Neighbourhood Environment Programme. This role has further been strengthened with the use of participatory budgeting, which has increased local democratic decision making, promoted a greater understanding of public budgets and encouraged communities to develop their own solutions to issues. Online engagement is a key element of this work and complements traditional forms of engagement.

<b>Requirement of the Council's Framework</b>	2.2.1 Ensuring effective engagement with clarity of purpose, objectives and intended outcomes.	<b>Score out of 10: 6</b>
Evidence of compliance and links	<p>Engagement with institutional partners is facilitated through a number of different forums as well as more bilateral relationships. The council has strong relationships with the rest of the public sector through the Edinburgh Partnership, the business community through the Edinburgh Business forum, neighbouring other local authorities through the City Region Deal governance and the Scottish Government and other Scottish local authorities through our membership of Cosla and the Scottish Cities Alliance. Further evidence of our engagement includes:</p> <ul style="list-style-type: none"> <li>▪ Engagement with the Scottish Government through our Membership of Cosla and the Scottish Cities Alliance</li> <li>▪ Development of regional partnerships through the new regional governance arrangements taken forward by the Edinburgh and South East Scotland City Region Deal which include the 6 regional authorities, both governments and their agencies and the tertiary and third sectors. A Joint Committee to take this forward has been formally established as has a Regional Enterprise Council which will provide private and third sector leadership to regional engagement.</li> <li>▪ The business community through the Edinburgh Business forum as well as a number of sector-based groups such as The Edinburgh Planning Forum and the Edinburgh Tourism Action Group.</li> <li>▪ Key resilience stakeholders are engaged through the Multi-Agency Scottish Resilience Structure.</li> <li>▪ Engagement with institutional stakeholders can take a variety of forms and is determined by the nature of the relationship and the activity being undertaken.</li> <li>▪ In reporting to Committee, all consultation and engagement activities relating to Council decisions are outlined and published within the content of reports.</li> <li>▪ The work of Localities and Neighbourhood Partnerships is informed through ongoing dialogue with community and partner agencies, together with dedicated engagement programmes, to ensure all activity reflects the aspirations and priorities within each locality.</li> <li>▪ The city's Community Planning Partnership (Edinburgh Partnership) formally endorsed and approved the EP <a href="#">Community Plan 2015-18</a>, on 18 June 2015. The Plan incorporates the city's Single Outcome Agreements, and includes the partnership's vision for the city, four community planning outcomes, 12 strategic priorities and complementary partnership actions and performance measures. The Plan was approved by the EP Board, comprising 13 representatives drawn from public agencies, and community bodies.</li> <li>▪ We work in partnership with communities and service partners to deliver services of benefit to people in our communities based upon our shared understanding of people's needs in local communities.</li> </ul>	
<b>Requirement of the Council's Framework</b>	2.2.2 Developing partnerships based on trust, shared commitments, a challenge culture and added value.	<b>Score out of 10: 6</b>
Evidence of compliance and links	<p>The Council has a robust framework for partnership working which can be seen through the Edinburgh Partnership, the Integration Joint Board and City Region Deal Framework. This partnership approach has encouraged innovation and facilitate a collaborative engagement. The next step is to turn facilitation into more joined up delivery.</p> <ul style="list-style-type: none"> <li>▪ The Edinburgh Partnership (EP) is made up of a 'family' of strategic, advisory, locality and neighbourhood partnerships and groups. The EP Board is not an incorporated body. The partnership operates in a spirit of mutual respect and partnership working. Each member has equal standing. The EP Community Plan 2015-18 includes 12 strategic priorities that have been agreed on the basis of resourced commitments made by community planning partners, Strategic (Delivery) Partnerships, and Advisory Groups. The aim of the partnership is to work together to address common problems and to hold partners to account in terms of partnership services.</li> <li>▪ The EP Board is currently carrying out a review and consultation of its governance arrangements and developing a Local Outcome Improvement Plan in response the legal requirements of the Community Empowerment (Scotland) Act 2015. The new plan will state ambitions to further strengthen approaches to change, challenge and effective partnership working. Locality Improvement Plans, also a legal requirement, were approved in November 2017 following a period of extensive consultation with communities and public and voluntary sector partners. Work is now ongoing with partners and the community to develop and deliver actions to address the outcomes identified.</li> </ul>	

- Neighbourhood Partnerships are Advisory Committees of the Council. They are governed by a constitution approved by Council at the time of establishment (March 2007) and a Neighbourhood Partnership Charter, refreshed as part of a review carried out in 2013. Guidance is provided for members through a Neighbourhood Partnership Handbook and through development activity. Localities, Locality Planning and Locality Leadership Teams have agreed to place more focus on locality working and improved partnership working. In order to better support this work, the council and its partners have agreed four co-terminus locality areas. In addition, the council and its partners have established four locality leadership teams, aligned to each area, to improve service coordination, partnership activity and improved support for the work of neighbourhood partnerships. These community planning arrangements are subject to the Edinburgh Partnership review and consultation currently underway, with new arrangements proposed to be approved in Autumn 2018.
- Neighbourhood Partnerships are Advisory Committees of the Council. They are governed by a constitution approved by Council at the time of establishment (March 2007) and a Neighbourhood Partnership Charter, refreshed as part of a review carried out in 2013. Guidance is provided for members through a Neighbourhood Partnership Handbook and through development activity, such as the Development and Support Programme provided for community councils.
- Localities, Locality Planning and Locality Leadership Teams have agreed to place more focus on locality working and improved partnership working. In order to better support this work, the council and its partners have agreed four co-terminus locality areas. In addition, the council and its partners have established four locality leadership teams, aligned to each area, to improve service coordination, partnership activity and improved support for the work of neighbourhood partnerships.
- Locality hubs have been developed to involve partnership agencies to facilitate direct access to preventative and community-based Health and Social Care Services.
- The Community Safety Partnership is responsible for coordinating a multi-agency response to promote community safety, to reduce reoffending and to tackle antisocial behaviour across the city. Improving community safety and effective reduction in reoffending depends on a complex, multi-agency and multi-sector approach to the delivery of a wide range of both universal and specialist services. This multi-agency approach to community safety has strengthened the locality focus which allows for closer engagement with neighbourhoods.
- The Edinburgh Integration Joint Board (EIJB) is a formally constituted decision making body as set up under the provisions of the Public Bodies (Joint Working)(Scotland) Act of 2014. It is a formal board whose membership comprises Non-Executive Directors of NHS Lothian and Elected Members of City of Edinburgh Council. It is required to act as a single body rather than the sum or 'sides' of its membership and its operational requirements are set out in the agreed Scheme of Establishment. The IJB is required to have in place at its accountable officers a Chief Officer and Chief Finance Officer and it sets out its aspirations in its Strategic Plan.
- The operational element which delivers the IJB's strategic intention is the Edinburgh Health and Social Care Partnership (EHSCP), led by the Chief Officer and Executive team the partnership brings together the operational, planning and delivery oversight of a range of adult social care services with a number of community health and hospital-based services in Edinburgh. The aim is to improve the health and wellbeing of citizens by joining up the planning and delivery of health and social care services previously delivered separately by The City of Edinburgh Council and NHS Lothian.
- The IJB also includes, as non-voting members, professional, carer and service user members to ensure that all views are incorporated in planning and instructing strategic objectives.
- Council Health and Safety Forum with Trades Unions meets quarterly to ensure appropriate level of consultation and engagement on health and safety matters.
- Partnership meetings with trade unions take place on a regular basis at a council wide and service area level. We consult trade union colleagues on people related/cultural change developments, e.g. new and revised HR policies, learning at work and our new approach to performance etc. The Council recognises 8 trades unions for the purposes of collective bargaining. To help the consultation and negotiation process, the trades unions have appointed a staff side secretary covering all non-teaching staff and another covering teaching staff. The Council has a Working Together Protocol, which sets out the way that management and the trades unions should work together to achieve their shared goals and common interests and the behaviours expected from both sides.
- The full City Region Deal was agreed in July 2018 by the City Region and both National governments. It consists of a range of partners, including 6 councils, 4 universities and the involvement of the business and third sector.
- The Council is an active member of COSLA and SOLACE participating in key national and local issues.



	<ul style="list-style-type: none"> <li>The Council is currently reviewing its arrangements with the business community through the Edinburgh Business Forum.</li> </ul>	
<b>Supporting principle</b>	<b>2.3 Engaging with individual citizens and service users effectively</b>	
<b>Requirement of the Council's Framework</b>	2.3.1 Ensuring effective engagement with clarity of purpose, objectives and intended outcomes.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council has made significant efforts over recent years to improve the way we engage and consult with citizens and communities moving to a significantly more digitally enabled approach. There is however more work to do to sustain and broaden our approach in this regard to ensure we are improving outcomes.</p> <ul style="list-style-type: none"> <li>The Council developed a Consultation Framework which provides guidance to officers on deciding whether the appropriate approach to an issue is communication, engagement or consultation.</li> <li><u>The Edinburgh People Survey</u> measures satisfaction with key universal services and highlights where further research or consultation may be necessary.</li> <li>Meaningful engagement is core to the Neighbourhood Partnership approach, providing opportunities for all members of the community to participate, influence and shape activity on an ongoing basis.</li> <li>Communities are encouraged and supported to be involved in a wide variety of ways for example a series of workshops have taken place across localities leading to the development of the Locality Improvement Plans.</li> <li>Guidance on community engagement policies and approaches is produced and cascaded to staff and members as appropriate. This includes the formal adoption of the National Standards for Community Engagement by Council in March 2017.</li> <li>The Edinburgh People Survey has a boosted sample of minority ethnic communities and a representative sample of people in Council housing, and people of all age groups.</li> <li>The Council communicates on its budget proposals with direct mailings to community organisations who represent and provide services to different stakeholder groups. This has recorded high engagement levels and positive attention in local press and social media.</li> <li>Where appropriate, the Council gathers monitoring information on various demographic characteristics through surveys.</li> <li>A wide range of engagement activities are carried out, ensuring opportunities are provided in ways that are appropriate for communities of place, interest and identity to express their needs and views on services and future provision to inform service development and delivery. This includes a recent extensive exercise to engage the community to inform the development of the Locality Improvement Plans required under the <u>Community Empowerment (Scotland) Act 2015</u>.</li> <li>The work to develop the Integration Joint Board's understanding of the local population is done through ongoing dialogue with service user and partner agency representation at regular JSNA (Joint Strategic Needs Assessment) stakeholder group meetings.</li> </ul>	
<b>Requirement of the Council's Framework</b>	2.3.2 Developing effective communication methods that encourage, collect and evaluate views and experiences while ensuring inclusivity.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council has made significant efforts over recent years to improve the way we engage and consult with citizens and communities. There is however more work to do to sustain and broaden our approach in this regard to ensure we are improving outcomes.</p> <ul style="list-style-type: none"> <li>The Council regularly consults and engages with stakeholders and members of the public on its plans and policies. Methods to seek feedback include surveys, focus groups, public meetings, and involving relevant stakeholders in participatory budgeting and local community planning. Details on how to find out about and participate in consultations and records are available via our <u>Consultation Hub</u>.</li> <li><u>Budget engagement</u> decisions are reported through 'You Said, We Did' in the form of a web page update and press release.</li> <li>The Neighbourhood Partnership communications approach and performance framework for Local Community Plans set out effective mechanisms for providing feedback on how stakeholder views have informed service development and delivery. This is a core element of the National Standards for Community Engagement which has been adopted by the Council and the 12 Neighbourhood Partnerships.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ Engagement activity is designed to address the involvement of all stakeholders, with mapping and demographic data informing the approaches. This is completed in a Neighbourhood Partnership context by the production of an equalities checklist to support staff in meeting equalities legislative duties.</li> <li>▪ Annual survey of communities and other stakeholders about impact of community payback work within their area is included in annual community payback report.</li> <li>▪ The EP Board, EP strategic partnerships and Locality Leadership Teams all engage in feedback activities through public performance reports or local engagement events, to inform the development of plans and strategies including LIPs and LOIPs. The EP focuses on co production approaches to ensure views of citizens are taken into account. The EP has supported Neighbourhood Partnerships to engage in feedback activities with local communities.</li> <li>▪ EP supports the Edinburgh Equality and Rights network (EaRN) to ensure communities of interest are engaged with and supported in community planning activity.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>2.3.3 Ensuring consideration of future needs and the impact of decisions on future generations.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The council is currently developing a 2050 City Vision with the express intention of ensuring we have a city that meets the needs of future generations. This goes alongside a clear strategic framework for this council period and equality impact assessments.</p> <ul style="list-style-type: none"> <li>▪ The council, working with partners, are currently developing an Edinburgh 2050 city vision which will provide long term direction for the future of the city.</li> <li>▪ The Council uses population projections to anticipate future need at below city-level, enabling us to project overall demand for services and anticipate long-term need.</li> <li>▪ The Change Strategy project was launched in 2017 to develop transformative proposals to be presented to Elected Members and the public in late 2018.</li> <li>▪ The Integration Joint Board is tasked with delivering its vision for a caring, healthier, safer Edinburgh through taking actions to transform how Council and NHS services and staff teams work together; with other partners; and those who use services and communities. A <a href="#">Strategic Plan 2016-19</a> has been agreed and published.</li> <li>▪ The Council's <a href="#">Financial Regulations</a> and accompanying Finance Rules set out the requirement for Executive Directors to consider on an ongoing basis their respective budgets, including active management of risks and service pressures, delivery of approved savings and appropriate application of service investment. Taken together, these actions contribute to ensuring that the Council's overall expenditure is maintained within budgeted levels and that financial sustainability is secured in accordance with the financial strategy.</li> <li>▪ The Council has maintained revenue expenditure within budgeted levels for ten successive years and attained its target level of unallocated reserves one year early in March 2011 and, despite severe financial pressures, has kept them at this level since that time. The Council's overall level of unallocated and earmarked reserves was assessed as appropriate as part of the <a href="#">2016/17 Annual Audit Report</a>, with the annual <a href="#">Risks and Reserves</a> report considered as part of the budget process also identified as an area of good practice.</li> <li>▪ All new budget proposals are subject to detailed officer and political scrutiny at the development, implementation and subsequent delivery stages. In addition, all Committee and Council reports require authoring officers to consider, liaising as appropriate with Finance staff, the financial implications of planned actions, including the adequacy of budget provision, timing of costs and savings and any specific risks around implementation, informed by <a href="#">specific report-writing guidance</a> in this area. The Head of Finance additionally requires to sign off the financial implications sections of all relevant reports, with the right to withdraw reports from Committee agendas where this is not undertaken enshrined in the <a href="#">Financial Regulations</a>.</li> <li>▪ The Council maintains a detailed <a href="#">five-year financial framework</a> within the context of a ten-year financial plan. In addition to capturing changes in the Council's key income and expenditure drivers, the plan incorporates the current and future financial impacts of all material approved plans and actions, allowing decisions to be taken in the knowledge of their anticipated impact on delivery of the Council's key priorities.</li> <li>▪ Decisions on any new borrowing are rooted in consideration of their prudence, affordability and sustainability, with levels of external borrowing assessed against a suite of prudential indicators as part of the annual budget motion and corresponding loans charge provision made within the budget framework.</li> </ul>	

	<ul style="list-style-type: none"> <li>The Council has approved its approach to participation requests as required by the Community Empowerment (Scotland) Act and reviewed its existing asset transfer policy to ensure compliance with the new legal duties.</li> </ul>	
<b>Principle 2 - Improvement plan</b>	<ul style="list-style-type: none"> <li>New Complaints Policy to be approved by CP&amp;S in October 2018.</li> <li>Routine assurance programme of Stage 2 Complaint responses established by IGU in July 2018.</li> <li>Community planning review currently underway to improve community engagement</li> <li>2050 City Vision to be published 2019</li> <li>Embed new ways of engaging and collaborating with citizens as part of the change strategy</li> </ul>	<p>Responsible officer(s)</p> <p>Information Governance Manager Policy and Insight Senior Manager PMO City Deal</p>

<b>Principle 3</b>	<b>Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>	
<b>Supporting principle</b>	<b>3.1 Defining outcomes</b>	
<b>Requirement of the Council's Framework</b>	3.1.1 Having a sustainable vision for the organisation which sets out strategy, forward planning and impact on stakeholders.	<b>Score out of 10: 8</b>
Evidence of compliance and links	<p>The council has a business plan and performance framework in place to drive clear strategic planning and performance management. There are opportunities to further strengthen this approach and further embed a culture of performance management.</p> <ul style="list-style-type: none"> <li><u>The Programme for the Capital: The City of Edinburgh Council Business Plan 2017-22</u> was agreed in August 2017. The plan forms a central part of the Council's strategic planning and performance framework. The plan describes our Commitments to the city, our strategic aims and outcomes, our challenges, how we'll measure success and the future of our organisation. To deliver Council vision and strategic aims, 20 associated outcomes have been set out. These outcomes link to our 52 commitments to the city which will be prioritised over the duration of this plan and into the future. The plan clearly articulates our intended outcomes and expected impacts on citizens.</li> <li>The Council's strategic aims of "A forward looking Council" and "An empowering Council" are underpinned by the organisation's culture and values. These are the principles that drive how services are delivered and how people work with citizens and communities.</li> <li><u>Edinburgh Partnership's Community Plan 2015-18</u> was approved by Edinburgh Partnership Board in March 2015 with all partners sharing a single vision for the city that: 'Edinburgh is a thriving, successful and sustainable capital city in which all forms of deprivation and inequality are reduced.' Four strategic outcomes were agreed.</li> <li>Locality Improvement Plans have been developed to meet the requirements of the <u>Community Empowerment (Scotland) Act 2015</u>. Development has been informed by extensive engagement in each of the four Localities to ensure the views of the community are taken into account and the plans are tailored to fit the individual needs and aspirations of each of the Localities and the specific areas of need within them. The development process for the plans has been subject to an Integrated Impact Assessment and the plans screened under Schedule 2 of the Environmental (Scotland) Act 2005.</li> <li>The Council's <u>People strategy</u> is built around a core set of values that guide everything we do. Our values define the culture we want to build within our organisation and sets out our commitment to each other within our workforce as well as to our citizens and communities.</li> <li>The Council's budget process is founded upon priority-based principles, with additional demographic-related investment provided on an annual basis and proportionately lower savings requirements applied to the priority areas of education, children's services and health and social care.</li> <li>The Council was one of the first in Scotland to introduce a long-term financial plan, doing so <u>in 2009</u>. The expenditure and income assumptions underpinning the plan are subject to at-least six-monthly review, with the results of <u>the most recent such assessment</u> considered by the Finance and</li> </ul>	

	<p>Resources Committee on 5 September 2017. The Council’s arrangements in these areas were assessed as effective in the recently-published <a href="#">2016/17 Annual Audit Report</a>.</p> <ul style="list-style-type: none"> <li>▪ The Council’s budget strategy has sustainability at its core, with, for example, no capital or other investment approved without assurance over its longer-term affordability.</li> <li>▪ In acknowledging the potential for closer integration of financial and non-financial information to inform decision-making, however, work is underway between Finance and Strategy &amp; Insight colleagues to develop service profiles for all main areas of Council activity.</li> <li>▪ The mainstreaming of participatory budgeting forms a key action to achieve the Council’s strategic aim of being “An empowering Council”. The Council has continued to support participatory budgeting in the city in the last year as a key approach to improving local democracy and strengthening the role of communities in the decision-making process. A number of initiatives were delivered including Choose Youth Work and Leith Chooses, which was a joint initiative between the Council and the community councils in Leith. Funding was also secured from the Scottish Government’s Community Choices programme to support the delivery of the Joined Up for Integration Project and a Participatory Budgeting Champions Programme. Through this programme 38 people from public, voluntary and community sectors were trained and now form a core group of practitioners to assist in the development of the approach in the city.</li> </ul>	
<b>Supporting principle</b>	<b>3.2 Sustainable economic, social and environmental benefits</b>	
<b>Requirement of the Council’s Framework</b>	3.2.1 Ensuring that policies and plans are sustainable and balance the needs of all economic, social and environmental stakeholders.	<b>Score out of 10: 6</b>
Evidence of compliance and links	<p>The Council’s Integrated Impact Assessment incorporates the following areas: Equality, Human Rights, Sustainability, Environment and Economy. It has been developed to support us to meet our legal duties, including those arising from the Environmental Impact Assessment (Scotland) Act and the Climate Change (Scotland) Act, and will be used as evidence for the Fairer Scotland Duty. It is carried out for any plan, strategy or proposed service change that may have an impact on equalities, the environment or the economy. Further, each report to Committee must include an assessment of the impact on sustainability.</p> <ul style="list-style-type: none"> <li>▪ <a href="#">The Council’s Equality, Diversity and Rights Framework</a> ensures that citizens have a fair access to services and are able to use these services and join in with the life and work of the city.</li> <li>▪ Economic and social benefits are not specified requirements when policy and planning decisions are taken however they are fundamental in the Council’s Business Plan and are therefore implicit in the decision making for the Council.</li> <li>▪ The Committee report template and guidance includes standard sections requiring authors to detail consultation and engagement, sustainability impact, equalities impact, financial impact, measures of success and risk, policy, compliance and governance impact. Officers have a duty to ensure that all relevant information is contained within Committee reports to ensure that the decisions being taken are open and transparent where benefits and impacts are in conflict.</li> <li>▪ The Council has a robust approach to risk and this is incorporated explicitly in all reports to Committee on decisions to be taken. The report template also requires officers to explicitly consider the financial impacts of any decisions taken.</li> <li>▪ <a href="#">The Programme for the Capital: The City of Edinburgh Council Business Plan 2017-22</a> forms a part of a robust strategic framework that connects the strategic vision of the Council and its partners to the detailed plans that guide the delivery of our frontline services. This framework ensures that all Council plans and strategies are driven by and focused towards the delivery of a single shared vision for the city and our services. This framework comprises of 2050 City Vision, Community Plan and Local Development Plan, Locality Improvement Plans, Council Strategies and Directorate Business Plans.</li> <li>▪ In the development of policies and procedures, the Council takes account of the public interest associated with decisions to be taken.</li> <li>▪ <a href="#">Petitions</a> procedure redesigned as part of most recent review of <a href="#">political management arrangements</a>. (June 2017).</li> <li>▪ Deputations (representative of a group or organisation speak at a committee meeting on a subject of their choice) are welcomed to feed into policy making at Council and Committees.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ The Council’s Strategy and Insight function gathers extensive information about the social and demographic attributes of residents and analyses this to provide input into policy decisions.</li> <li>▪ The Council explicitly offers choices about service prioritisation and policy to residents through its budget engagement activity.</li> </ul>	
<b>Principle 3 - Improvement plan</b>	<p>Work is currently underway to develop the new community plan (LOIP) with this scheduled for completion in Autumn 2018.</p> <p>The Council commissioned an external audit of the Council’s climate change and sustainability activity and governance which is being undertaken by the Edinburgh Centre for Carbon Innovation. This will make recommendations for improvement to Corporate Policy and Strategy Committee by December 2018.</p>	<p>Responsible officer(s) Strategy Manager (Communities)</p> <p>Policy and Insight Senior Manager</p>

<b>Principle 4</b>	<b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b>	
<b>Supporting principle</b>	<b>4.1 Determining interventions</b>	
<b>Requirement of the Council’s Framework</b>	4.1.1 Supporting decision makers to take decisions based on objective information and rigorous analysis, whilst considering best value, risk, stakeholder views and future impacts.	<b>Score out of 10: 6</b>
Evidence of compliance and links	<p>The Council has a strong framework to support decision makers, in particular elected members. This is even more important in a changing environment with the Council having a minority administration. How elected members are supported, and the information provided to enable strong scrutiny and decision making, has to be flexible as those needs crystallise. The Council needs to continually adapt to ensure it is agile enough to maintain this strong framework. Officer decision making also has its strengths but further improvement is needed to ensure sufficient clarity on accountability and process, as well as linking it with committee decision making.</p> <p>Enhanced and earlier scrutiny of approved budget proposals has contributed positively to the proportion subsequently delivered. There is still a need in some cases however for financial decisions taken by individual service areas to take greater account of monetary and other impacts elsewhere within the Council, such that best overall use is made of scarce resources.</p> <p><b>Elected Members – Strategic Decision Making</b></p> <ul style="list-style-type: none"> <li>▪ Committee report template and guidance is regularly reviewed and includes standard sections requiring authors to detail consultation and engagement, sustainability impact, equalities impact, financial impact, measures of success and risk, policy, compliance and governance impact.</li> <li>▪ Workshops and briefing notes are regularly used to support Committee reports.</li> <li>▪ Members have the opportunity to challenge officers submitting reports and ask questions at both agenda planning meetings or committee.</li> <li>▪ All Council and Committee reports and decisions are recorded and are available on the CEC web site via <a href="#">Council papers online</a> (since May 2003).</li> <li>▪ Regular email, face-to-face and one-to-one briefings take place with elected members.</li> </ul>	

- Deputations (representative of a group or organisation speak at a committee meeting on a subject of their choice) are welcomed at Council and Committees.
- Petitions process, established in 2012, engages and involves citizens in the democratic process. To date over 18,000 signatures have been submitted. The process was reviewed in [June 2017](#), to ensure a speedier resolution for petitioners.
- The Council is developing a 4-year Change Strategy to ensure it is improving performance and is managing its budgets. The budget engagement process is currently out to consultation and was approved by Finance and Resources Committee.
- A wide range of engagement activities are carried out, ensuring opportunities are provided in ways that are appropriate for communities of place, interest and identity to express their needs and views on services and future provision to inform service development and delivery.
- The Council's Locality Improvement Plan development sought the views of communities on the use of assets and the delivery of services in a local context, across organisational silos.

#### **Corporate – Operational Decision Making**

- Building on recognised weaknesses in the management and delivery of major change a CLT led Monthly Change Board has been established. This board has agreed a project management tool kit that will ensure all significant projects have full business cases developed prior to committee approval and that benefits are tracked and measured. This approach is beginning to embed although it will take time to mature.
- The Council is currently consulting on a 4-year strategic change strategy to ensure that council is improving services and ensuring it continues to balance its budget in the context of significant financial pressures.
- The Council's Business Plan was agreed in August 2017 and will be reviewed in February 2019 to make sure its aligned with the Council's developing change strategy. The Council's Business Plan is part of a broader Performance Framework which is currently under review to ensure the council is consistently improving and focusing on its performance. The Commercial and Procurement Service have three Commercial Partners, each with responsibility to liaise and work with different service areas across the Council. The Commercial Partners report to senior management within their service area on procurement activity and compliance. This ensures that good practice and areas of concern can be identified and feed into operational decisions.
- The Council Contract Standing Orders provide the 'rule-book' for procurement and purchasing of supplies, services and works from which a framework of controls is implemented. Commercial and Procurement Services has continued to improve compliance using our Purchase to Pay (P2P) processes to maximise controls available, in parallel implementing new controls for compliance.
- Regular engagement with service areas continues across all Directorates, providing 'dashboard' type reporting and enabling review, analysis and adherence in relation to contractual spend, purchase to pay process, CSOs etc. This ensures the Council is continuously reviewing its performance in relation to best value for procurement of goods and services, offering opportunity for intervention where necessary, to enable achievement of the defined needs.
- CLT review audit action follow up, HR performance and Health and Safety data monthly to ensure appropriate scrutiny.
- The scope of contract purchases continues to be reported to Finance and Resource Committee on a 6-monthly basis, whilst the Council's Annual Report (the first being this year) is both reported to Committee and subsequently submitted to the Scottish Government in order to comply with our obligations under the Procurement Reform (Scotland) Act 2014. This offers transparency in detailing both the scope of procurement activity (both backward and forward looking) and a review of compliance against the Council's Procurement Strategy, with a view to self-evaluation and continuous improvement.
- Reflecting increased scrutiny at the savings inception, development and delivery stages, there has been a marked increase in recent years in the proportion of approved savings subsequently delivered.
- Against a backdrop of restricted overall resource availability, additional emphasis has been placed on Executive Directors recognising, and wherever possible containing, associated revenue implications of the decisions being recommended. In recognising that there may be cases where this is not possible, however, some additional provision has been included in the budget framework.

Requirement of the Council's Framework	4.2.1 Establishing and implementing robust planning and control cycles that take into account stakeholder input, risks and are adaptable to changing circumstance.	Score out of 10: 6
Evidence of compliance and links	<p>The Council is building on its existing performance framework with a proposed 4-year strategic change strategy that will ensure we are taking at a long-term approach to improving services and balancing budgets within the context of financial pressures.</p> <ul style="list-style-type: none"> <li>▪ <a href="#">The City of Edinburgh Council Business Plan 2017-22</a> (August 2017) forms a central part of the Council's strategic planning and performance framework and is reviewed and revised regularly taking into account changes to the strategy and policy environment within which the Council operates. The Business Plan ensures that Council strategy, the City Vision, the Community Plan, the budget plan, the people plan and Directorate Business Plans reflect the priorities of the public, elected members, partners and our people.</li> <li>▪ The Council's <a href="#">planning and performance framework</a> is reviewed at Full Council annually in line with budget planning cycles. This review is supported by an annual mid-term review of progress towards implementation conducted in September each year.</li> <li>▪ A monthly Change Board with representatives from the Corporate Leadership Team and project leads provides oversight of key projects.</li> <li>▪ A Risk Committee led by the Council's Corporate Risk Manager meets regularly with representatives from key risk stakeholders.</li> <li>▪ A new Strategy and Communications division with enhanced capacity for strategic change to drive service improvements was established in August 2018</li> <li>▪ A data warehouse and dynamic dashboard reporting toolkit is being developed through Cognos to provide a single repository for all data in the Council and facilitate data profiling to identify and action data quality issues. Cognos dashboards allows data to be blended from multiple sources (internal and external) and uses a wide range of analytical tools to enable a single view of information across the Council. The dashboard will provide deeper insight into performance and service provision and support effective decision making, service planning and improvement.</li> <li>▪ Targeted service improvements and enhanced monitoring of performance by CLT form a core part of the Council's Business Planning process.</li> <li>▪ Urgent decision provision is included within the <a href="#">Committee Terms of Reference and Delegated Functions</a>.</li> <li>▪ The <a href="#">Scheme of Delegation</a> (June 2017) sets out the powers delegated by the City of Edinburgh Council to officers, pursuant to the <a href="#">Local Government (Scotland) Act 1973</a>. The Scheme facilitates the efficient conduct of Council business by clearly setting out the nature and extent of the powers delegated to officers by the Council, thereby ensuring that decisions are taken at an appropriate level and ensure sufficient and appropriate scrutiny.</li> <li>▪ As part of the Terms and Conditions (T&amp;C's) issued in a tender process, the T&amp;C's detail that the delivery of goods and services may be varied (adaptable) if they follow the conditions, to allow for changing circumstance. In some cases, there is a detailed Change Control Notice. This notice is submitted to the Council, signed by the Service Provider. The Council agrees to respond to the Change Control Notice within 3 weeks of receipt. (Services agreement for use by public sector bodies).</li> <li>▪ The Contract Management Manual (June 2018) sets out the detailed requirements for the conduct of contract management activity within the Council. A suite of operational documents to support the monitoring and reporting of contract outcomes and central support team to provide guidance and continuity of process and procedure is also in place.</li> <li>▪ The Council's Resilience service submits an Annual Report to the Corporate Policy and Strategy Committee, summarising resilience activities across the City of Edinburgh Council during the preceding year. Resilience is a statutory, cross-council activity involving internal and external consultation and engagement with a range of partner organisations and stakeholder interests and the report details how the Council complies with statutory duties, which include planning, risk assessment, warning and informing and exercising, as set out in <a href="#">The Civil Contingencies Act 2004</a>, <a href="#">Contingency Planning (Scotland) Regulations 2005</a> and <a href="#">Preparing Scotland: Scottish Guidance on Preparing for Emergencies</a>.</li> <li>▪ Public Sector Internal Audit Standards requires Internal Audit to develop a risk based annual plan that determines the priority of Internal Activity in order to provide assurance on the design and effectiveness of the controls established across the Council to manage its most significant risks. This plan should also be aligned with the Council's strategies and goals.</li> <li>▪ HR provision of assurance on an annual basis <ul style="list-style-type: none"> <li>▪ An Annual Workforce Controls Report and Quarterly Workforce Dashboards are presented to CLT and to F&amp;R Committee covering the following: <ul style="list-style-type: none"> <li>▪ the number of Full Time Equivalent (FTE) employees, the type of contract they are employed through and the turnover of new starts and leavers;</li> <li>▪ trends on absence rates, including the top five reasons for short and long-term absence;</li> <li>▪ the cost of the pay bill, including the cost associated with new starters and leavers;</li> </ul> </li> </ul> </li> </ul>	

	<ul style="list-style-type: none"> <li>▪ insight relating to our performance framework (launched April 2017) including the percentage of annual conversations carried out, the number of Conversation Spotlight workshops carried out and feedback received from our employees who have attended the course;</li> <li>▪ the number of VERA/VR leavers and associated cumulative budget savings; and the number of redeployees and associated costs.</li> </ul>
<b>Requirement of the Council's Framework</b>	<b>4.2.2 Establishing effective KPIs and capacity to generate performance information that allows for the quality of services and projects to be assessed/measured regularly.</b>
<b>Evidence of compliance and links</b>	<p>The Council's performance framework was agreed in August 2018 and is designed to drive a performance culture. This framework is currently being reviewed to ensure all aspects of performance are integrated and enabled with first class systems. This approach builds on:</p> <ul style="list-style-type: none"> <li>▪ Progress against the delivery of our strategic plans is tracked by a Council-wide performance management framework. A key component of the framework is a well-defined suite of performance indicators which are used to measure success at each level of the strategic framework. Key performance indicators are being established through engagement with service area senior managers as part of the planning and performance framework. Coalition commitments measures are being established through consultation with service areas and elected members and will form part of the performance framework reporting to Senior Management Teams, Corporate Leadership Team and Committees. The <u>performance framework</u> is reviewed annually and performance reporting against the Council's commitments and outcomes forms the basis of the annual report on progress.</li> <li>▪ Monitoring of performance is done through performance dashboards which incorporate indicators around quality of service, customer perceptions and service response rates.</li> <li>▪ Data for the framework and dashboards is collated centrally using the Cognos performance management system.</li> <li>▪ <u>The Annual Performance Overview</u> report was presented to Full Council on 24 August 2017. This report provides an overview of performance covering the key performance indicators linking to benchmarking and citizen's perception as well as progress towards achieving community plan outcomes. This report aims to promote a 'one Council' approach to deliver on corporate, political and Community Planning priorities.</li> <li>▪ A <u>Performance Dictionary</u> has been developed to provide a brief description and purpose of the City of Edinburgh Council's key performance indicators.</li> <li>▪ KPI monitoring and measurement is an integral element in the development of a contract and forms a component of the quality score in the tender evaluation process. KPI planning at outset in the tender process ensures the performance of services / projects can be robustly and accurately measured. The successful tenderer is required to ensure provision of adequate monitoring of performance against agreed KPI's, the method of which is detailed within the tender documentation</li> <li>▪ The Governance, Risk and Best Value Committee was established to take the lead role as the Council's main scrutiny panel. This is convened by a senior opposition member. Both the Chief Executive and the Executive Director of Resources attend meetings in person, supported by other members of the Corporate Leadership Team.</li> <li>▪ The Committee has the ability to review any of the Council's activities, to require action or further reports and to call witnesses to support its debate.</li> <li>▪ The Accounts Commission's <u>Best Value Audit Report</u> stated that the Governance, Risk and Best Value Committee 'provides effective scrutiny of the Council's operations and performance.'</li> <li>▪ The Council has responded to external scrutiny, in the form of external audit and inspection reports, with improvement plans which are reported to the appropriate committees.</li> <li>▪ The Council Companies' Hub was established in <u>June 2016</u> to improve officer scrutiny of Council companies, including risks. It clarifies roles and responsibilities, good governance, elected members' duties as councillors and the mitigation of conflicts of interest.</li> <li>▪ The Annual Assurance schedule issued to all Heads of Service, Executive Directors, Council Companies and Joint Boards includes sections on risk and performance.</li> <li>▪ When working with partners early consideration is given to risks and the appropriate framework and reporting mechanisms to be used.</li> <li>▪ The Corporate Risk Team regularly meet with partners to ensure that where shared risks exist these are considered and assigned to appropriate owners. Some examples of these meetings are with representatives from NHS Lothian in relation to the EIJB/EHSCP, representatives from Edinburgh Trams to consider operational risks from the existing tram system, and the tram extension project to consider project and future operational risks.</li> </ul>
	<b>Score out of 10: 6</b>



	<ul style="list-style-type: none"> <li>Reviewing service quality is embedded within the strategic change and delivery programme which covers process review and service improvement. Service areas work in partnership with change teams to identify opportunities for new ways of working.</li> <li>The Commercial and Procurement Service works with service areas, suppliers and Strategy and Insight to ensure spend and service level, including KPI data, is available to measure performance of the contract during its life and prior to re-tender. This ensures the Council is procuring goods and services which meet its defined needs. This allows us to ensure that the contract is being managed regarding capacity, value for money and delivering savings both financially and in-service efficiencies. Service areas also monitor suppliers to ensure the general T&amp;Cs of the contract are being met and that all sustainable and community benefits are being realised.</li> <li>As part of the Council's Governance arrangements, regular reviews of project governance and management is carried out on larger projects and recommendations for improvements acted upon.</li> </ul> <p>The Integration Joint Board is developing a performance framework and reporting lines as part of its ongoing Governance Review. This will enable the Council to place reliance on the wider IJB framework for elements which sit within the remit of the IJB.</p>	
<b>Requirement of the Council's Framework</b>	<b>4.2.3 Ensuring that budgeting and resource planning is informed by realistic revenue and capital estimates and aims to deliver objectives, strategies and plans in a sustainable manner.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council's revenue and capital budget frameworks are underpinned by regular and proactive review of the full range of factors influencing the costs of delivering its services and the resources available to fund them.</p> <ul style="list-style-type: none"> <li>The Council has an on-going system of review in place with regard to its main expenditure and income drivers. The contents of the revenue budget framework are subject to at-least six-monthly formal reporting, reflecting as appropriate updated grant funding estimates, population and wider demographic projections, inflationary forecasts (including pay awards) and cost impacts of legislative and other changes. The results of <u>the most recent assessment</u> were reported to the Finance and Resources Committee on 5 September 2017. <u>The most recent assessment</u> as reported to the Finance and Resources Committee on 12 June 2018. These assumptions and the effectiveness of the overall approach were favourably assessed as part of the Council's recent <u>Annual Audit Report</u>.</li> <li>Budget has been balanced for eleven successive years due to a flexible and responsive approach.</li> <li>Budget reporting is presented regularly to SMTs. monthly to CLT and bi-monthly to F&amp;R.</li> <li>While, as mentioned at 4.2.2, maintaining financial sustainability remains one of the Council's key on-going challenges, revenue expenditure has been contained within approved levels for eleven successive years without recourse to unallocated reserves which remain at the level set out in its Financial Strategy.</li> <li>Capital expenditure and income projections are similarly based on up-to-date prudent assessments of likely receipt levels, grant funding, asset condition, Council commitments and priorities and other relevant data. By assisting service areas to develop realistic expenditure plans and promptly identifying instances of potential project delays, the level of expenditure slippage recorded across the programme has been significantly reduced in recent years, comparing very favourably with other authorities and realising savings in loans charge expenditure contributing to addressing wider savings targets.</li> </ul>	
<b>Supporting principle</b>	<b>4.3 Budgeting and financial sustainability</b>	
<b>Requirement of the Council's Framework</b>	<b>4.3.1 Ensuring that the budgeting process and financial strategy are sustainable whilst considering objectives, service priorities, affordability and medium/long-term plans.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council has a duty to ensure that its revenue and capital spending plans are prudent, affordable and sustainable whilst supporting the delivery of its priority outcomes. With this in mind, proposals are developed against the backdrop of a longer-term framework, recognising that the need for efficiency, transformation and prioritisation in the Council's services is a recurring one. The Council has also undertaken a strategy of the incorporation within the revenue and capital frameworks of significant resources to address historic underinvestment in the Council's estate and recognising the potential additional revenue liabilities of changes to the estate going forward.</p>	

### **Strategic**

- Progress against the delivery of our strategic plans is tracked by a Council-wide performance management framework, including key financial indicators
- The Council's budget strategy affords relative protection to key service areas and priorities within an overall position that emphasises the need for both revenue and capital expenditure and income to remain in balance over the medium term.
- While recognising the Council's legal responsibility to set a balanced revenue budget for the following financial year by 11 March, both the revenue and capital budget-setting processes adopt a whole-life approach, capturing the expenditure and income implications of approved or proposed actions not just for the following but also subsequent years. In this vein, the approved 2018/23 revenue and capital budget frameworks, in acknowledging historic underinvestment in the corporate estate, include significant additional resources to address this backlog, as well as adopting a more proactive and planned maintenance approach and recognising potential additional revenue liabilities of changes to the estate going forward.
- The Council's capital plan similarly adopts a longer-term timeframe and is informed by explicit consideration of Council priorities, thereby maximising the level and effectiveness of investment available to take forward key initiatives with reference to the principles contained within the Asset Management Strategy and relevant Asset Management Plans.
- In addition to the direct impacts of specific proposals, the long-term financial plan takes account of the wider implications of the Council's activity in such areas as the associated required levels of pay award and on-cost provision, fees and charges income and enabling investment. The framework also recognises that demand for the Council's services mirrors changes in the population as a whole and therefore makes explicit provision for the impact of demographic-led growth in such areas as school education, older people's care and services for those with physical and/or learning disabilities. The framework also reflects the financial impact of future changes such as approved increased employer pension contributions and anticipated changes in grant funding.
- The Council's financial framework incorporates modelling of a number of key income and expenditure variables and, by adopting a four-year timeframe, seeks to provide a contingency against material changes in any of these key factors influencing the overall savings requirement.
- While acknowledging current demands and pressures within its financial planning processes, the Council has also placed an increased emphasis on preventative investment in recent years, with notable successes achieved in term of both improved outcomes and cost savings in the area of home care reablement and looked-after children's services. The Change Strategy recognises the crucial role such a preventative approach will play going forward, forming a key pillar of the Council's future operating model.
- The Programme for the Capital: The City of Edinburgh Council Business Plan 2017-22 describes how a sustainable balanced budget will be delivered in a challenging environment, with increasing demand for services at a time of on-going financial constraint.

### **Operational**

- While work is underway to introduce further integration of the revenue and capital budgets, the process also takes account of the indirect impacts of changes in demand for Council services, such as additional property and school meal costs linked to growth in the number of pupils within the Council's schools.
- The Council's budget framework is underpinned by a comprehensive and regular review of the key factors influencing the Council's need to spend and the likely level of resources available to support that spend over the medium- to longer-term, be it due to demographic trends, inflationary pressures, legislative reform or grant funding or other changes. The results of these assessments are reported to the Council's Leadership Team and the Finance and Resources Committee on an at-least six-monthly basis, allowing the adequacy of the Council's actions to be framed against not just the immediate savings requirement but also the medium-term financial position. This medium-term perspective also informs the assessment of the adequacy and proposed use of the Council's reserves in striking an appropriate balance between meeting specific liabilities as they fall due and supporting required transformation through, for example, spend to save investment or meeting staff release costs to secure recurring employee cost savings.
- An increased focus on workforce controls in recent years has seen modest overall reductions in agency and overtime expenditure but, more fundamentally, the Council has acknowledged that it will need to reduce overall staffing numbers through service redesign and prioritisation if it is to secure financial sustainability going forward.
- The Council has implemented a single workforce dashboard and management information (MI) process to provide the organisation with consistent, regular, and accurate workforce MI/data to facilitate workforce controls, strategic workforce planning, and to measure performance. Reporting has

	<p>now been implemented at the Council, Directorate, and Division/Service level (for certain measures) to provide reliable insight into a range of workforce controls. The recent implementation of workforce dashboards at Directorate level provides regular MI on the monthly variation in Full Time Equivalent (FTE)/costs (by contract type – permanent, Fixed Term Contract (FTC) acting up/secondment and apprentice), and trend analysis to support workforce management controls.</p>		
<p><b>Principle 4 - Improvement plan</b></p>	<table border="1"> <tr> <td data-bbox="432 236 1827 695"> <ul style="list-style-type: none"> <li>▪ Develop a Council Change plan to provide a 4 year comprehensive strategy to improve services and balance budgets in the context of significant financial pressures.</li> <li>▪ Review Performance Framework to ensure performance management is imbedded across the organisation and different aspects of council performance are properly imbedded.</li> <li>▪ Complete the creation of a data warehouse that enables efficient high-quality performance information to be created.</li> <li>▪ Improve links and further embed CLT in committee reporting process. In autumn 2018 a review of the Council’s operational governance processes will commence. This aims to bring a greater level of transparency, clear accountability and build greater links between committees, CLT and officer management teams. This will include a review of the report template and guidance.</li> <li>▪ The Council is modelling a range of key expenditure and income assumptions and adopting a four-year timeframe across the period of the framework to increase the robustness of the plans brought forward.</li> </ul> </td> <td data-bbox="1827 236 2132 695"> <p>Responsible officer(s)</p> <p>Strategic Change and Delivery Manager</p> <p>Governance, Democracy and Resilience Manager.</p> </td> </tr> </table>	<ul style="list-style-type: none"> <li>▪ Develop a Council Change plan to provide a 4 year comprehensive strategy to improve services and balance budgets in the context of significant financial pressures.</li> <li>▪ Review Performance Framework to ensure performance management is imbedded across the organisation and different aspects of council performance are properly imbedded.</li> <li>▪ Complete the creation of a data warehouse that enables efficient high-quality performance information to be created.</li> <li>▪ Improve links and further embed CLT in committee reporting process. In autumn 2018 a review of the Council’s operational governance processes will commence. This aims to bring a greater level of transparency, clear accountability and build greater links between committees, CLT and officer management teams. This will include a review of the report template and guidance.</li> <li>▪ The Council is modelling a range of key expenditure and income assumptions and adopting a four-year timeframe across the period of the framework to increase the robustness of the plans brought forward.</li> </ul>	<p>Responsible officer(s)</p> <p>Strategic Change and Delivery Manager</p> <p>Governance, Democracy and Resilience Manager.</p>
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<p><b>Principle 5</b></p>	<p><b>Developing the entity’s capacity, including the capability of its leadership and the individuals within it</b></p>	
<p><b>Supporting principle</b></p>	<p><b>5.1 Developing the entity’s capacity</b></p>	
<p><b>Requirement of the Council’s Framework</b></p>	<p>5.1.1 Regularly reviewing and improving effectiveness through performance monitoring, benchmarking and other methods to achieve defined outcomes.</p>	<p><b>Score out of 10: 6</b></p>
<p>Evidence of compliance and links</p>	<p>The Council’s Performance framework assesses the Council’s performance from a number of different sources including the Local Government Benchmarking Framework, a suite of corporate performance indicators, progress against delivery of the Administration’s 52 commitments and feedback from the Administrations 52 political commitments. The developing Council Change Strategy will build on this to ensure we are reviewing and improving effectiveness.</p> <p>Difficult decisions will undoubtedly be required if investment in delivering the Council’s priority outcomes is to be sustained. All areas of the Council need to contribute to addressing these financial challenges, both to secure sustainability and secure best value in the delivery of its services.</p> <ul style="list-style-type: none"> <li>▪ Prioritisation is key for the Council in regard to budget and focussing on outcomes. The importance of savings from all areas of Council is essential to meet budget needs and achieve best value.</li> <li>▪ The Council also considers the findings of all Audit Scotland national reviews.</li> <li>▪ The <u>Edinburgh Partnership</u> (EP) engages appropriately in all matters relating to communities and working in collaboration to ensure the added value can be achieved. All partners share a single vision for the city that: ‘Edinburgh is a thriving, successful and sustainable capital city in which all forms of</li> </ul>	

	<p>deprivation and inequality are reduced.’ The Edinburgh Partnership provides a useful mechanism to gather partner and community views on service delivery.</p> <ul style="list-style-type: none"> <li>▪ In line with Scottish Government legislation the Edinburgh Integration Joint Board was formally established in April 2016, with responsibility for planning the future direction and overseeing the integration of health and social care services for the citizens of Edinburgh through the Edinburgh Health and Social Care Partnership. The Integration Joint Board is tasked with delivering its vision for a caring, healthier, safer Edinburgh through taking actions to transform how Council and NHS services and staff teams work together; with other partners; and those who use services and communities.</li> <li>▪ The Community Safety Partnership is responsible for coordinating a multi-agency response to promote community safety, to reduce reoffending and to tackle antisocial behaviour across the City. Improving community safety and effective reduction in reoffending depends on a complex, multi-agency and multi-sector approach to the delivery of a wide range of both universal and specialist services. This multi-agency approach to community safety has strengthened the locality focus which allows for closer engagement with neighbourhoods.</li> <li>▪ The newly created Joint Committee to oversee the implementation of the City Deal will create further opportunity for regional collaboration and capacity.</li> </ul>	
<p><b>Requirement of the Council’s Framework</b></p>	<p>5.1.2 Developing strategies and plans for the most appropriate model of delivery and allocation of resources to achieve the best possible outcomes.</p>	<p><b>Score out of 10: 7</b></p>
<p>Evidence of compliance and links</p>	<p>Form must follow function. The Council has a clear business plan (agreed in 2017) and is building on this through a developing council change strategy that will consider appropriate models of delivery building on the previous transformation programme that created locality functions, centralised and modernised back office functions and created radically more digital models of delivery. A programme of service reviews was completed during the reporting period.</p> <ul style="list-style-type: none"> <li>▪ The Council’s customer transformation programme has not only created efficiencies but created greater channels for citizens to engage. This is an ongoing evolution but the foundations for a truly digitally enabled council have been laid with 38 transactions now having been made available online.</li> <li>▪ This includes the development of a process automation programme which seek to build on this approach automating significant numbers of processes to reduce administration time and cost.</li> <li>▪ The Council has a People Strategy in place, agreed at committee in February 2017.</li> <li>▪ The council is currently reviewing both its approach to talent and learning development.</li> <li>▪ The council continues to benchmark its performance through the LGBF.</li> <li>▪ 4 Locality Committees were established in 2018 to further devolve power to communities.</li> <li>▪ EDI was the organisation’s ALEO to develop property within the city. The Council reviewed its objectives in terms of property development and changed its approach to ensure the most appropriate and effective form of delivery was being utilised. In <u>February 2017</u> the Council agreed to wind up the company. The projects and assets are to be transferred to the Council. The transition strategy was agreed in <u>September 2017</u>.</li> <li>▪ Retendering of our recruitment framework to ensure visibility and scrutiny of our temporary resources across the organisation</li> <li>▪ A review of Supply Teachers completed in June 2017 which included comprehensive engagement with HT &amp; DHT’s to redesign the database (complete data refresh), process and evaluation.</li> <li>▪ The contract award for the provision of <u>Occupational Health Services and Employee Assisted programme</u> was reported to Committee in the last quarter of 2017.</li> <li>▪ Benchmarking on health and safety performance is carried out with other Local Authorities in Scotland each year.</li> <li>▪ The Council’s adoption of participatory budgeting provides an important mechanism to enable communities to identify priorities and make decisions on the allocation of resources to improve the quality of life in the city. This, combined with the participation of communities in the decision-making process for devolved locality budgets, has provided residents with an opportunity to influence the allocation of resources to meet their needs and circumstances.</li> </ul>	
<p><b>Supporting principle</b></p>	<p><b>5.2 Developing the capability of the entity’s leadership and other individuals</b></p>	

Requirement of the Council's Framework	5.2.1 Ensuring clarity on roles, responsibilities and expectations for members and officers in terms of relationships and decision making.	Score out of 10: 7
Evidence of compliance and links	<p>It is important that all new and existing members and officers are clear on their roles and responsibilities. We have improved our approach to onboarding and induction as this is a critical time in setting members and employees up for success. New elected members take part in a welcome event, are offered an experienced buddy and take part in classroom based essential learning in their first few weeks in office. In relation to employees, we have developed a new candidate portal for new recruits joining the Council and make it easier for them to complete essential learning. We have also created Setting You/Them up for Success Guides and a Welcome Event hosted by the Chief executive and Executive Directors every 4-6 weeks. This helps develop capability early in a new employee's career with the Council. Our new approach to performance focuses on the importance of having clarity conversations with all employees, setting clear goals and a development plan which is reviewed regularly through 1-1 check-ins and annual reviews.</p> <p>All operational governance documentation is subject to review annually and forms part of any review of the political management arrangements.</p> <ul style="list-style-type: none"> <li>▪ <u>Procedural Standing Orders for Council and Committee Meetings</u> establish procedure for the conduct for such meetings and the decision-making process.</li> <li>▪ Following the Local Government elections in May 2017 the <u>Governance – operational governance framework</u> was further reviewed (29 June 2017) to meet the aims and aspirations of the newly elected Council.</li> <li>▪ There has been a reduction of eight to six executive committees and change of committee remits to ensure a more balanced structure. These committees ensure that there is significant business at all committees to ensure a joined-up approach to Council services, allowing sufficient focus and time to the business of the committee.</li> <li>▪ Committees have the authority to refer reports to other Committees for specific review and scrutiny. This recognises the role and input of each particular committee but nevertheless provides clarity on the decision maker. For example, the Treasury Management report was considered by Finance and Resources (<u>7 November 2017</u>), Council (<u>23 November 2017</u>) and Governance, Risk and Best Value Committee (<u>28 November 2017</u>).</li> <li>▪ A significant addition to the remit of the executive committees is strategic development. This allows the Local Development Plan and the corporate infrastructure investment programme that comes out of it, to be aligned with housing and economic policies.</li> <li>▪ There is also additional scrutiny of health and social care issues, recognising the Integration Joint Board's role but also the duties and responsibilities of the Council.</li> <li>▪ The Governance, Risk and Best Value Committee retained its current cross cutting scrutiny remit within the model and also takes the lead role as the Council's main scrutiny panel.</li> <li>▪ <u>Committee Terms of Reference and Delegated Functions</u> set out the powers delegated by the City of Edinburgh Council to its committees and sub-committees pursuant to the Local Government (Scotland) Act 1973.</li> <li>▪ The <u>Scheme of Delegation</u> sets out the powers delegated by the City of Edinburgh Council to officers, pursuant to the <u>Local Government (Scotland) Act 1973</u>. The Scheme facilitates the efficient conduct of Council business by clearly setting out the nature and extent of the powers delegated to officers by the Council, thereby ensuring that decisions are taken at an appropriate level and ensure sufficient and appropriate scrutiny. Specific reference to the Chief Executive's responsibilities can be found at Paragraph 4.1</li> <li>▪ <u>Financial Regulations</u>. The Regulations clearly set out the responsibilities of Executive Directors with regard to budget management and the securing of best value with regard to resources entrusted to them. The Regulations also clarify Elected Members' role with regard to setting the Council's financial strategy and scrutinising the effectiveness of its financial management arrangements</li> <li>▪ <u>Contract Standing Orders</u> apply (with certain exceptions) 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.</li> <li>▪ The <u>Member-Officer Protocol</u> sets out the roles and responsibilities of Elected Members and Council officers, including the Chief Executive, to ensure clarity when carrying out their respective duties.</li> <li>▪ A suite of performance indicators is being further developed to measure the <u>Business Plan 2017-2022</u> progress and success at each level of the strategic planning framework. Indicators will be presented via dashboards and will include financial, workforce and customer elements to give a balanced view of performance against outcomes and commitments. Performance will be scrutinised by Elected Members and the Council's Corporate Leadership Team.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ The Council Leader was appointed as Convenor of the Corporate Policy and Strategy Committee on <u>22 June 2017</u>.</li> <li>▪ The leader of the Council undertakes the Chief Executive's performance conversation.</li> <li>▪ The Council's performance framework for Senior Management Teams and Corporate Leadership Team is reviewed annually and performance reporting against the Council's commitments and outcomes forms the basis of the annual report on progress. The annual review gives Council the opportunity to ensure the outcome-based measures which join up priorities across service areas and partnership continue to be effective.</li> <li>▪ The Council's <u>New Candidate Portal</u> has been a positive development in our approach to employee onboarding</li> <li>▪ <u>Setting You</u> and <u>Setting Them</u> up for Success Guides have supported employees and their line managers to improve the induction experience and help employees to develop the capabilities they need early in their employment.</li> <li>▪ <u>The Performance Framework</u> was co-produced with employees and is designed to support employees and their managers to have engaging and constructive performance conversations. It offers a blend of templates, tools and tips to support our people to be the best they can be.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>5.2.2 Developing the capability of members and officers through the encouragement and provision of appropriate training and continued professional development tailored to their respective roles.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>Training and development provision for elected members is strong, with regular classroom-based programmes running throughout the year based on feedback from training needs analysis, elected member and officer requests. Training and Development for officers starts with on-boarding and induction, through to essential learning and continuing professional development. There is a blend of classroom-based learning, e-learning, coaching and on-the-job training. Dependent upon job role and statutory requirements, employees are supported and funded to achieve relevant qualifications.</p> <ul style="list-style-type: none"> <li>▪ Council <u>People Strategy</u> and People Plan was reported to Finance and Resources Committee on <u>23 February 2017</u> and Corporate Policy and Strategy Committee <u>28 March 2017</u>. People strategy updates have been ongoing on priority aspects of our strategic commitments e.g wellbeing, workforce dashboards, policy updates, performance framework and our engagement strategy.</li> <li>▪ The <u>Open Framework agreement for Learning and Development</u> was reported to F&amp;R Committee in November 2017. The framework will run for 3 years in the first instance and enables the Council to take a more strategic approach to the procurement of learning and development.</li> <li>▪ A comprehensive induction programme for elected members was developed for implementation following the Scottish Local Government election in May 2017. This is supplemented on an ongoing basis by both regular general and tailored training for elected members. Most recently an Autumn Winter programme of elected member training and development was carried out in October/November 2017 based on the outcome of a training needs analysis exercise.</li> <li>▪ An Elected Members' Resources section was created on the Orb in preparation for the new Council following the Local Government election in May 2017. A wide range of information is available, including roles and responsibilities, code of conduct, training and development materials, key strategies and policies and city/ward information.</li> <li>▪ Elected members are provided with ongoing briefings, briefing notes and presentations on topics of relevance.</li> <li>▪ Regular meetings with conveners and vice conveners (weekly and/or fortnightly), briefings for member groups, 121 meetings on individual projects.</li> <li>▪ Monthly employee induction events hosted by Chief Executive, Council Leader and Executive Directors.</li> <li>▪ Launched Essential Learning, Key Policies Handbook to support policy refresher.</li> <li>▪ Ongoing job specific induction and essential learning across the Council.</li> <li>▪ The IOSH Leading Safety Course has been rolled out to the Wider Leadership Team in 2018 (one outstanding session).</li> <li>▪ Work has been ongoing to identify health and safety training needs across the Council.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>5.2.3 Ensuring arrangements are in place to consider leadership effectiveness and staff performance.</b>	<b>Score out of 10: 7</b>
Evidence of compliance and links	We continue to invest in leadership development, starting with new leader induction, essential learning for leaders around key Council policies and supporting our leaders to embed our new approach to performance to achieve the cultural change we need to enable the Council to achieve its vision.	

- We have introduced New Leader Induction and essential learning.
- We continue to invest in our Wider Leadership Team (WLT) which meets monthly to work together on key issues and learn from each other and from external speakers. The WLT continue to meet in leadership sets as part of their ongoing leadership development.
- The foundation of our leadership development is the 'Future, Engage, Deliver' approach.
- Our Performance Framework incorporates key elements of looking ahead and looking back performance conversations and giving and receiving feedback throughout the performance year. We have supported our leaders to embed the new approach through Conversation Spotlight workshops which have been delivered throughout 2017/18.
- Under the new Performance Framework all GR1-12 employees are in scope for performance review. The historical PRD process focused on measuring performance for GR5-12 colleagues only (approx. 6,000).
- The overall completion rate was 74% for GR1-12 employees on the 17/18 standard performance cycle April to March. The new framework has increased engagement with the GR1-4 group with a 65% completion rate for these employees in 2018, versus a 12% completion rate in 2017 under the historical PRD approach. The Performance Management framework has at its core the principle of both what employees are delivering as well as the 'how'.
- An update on our employee engagement activity was reported to GRBV in August 2017

**Requirement of the Council's Framework**

5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.

**Score out of 10: 8**

Evidence of compliance and links

The wellbeing of our workforce remains a critical area of concern for us. We have continued to see a rise in long term absence, with the majority attributed to long term conditions relating to stress, depression and mental fatigue. Whilst much has been done, we are committed to a renewed focus on this agenda through a combination of revised policies to drive the right culture and behaviour, training to develop skills in our leadership population to support employees with wellbeing issues and knowledge and awareness for our employees. The overarching aim of our approach is one of prevention and engagement with available support.

- Occupational Health and EAP - The Council has procured the services of an Occupational Health provider to ensure we are able to gain independent professional advice to support colleagues with absence, including ill health retirement and reasonable adjustments. There is a focus on mental health and physical conditions whereby colleagues can be referred for early prevention without waiting until the condition is so severe it causes absence.
- We provide a free confidential employee assistance programme for all colleagues who would like confidential advice ranging from bereavement to healthy body healthy mind. This includes trauma counselling and Cognitive Behavioural Therapy.
- As part of our onboarding and induction process for new employees, our Occupational Health provider comes along to our welcome events to promote our Employee Assistance programme
- We have offered weekly Managing Attendance Workshops for Line managers throughout 2017/18.
- Availability of support mechanisms is regularly communicated through manager's newsletter and internal communications.
- Staff Benefits  
We provide broadly the same level of benefits as most large employers to meet a range of lifestyles including:-
  - Enhanced annual leave entitlement and a range of special paid and unpaid leave
  - Flexible working options
  - Enhanced Maternity, Paternity, Adoption and Shared Parental Leave provision
  - Childcare Vouchers
  - Ride to Work Scheme
  - Premium Benefits card with access to local discounts and special offers
- Financial

	<ul style="list-style-type: none"> <li>○ Ethical financial services through a credit union membership including loans, savings and mortgages.</li> <li>○ Season ticket loans</li> <li>○ Car benefit scheme - salary sacrifice car lease scheme</li> <li>○ Local Government Pension Scheme</li> <li>○ Scottish Teachers' Superannuation Scheme</li> <li>▪ The <u>Annual Report on Health and Safety Performance</u> was reported to the Finance and Resources Committee in March 2017. Substantial progress was made in 2017 to improve the Council's health and safety performance, building on progress made in previous years. In the past 3 years the Council has achieved a 49% decrease in the number of reportable injuries to employees including a 69% decrease in major/specifies injuries (such as fractures).</li> <li>▪ A Career Transition Service was put in place at the start of Transformation to support employees through the organisational review process. The service provides: <ul style="list-style-type: none"> <li>○ help with completing personal profile forms and application forms;</li> <li>○ interview skills training;</li> <li>○ 1:1 coaching/career guidance;</li> <li>○ support for redeployees; and</li> <li>○ support for Voluntary Redundancy leavers.</li> </ul> </li> </ul>	
<p><b>Principle 5 - Improvement plan</b></p>	<ul style="list-style-type: none"> <li>▪ Agree the Council's 4 year Change Strategy alongside the Budget in March 2019</li> <li>▪ We have reviewed our approach to leadership development, set up a leadership learning group which includes front line colleagues and managers, led by the Head of Customer and IT; we are investing in growing our coaching capability and our leadership development offering- Leadership in a Box. We will evaluate this as we go.</li> <li>▪ We have been researching best practice in talent management and will be launching our new approach to talent in 2018/19</li> <li>▪ We are embedding our new approach to performance and are currently reviewing the performance framework as set out in the original approach to ensure it is as integrated as possible.</li> <li>▪ continue to evaluate and improve our approach through employee engagement activities such as focus groups and our colleague opinion survey. We continue to offer 5 Conversation Spotlight workshops each month for our leaders.</li> <li>▪ A wellbeing workshop is being developed taking a holistic approach starting with line manager awareness and focusing on supportive conversations. This will include mental health awareness and enable managers to arrange the right support or guide the employee to engage in the support available.</li> <li>▪ On 1 Oct 2018 the new absence management policy will go live, promoting wellbeing and early prevention. This policy is less punitive and more supportive to help colleagues engage more with their wellbeing and ability to be at work fit and healthy.</li> <li>▪ To make the remaining 11 out of 21 top transactions available online.</li> </ul>	<p>Responsible officer(s)</p> <p>Strategic Change and Delivery Manager Head of Human Resources Resourcing and Talent Manager</p>

<p><b>Principle 6</b></p>	<p><b>Managing risks and performance through robust internal control and strong public financial management</b></p>
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Supporting principle	6.1 Managing risk	
Requirement of the Council's Framework	6.1.1 Ensuring that risk management is embedded and clearly allocated in decision making throughout the organisation.	Score out of 10: <b>6</b>
Evidence of compliance and links	<p>The Council has a risk management framework in place which is used to manage risk across the council. The framework consists of an Enterprise Risk Management Policy, Risk Appetite Statement, procedures, structures and software. In addition, Council policies and decisions include appropriate consideration of risk. The framework is proportionate and appropriate for the Council, and is reviewed and updated on an ongoing basis. Education and training activities take place to ensure knowledge and understanding of risk management is cascaded, that managing risk is part of managing the organisation, and that we all have a role to play in managing risk. The Corporate Risk Team work closely with central business functions (including Internal Audit), Directorates and Services to ensure that risk is managed, reported and escalated in accordance with the Enterprise Risk Management Policy.</p> <ul style="list-style-type: none"> <li>▪ The Council has a risk management framework which consists of a Policy, Risk Appetite Statement, procedures and tools.</li> <li>▪ Risk Management is included in New Leaders' Induction events to emphasise the importance and relevance of risk management to all managers, and what is expected of them within their teams.</li> <li>▪ The Corporate Risk Team work alongside Directorates and Services to provide training, run risk management workshops and provide advice to ensure risk management is fully embedded across the Council.</li> <li>▪ Quarterly Risk and Assurance Committees in each Directorate and the CLT are chaired by the Chief Risk Officer (CRO) to maintain a consistent approach and ensure that the importance of risk management in the decision-making process is understood by all. One session has also been provided on health and safety responsibilities by Corporate Health and Safety.</li> <li>▪ The Chief Risk Officer and Chief Internal Auditor have provided three training sessions to Elected Members which have highlighted the importance of risk management to the decision-making process.</li> <li>▪ There is an enterprise risk management framework in place which is described in the <a href="#">Enterprise Risk Management Policy</a> (publicly available) while the <a href="#">Risk Management Procedure</a> is for internal use. Both documents are reviewed annually. An updated Policy and Risk Appetite Statement was approved by Corporate Policy and Strategy Committee on 7 August 2018.</li> <li>▪ The framework provides for the identification, recording, management and reporting of risks through Risk and Assurance Committees and Risk Management Groups in each Directorate.</li> <li>▪ Risk Management Groups focus on operational risk within teams and ensure that knowledge and understanding is cascaded appropriately throughout the organisation.</li> <li>▪ Risks are escalated in accordance with the Policy from Service Teams, through Directorate then CLT Risk Registers.</li> <li>▪ The Governance, Risk and Best Value Committee scrutinises the top risks on a quarterly basis.</li> <li>▪ An internal audit of the risk management function was carried out in November 2016. There were no 'high' findings. All actions identified are scheduled for closure within the agreed timelines.</li> <li>▪ The most recent <a href="#">Annual Audit Report</a> from Scott Moncrieff noted "Overall, we were satisfied that risk management arrangements appear to be embedded across the organisation".</li> <li>▪ The Internal Audit team consider the Council's top risks when developing the Internal Audit Plan.</li> <li>▪ Internal audits may raise new risks which are then managed in accordance with the Policy.</li> <li>▪ The Corporate Risk Team may, through the course of their work, identify issues which may be appropriate for Internal Audit to consider.</li> <li>▪ The Corporate Risk Team are working alongside the Change Delivery Team to ensure that major projects and programmes have effective risk management arrangements in place. This work includes establishing standardised performance reporting mechanisms and risk management information.</li> <li>▪ The Risk Management Procedure document describes how Risk Owners are identified for each risk.</li> <li>▪ Risk Owners ensure the risk is managed, and monitor progress against planned actions. The Procedure also describes how Action Owners may be allocated to carry out elements of the response, including using insurance where appropriate.</li> <li>▪ The Council won an award for the Schools Self-assurance framework in 2018.</li> </ul>	

Supporting principle	6.2 Robust internal control	
Requirement of the Council's Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.	Score out of 10: 5
<p>Evidence of compliance and links</p> <p>The three lines of defence model is operated across the Council:</p> <ul style="list-style-type: none"> <li>the first line – Service Areas that own and manage risk;</li> <li>the second line – teams that oversee or specialise in risk management and developing frameworks and policies, for example, Information Governance; Strategic Change and Delivery; Risk Management; and Corporate Health and Safety; and</li> <li>the third line – teams that provide independent assurance, above all internal audit.</li> </ul>	<p>In 2017/18 it was identified that a number of historic management actions to address Internal Audit findings raised had either not been implemented, or were implemented but had not been sustained, resulting in a total of 30 historic IA findings being reopened and tracked as overdue. This was discussed at GRBV in May 2018, and the Council's <u>response</u> to the GRBV decision taken in May was presented to the June GRBV Committee meeting. Additionally, a number of current agreed management actions continue not to achieve their agreed implementation dates.</p> <ul style="list-style-type: none"> <li>The <u>Enterprise Risk Management Policy</u> describes how risk management aligns with the achievement of objectives, while the <u>Risk Management Procedure</u> describes how the policy is carried out in practice.</li> <li>Assurance on the adequacy and effectiveness of controls in place to mitigate the most significant risks faced by the Council is delivered via completion of the annual Internal Audit Plan. The 2017/18 plan can be located at: <u>Internal Audit Annual Plan 2017/18</u></li> <li>An Internal Audit report is produced at the end of each audit which details the control weaknesses identified and the associated residual risks. Actions are agreed with Service Area Management to ensure that these weaknesses are remediated, and implementation dates for completion of management actions are agreed.</li> <li>Implementation progress is monitored and the actions are implemented and verified prior to closing Audit recommendations.</li> <li>Overdue recommendations are reported monthly to the Corporate Leadership Team (CLT) and quarterly to the Council's Governance, Risk and Best Value Committee. The latest report provided to the Governance, Risk and Best Value Committee can be found at: <u>Internal Audit - Overdue Findings and Late Management Responses - GRBV June 2018</u></li> <li>An internal audit of the risk management function was carried out in November 2016. There were no 'high' findings.</li> <li>The <u>Annual Audit Report 2016-17</u> from Scott Moncrieff noted "Overall, we were satisfied that risk management arrangements appear to be embedded across the organisation".</li> <li>Wide range of internal and external counter fraud activities, including Council Tax, Benefits, parking, school placement and national fraud initiative work</li> <li>The Council's Chief Internal Auditor is required (per Public Sector Internal Audit Standards) to provide an independent and objective annual opinion on the adequacy and effectiveness of the Council's control environment and governance and risk management frameworks. The opinion is provided to the Governance, Risk, and Best Value Committee and should also be used to inform the Council's Annual Governance Statement.</li> <li>The <u>Member/Officer Protocol (2016)</u> sets out the roles and responsibilities of Elected Members and Council officers, including the Chief Executive, to ensure clarity when carrying out their respective duties.</li> <li><u>Councillors' Code of Conduct – Standards Commission</u> - the standards councillors must apply when undertaking their Council duties.</li> <li><u>Anti-bribery policy</u> – introduced in 2012 to strengthen existing anti-corruption measures and to meet the requirements of the Bribery Act 2010.</li> <li><u>Published Register of Elected Members' Interests and Expenses</u> – as required by the Standards Commission.</li> <li><u>Policy on Fraud Prevention</u> – introduced in 2013 and contains preventative and control measures designed to reduce the risks to the Council from fraud and fraudulent activity.</li> <li>Anti-bribery Policy and Fraud Prevention Policy are essential learning for all Council employees, with e-learning modules available.</li> <li>The Council's Monitoring Officer will investigate serious allegations of fraud, corruption or maladministration and report findings and recommendations to full Council.</li> <li>The Council's <u>Whistleblowing Policy</u> mandates an independent service provider with authority to decide on the categorising of disclosures and investigations, with investigation outcomes reported quarterly to the Governance, Risk and Best Value Committee.</li> <li>Contract Standing Orders (June 2018) – regularly updated essential legal and operational rules for all Council staff to follow when procuring a contract, including escalation processes to Legal and Risk, ensuring that all procurements meet strategic objectives of the Council and achieve best value.</li> </ul>	

	<ul style="list-style-type: none"> <li>There are also a number of additional third line of defence assurance providers who assess the adequacy and effectiveness of the Council's controls in addition to Internal Audit. These include (for example) External Audit (who assess the adequacy and effectiveness of the Council's key financial controls and audit the financial statements); The Care Inspectorate; the Scottish Housing Regulator; the Health and Safety Executive; and the Information Commissioners Office.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</b>	<b>Score out of 10: 6</b>
Evidence of compliance and links	<p>During 2017/18, Internal Audit did not conform with the requirements of the Public Sector Internal Audit Standards for the following reasons:</p> <ul style="list-style-type: none"> <li>There has been insufficient follow-up of Internal Audit findings between April 2015 and October 2017 to monitor and ensure that management actions have been effectively implemented; and</li> <li>Long term sickness absence and recruitment challenges within the Internal Audit team has impacted completion of the two internal quality assurance reviews included in the 2017/18 Internal Audit annual plan to ensure consistency of audit quality.</li> <li>This non conformance has been reflected in the Council's 2017/18 annual Internal Audit opinion reported to the GRBV in July 2018.</li> <li>The <u>Internal Audit Plan</u> is driven by the Council's organisational objectives and priorities, and the risks that may prevent the Council from meeting those objectives.</li> <li>The Governance, Risk and Best Value (GRBV) Committee's remit includes agreeing internal audit plans and ensuring internal audit work is properly planned with due regard to risk, materiality and coverage. The Council's 2018/19 Internal Audit Plan was approved by the Governance, Risk and Best Value Committee in March 2018 <u>Internal Audit Plan 2018 - 19</u></li> <li>The work of Internal Audit informs the annual Governance Statement.</li> <li>Annual Assurance Exercise – seeks assurance from executive directors, heads of service, significant Council companies and joint boards over a wide range of controls and requirements which is then certified by the responsible executive director/chief officer to inform the drafting of the Annual Governance Statement.</li> <li>The Council's risk management framework is continuously reviewed and improvements are implemented as appropriate. The Council's Risk Appetite Statement and Enterprise Risk Management Policy were agreed by GRBV in August 2018.</li> <li>Where risk management and/or governance frameworks are considered as either high or medium risk in the context of individual audit reviews, these areas will be included in scope.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon.</b>	<b>Score out of 10: 8</b>
Evidence of compliance and links	<p>The Council has a strong, independent audit committee which is chaired by an opposition elected member. The Council's GRBV committee is independent as the Council's main scrutiny committee as well as its audit committee. It is linked with the Council's decision-making bodies, having a relationship that both supports and challenges the services under the oversight of the executive committees. However, the Committee has the power to act on its own accord with no need for executive committee permission and its power to call any elected member or officer to the committee provides it the ability to effectively scrutinise. There is a history of scrutinising difficult areas for the Council including shared repairs and Cameron House. It has also improved governance across the Council by driving change such as policy review.</p> <ul style="list-style-type: none"> <li><u>The Accounts Commission Best Value Audit Report</u> stated that the Governance, Risk and Best Value Committee 'provides effective scrutiny of the Council's operations and performance.'</li> <li><u>Committee Terms of Reference and Delegated Functions</u> require the Governance, Risk and Best Value Committee to be convened by a senior opposition member. Both the Chief Executive and the Executive Director of Resources attend meetings in person, supported by other members of the Corporate Leadership Team.</li> <li>The Committee has the ability to review any of the Council's activities, to require action or further reports, and to call witnesses to support its debate.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ The Committee has a role in the Council’s governance framework for its companies, scrutinising their past performance on an annual basis.</li> <li>▪ The Committee receives quarterly and annual whistleblowing monitoring reports, including investigation outcomes and proposed management actions, and will in future monitor the implementation of management actions. The Council’s independent whistleblowing service provider has direct access to the committee on request and the committee can request sight of full investigation reports and call on investigating officers and council officers to attend its meetings in private session to account for their actions.</li> <li>▪ The Council has responded to external scrutiny, in the form of external audit and inspection reports, with improvement plans which are reported to the appropriate committees.</li> <li>▪ GRBV also reviews and performs scrutiny on the CLT risk register; monitors progress with delivery of the Internal Audit Plan; and scrutinises all Internal Audit reports.</li> </ul>
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<b>Supporting principle</b>	<b>6.3 Managing data</b>	
<b>Requirement of the Council’s Framework</b>	6.3.1 Ensuring that data is properly managed, accurate and of a good quality.	<b>Score out of 10: 6</b>

Evidence of compliance and links	<p>The Council has a strong centralised Information Governance Unit that monitors and assesses compliance with its statutory obligations under information governance legislation. As processes mature and training and awareness reach more staff there has been a significant increase in activity, particularly in relation to breach reporting. This increase reflects the fact that the Council is better at identifying issues when they occur and taking appropriate action to mitigate impact and reduce reoccurrence.</p> <p>This year has been dominated by the coming into force of the EU General Data Protection Regulation and the UK Data Protection Act 2018. A significant compliance project was undertaken to provide a gap analysis across all Council service areas. This resulted in 94 reports, covering all Council functions, providing a current assessment of compliance and identifying information risks e.g. shadow IT systems. A number of recommendations were made as part of the analysis and validation work is currently underway to ensure that these are implemented as fully as possible.</p> <ul style="list-style-type: none"> <li>▪ The Council’s <u>Information Governance Policies</u> set out the Council’s approach to the collection, storage, use, sharing and security of information, including employee roles and responsibilities. Policies are supported by an information governance framework consisting of detailed <u>guidance, procedures</u> and mandatory training for all employees. The framework is promoted through an annual communications plan which includes various awareness raising initiatives and training events.</li> <li>▪ The Information Governance Unit maintains a Council-wide <u>Record of Processing</u> which documents why and how personal data is processed by the Council. How the Council manages personal data is also explained within the Council’s <u>Privacy Notice</u>.</li> <li>▪ Procedures to review and comment upon <u>information sharing agreements</u> and <u>personal data collection and use</u> are also in place within the organisation. Data Protection Impact Assessments are carried out when new processes for handling personal data are introduced, or existing ones updated. This ensure compliance with all data protection principles.</li> <li>▪ Standard information governance related terms and conditions have been added to all new Council contracts.</li> <li>▪ The <u>Employee Code of Conduct</u> gives clear guidance for employees in the use of Council Assets, Systems and Information.</li> <li>▪ <u>Policy on Fraud Prevention</u> aims to uphold the highest standard of conduct and ethics in all areas of the Council's work.</li> <li>▪ The <u>ICT Acceptable Use Policy</u> gives clear guidance on effective use of technology, providing opportunities to communicate and interact internally, with partners and with the public. The Policy outlines the standards of conduct that are required of staff when using all electronic communications and systems.</li> <li>▪ Senior Management Teams regularly monitor performance of their services as part of the Council’s Performance Framework. A key element of this involves senior officers analysing the performance data in advance of the performance discussion to identify areas of good practice and areas for improvement. The quality and accuracy of the data is assessed at this point to ensure that the performance information is robust.</li> <li>▪ Data quality is also reviewed and audited as part of statutory returns (for example Local Government Benchmarking Framework, Children’s Social Work Services returns) to ensure performance information is robust and accurate.</li> </ul>
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	<ul style="list-style-type: none"> <li>Established management information data and reporting supports service managers with their operational decision making and allows for comparisons and trends over time to be analysed with confidence.</li> </ul>	
<b>Supporting principle</b>	<b>6.4 Strong public financial management</b>	
<b>Requirement of the Council's Framework</b>	6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council operates a tiered framework of financial planning and control, with regular updates provided to Senior Management Teams, the Council Leadership Team and elected members. There are, however, opportunities to improve transparency in financial reporting and improvements to the internal control framework are also required to provide increased assurance as to their effectiveness.</p> <ul style="list-style-type: none"> <li>The Council Performance Framework forms part of the annual budget setting process to ensure the Council aligns its performance and planning with its budgets. This also provides an annual opportunity to review and refine the approach to performance management.</li> <li>The Council's Financial Regulations set out the responsibilities of Executive Directors in managing their respective budgets within approved levels. To this end, Finance staff work closely with service managers in supporting the development and delivery of robust savings measures, as well as providing timely advice facilitating the management of risks and pressures and, where necessary, highlighting issues where a service- or Council-wide response may be required.</li> <li>Given the constraints under which all service areas are necessarily working, the role of Finance staff continues to combine the functions of support and challenge, with an increasing emphasis upon informing decisions about the relative prioritisation afforded to services as a route towards longer-term sustainability.</li> <li>Within the constraint of limited resource availability, as noted in a number of previous sections, the Council's medium-term financial strategy and budget framework seek to strike an appropriate balance between reflecting the Council's commitments whilst maximising the availability and proactive use of resources to support delivery of key outcomes, acknowledging the risks to which the Council is exposed and its maturity in addressing these risks.</li> <li>Technical and more general management training has been delivered to all professional accountancy staff for onward dissemination of the principles of good financial management throughout the organisation. Principal Accountants attend service senior management team meetings and the Finance function is represented on the boards of all of the main transformational projects, as well as project assurance reviews.</li> <li>The Council has a comprehensive system of revenue and capital monitoring in place and the summarised position is regularly considered at Service Management Teams and the Corporate Leadership Team. The focus of this monitoring has been realigned more specifically towards high-risk, material and/or more volatile areas, allowing available staffing resource to support a range of key initiatives within the Council.</li> <li>The Council's internal control framework was examined as part of the 2016/17 Annual Audit process and assessed to be well-designed and effective in supporting the Council's wider governance framework.</li> <li>As part of the wider new elected member induction process, the Finance function has supported improving the financial literacy of members through the provision of dedicated, well-attended sessions on financial statements, financial planning and treasury management. Officers are also assigned to work with each political group in developing its budget proposals and advising on wider financial matters.</li> </ul>	
<b>Principle 6 - Improvement plan</b>	<ul style="list-style-type: none"> <li>Refresh of Information Governance Policies and further development of the Council's Information Governance Framework to support services.</li> <li>Establishment of an Information Board to facilitate better information management.</li> <li>Vary all existing Council contracts to ensure they have adequate clauses on information governance obligations.</li> <li>Information Governance Maturity Assessment to highlight information risks and future work priorities.</li> </ul>	<p>Responsible officer(s)</p> <p>Information Governance Manager</p>

<b>Principle 7</b>	<b>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>	
<b>Supporting principle</b>	<b>7.1 Implementing good practice in transparency</b>	
<b>Requirement of the Council's Framework</b>	7.1.1 Writing and communicating reports to the public and other stakeholders in a transparent manner which facilitates accountability and accessibility.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>The Council's reports have a strong focus on decision making and the information required to make those decisions. The information is often lengthy, covering a wide range of options and consequences and helps ensure that the information is comprehensive, supports decision making and covers legislative requirements. However, there is a need to improve the quality of reports to ensure they are succinct but still provide all relevant information. Reports are not consistent and often the data and information contained in reports is not easily benchmarked from year to year or across external partners.</p> <p>Access to reports is good with a robust focus on ensuring private reports are kept to a minimum and thus most decision making is done in public.</p> <ul style="list-style-type: none"> <li>▪ The Council meets all obligations outlined in the <a href="#">Local Government (Access to Information Act) 1985</a>.</li> <li>▪ The Council's <a href="#">procedural standing orders</a> ensure compliance with requirements outlined in the <a href="#">Local Government (Access to Information Act) 1985</a>.</li> <li>▪ Council minutes are concise and provide all necessary information as required by the <a href="#">Local Government (Scotland) Act 1973</a>.</li> <li>▪ Training on the <a href="#">Access to Information Act</a> is provided for key officers and elected members as part of the Governance Framework Training Session.</li> <li>▪ All Council and Committee reports and decisions are recorded and are available on the CEC website via <a href="#">Council papers online</a> (since May 2003).</li> <li>▪ Webcasting of Council and major committee meetings – webcasts available for 5 years online and then by request via the <a href="#">Council archive</a>.</li> <li>▪ New report templates and guidance are routinely introduced, the latest of which was in September 2017. This stresses the importance of using plain English and includes standard sections including an executive summary.</li> </ul>	
<b>Supporting principle</b>	<b>7.2 Implementing good practices in reporting</b>	
<b>Requirement of the Council's Framework</b>	7.2.1 Elected member and senior management owned annual reporting on performance, best value and resource stewardship.	<b>Score out of 10 7</b>
Evidence of compliance and links	<p>As part of the Council's annual performance framework performance is submitted to all executive committees. In addition a full council annual performance report is submitted to CP&amp;S each year. The overall framework and business plan is also published annually. Finally, there is a significant change project to improve the quality and automation of our performance reporting.</p> <ul style="list-style-type: none"> <li>▪ <a href="#">Annual publication</a> of progress reports against the Council's outcome-based Performance Framework and public scrutiny by elected members. Includes information against indicators of service quality and customer satisfaction. This report also includes annual analysis of performance against Local Government Benchmarking Framework indicators.</li> <li>▪ Annual publication of performance against <a href="#">Community Plan</a> indicators and targets.</li> <li>▪ <a href="#">Annual performance report</a> on the Integration Joint Board (IJB) including 23 National Indicators and progress report of its strategic direction to IJB.</li> <li>▪ Annual submission to Local Government Benchmarking Framework on various performance indicators including indicators relating to value for money and stewardship of resources.</li> <li>▪ Annual submission to Scottish Public Services Ombudsman of Council complaints.</li> <li>▪ Various thematic annual submissions to stakeholders e.g. Education returns, Scottish Social Housing Charter Indicators, financial submission to Scottish Government etc.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ Results of <a href="#">Edinburgh People Survey</a> are reported and acted upon.</li> <li>▪ Regular performance discussion within service areas on operational performance.</li> <li>▪ Regular CLT performance meeting discussing service level performance. Senior Managers accountable for their area performance providing comments for indicators along with service improvements.</li> <li>▪ Six monthly reporting to elected members on <a href="#">coalition commitments</a> to give Council Leaders/Conveners opportunity to discuss the progress in achieving milestones and performance measures.</li> <li>▪ The Council's <a href="#">Strategy and Performance</a> website provides an overview of all Council strategies and reports against progress and performance. The website includes council wide performance reports as well as financial and benchmarking information.</li> <li>▪ <a href="#">Edinburgh by Numbers</a> is an infographic report led by Strategy and Insight with collection of city facts and figures for people who do business here.</li> <li>▪ Various thematic reports e.g. on Educational Attainment are available to access online.</li> <li>▪ The Council publishes <a href="#">performance information</a> regularly to inform our customers and stakeholders about progress towards delivery of strategic aims and outcomes. This demonstrates our ability to be transparent and accountable and our commitment to seeking continuous improvement.</li> </ul>	
<b>Requirement of the Council's Framework</b>	7.2.2 Ensuring that robust arrangements for assessing compliance with CG Framework principles, publishing results and improvement actions are in place for the Council and jointly managed services.	<b>Score out of 10: 5</b>
Evidence of compliance and links	<p>Assessing compliance with the Corporate Governance Framework in 2016/17 highlighted many areas where improvement was required in the process for collecting the data. A review took place which identified weaknesses and identified improvement actions to ensure the CGF is a more effective tool in improving processes and practices across the council.</p> <ul style="list-style-type: none"> <li>▪ A Corporate Governance Framework Self-Assessment Exercise, following the Cipfa/SOLACE recommended format, is undertaken annually and submitted in full to the GRBV Committee.</li> <li>▪ The self-assessment for the period 1 April 2016 - 31 March 2017 was reported to the GRBV Committee on <a href="#">28 November 2017</a>.</li> <li>▪ A comprehensive review was undertaken and resulted in a revision of evidence requirements and realignment of the timetabling of processes to allow for synergies with the annual assurance exercise and the production of the Council's Governance Statement.</li> </ul>	
<b>Requirement of the Council's Framework</b>	7.2.3 Ensuring that 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.	<b>Score out of 10: 8</b>
	<p>The Council adopts a number of means to improve the transparency of its financial affairs, including relevant commentary in its Annual Accounts, production of the annual Key Facts and Figures publication and supplementary information to accompany the issuing of Council Tax bills.</p> <ul style="list-style-type: none"> <li>• The Council's financial statements have been prepared by the statutory deadline and without subsequent qualification every year since 1997/98.</li> <li>• The financial statements are accompanied by a management commentary that includes a range of key financial performance indicators, prepared in accordance with professional standards and with prior-year comparator and background information. The Council also actively participates in the Local Government Benchmarking Framework and other performance improvement networks to examine opportunities to adopt and share best practice with other local authorities and public-sector bodies.</li> <li>• The Council additionally prepares an annual Key Facts and Figures document that provides, in an accessible format, details of its revenue and capital budgets and associated key activities.</li> </ul>	
<b>Supporting principle</b>	<b>7.3 Assurance and effective accountability</b>	
<b>Requirement of the Council's Framework</b>	7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.	<b>Score out of 10 6</b>

Evidence of compliance and links	<p>Partnership working is generally clear with robust arrangements for decision making and where accountability lies. Health and Social Care has different arrangements from the rest of the council through the IJB and we are working within a legislative framework. The IJB are currently reviewing their governance to ensure it is fit for purpose.</p> <ul style="list-style-type: none"> <li>▪ Arrangements for scrutiny and accountability for services directed by the IJB were agreed in the scheme in May 2016. There is a need, however, to further clarify roles and responsibilities within the complex accountability arrangements of the IJB. EIJ, CEC and NHS Lothian all have duties and responsibilities out of the creation of the IJB.</li> <li>▪ Council Companies' Hub established in <a href="#">June 2016</a> to improve the officer scrutiny of Council companies. It clarifies roles and responsibilities, good governance, elected members duties as councillors and the mitigation of conflicts of interest.</li> <li>▪ Annual performance reporting by Council Companies to the responsible Executive Committee and GRBV has commenced, with development of a reporting template and guidance out for consultation</li> <li>▪ The Council's Chief Executive holds regular one to one meetings with Chief Executives of the Council's key ALEOs.</li> <li>▪ Neighbourhood Partnership, partnership working at Committee but decisions are delegated as per the requirements of the Local Government (Scotland) Act 1973 to the Locality Manager.</li> <li>▪ Neighbourhood Partnerships are Advisory Committees of the Council. They are governed by a constitution approved by Council at the time of establishment and a <a href="#">Neighbourhood Partnership Charter</a>, refreshed as part of a review carried out in 2013.</li> <li>▪ The <a href="#">Edinburgh Partnership Board</a> is not an incorporated body. The Edinburgh Partnership (EP) agreed new governance protocols in September 2014. The partnership operates in a spirit of mutual respect and partnership working. Each member has equal standing. On the 18 June 2015, the Board discussed its risk exposure and an approach to risk management in the context of the new Community Plan. The <a href="#">EP Community Plan 2015-18</a> includes 12 strategic priorities that have been agreed on the basis of resourced commitments made by community planning partners, Strategic (Delivery) Partnerships, and Advisory Groups. The Governance of the Edinburgh Partnership is currently being reviewed and will be in place by early 2019 to ensure successful delivery of the Approved Locality Outcome Improvement Plan.</li> <li>▪ <a href="#">The Community Empowerment (Scotland) Act</a> received Royal Assent in 2015 and sets out duties for public bodies in relation to community planning. In response, the Edinburgh Partnership is undertaking a review and consultation of community planning governance arrangements, together with the development of a new Local Outcome Improvement Plan and Locality Improvement Plans, to ensure the planning and partnership working arrangements in the city meet the legislative requirements set out in the Act.</li> </ul>	
<b>Requirement of the Council's Framework</b>	7.3.2 Ensuring that internal and external audit arrangements provide assurance on governance arrangements and risks from 3 <sup>rd</sup> party service delivery and that this is reflected in the annual governance statement.	<b>Score out of 10: 7</b>
Evidence of compliance and links	<p>Third party or supplier management risk is a consistent theme that is reflected in a number of specific risks included in the CLT risk register, and will be covered by a number of audits included in the 2018/19 Internal Audit annual plan, for example: Compliance with IR35 and Right to Work Requirements; CGI sub-contract management; CGI Change Management; Supplier Management Framework; and Tram Extension.</p> <ul style="list-style-type: none"> <li>▪ Audit applies a standard methodology to all work performed that is aligned with the requirements of the Public Sector Internal Audit Standards (PSIAS). These can be found at <a href="#">Public Sector Internal Audit Standards</a>.</li> <li>▪ We also perform an internal quality assurance exercise and are subject to an independent quality assurance check (performed every three years) by another local authority. We also apply key performance indicators, and progress against these is reported to the Governance, Risk and Best Value Committee twice per year. These measures ensure the ongoing quality and effectiveness of Internal Audit.</li> <li>▪ Internal Audit has an independent reporting line to the Governance, Risk and Best Value Committee. The Chief Internal Auditor meets with the convenor and vice-convenor of the committee at least quarterly, and more frequently if required.</li> <li>▪ Implementation of audit recommendations is monitored with validation performed to confirm that controls gaps have been addressed prior to closure. All overdue recommendations (those that have not achieved their initial implementation date) are reported monthly to the Council's Corporate Leadership Team and quarterly to the Governance, Risk and Best Value Committee. The latest report is located at <a href="#">Latest GRBV Report 26 September 2017</a>.</li> </ul>	



	<ul style="list-style-type: none"> <li>▪ Council Companies Hub established in <a href="#">June 2016</a> to improve the officer scrutiny of Council companies. It clarifies roles and responsibilities, good governance, elected members duties as councillors and the mitigation of conflicts of interest.</li> <li>▪ Coverage and assessment of these areas forms an integral part of the annual assurance exercise in preparation for the writing of the Annual Governance Statement – <a href="#">June 2017</a>.</li> <li>▪ Annual reporting by Council Companies to the responsible Executive Committee and the Governance, Risk and Best Value Committee.</li> </ul>	
<b>Requirement of the Council's Framework</b>	<b>7.3.3 Ensuring that recommendations from Internal Audit, External Audit, peer challenge, reviews and inspections are welcomed and acted upon.</b>	<b>Score out of 10: 4</b>
Evidence of compliance and links	<p>In 2017/18 it was identified that a number of historic management actions to address Internal Audit findings raised had either not been implemented, or were implemented but had not been sustained, resulting in a total of 30 historic IA findings being re-opened, and tracked as overdue. This was discussed at GRBV in May 2018, and the Council's response to the GRBV decision taken in May was presented to the June GRBV Committee meeting. <a href="#">Response to GRBV decision on Historic Internal Audit Findings</a> Additionally, a number of current agreed management actions continue not to achieve their agreed implementation dates.</p> <ul style="list-style-type: none"> <li>▪ Implementation of agreed management actions to support closure of Internal Audit findings raised is monitored with validation performed to confirm that controls gaps have been addressed prior to closure. All overdue agreed management actions and findings (those that have not achieved their initial implementation date) are reported monthly to the Council's Corporate Leadership Team and quarterly to the Governance, Risk and Best Value Committee. The latest report is located at <a href="#">Internal Audit - Overdue Findings and Late Management Responses June 2018</a></li> <li>▪ Coverage and assessment of these areas forms an integral part of the annual assurance exercise in preparation for the writing of the Annual Governance Statement – <a href="#">June 2017</a>.</li> <li>▪ The Council's Strategy &amp; Insight service along with Finance lead on the Annual Audit report of Council services to support statutory duties and use external scrutiny to ensure services benchmark with their peers. The Audit Report is scrutinised by the Governance, Risk and Best Value Committee and an improvement plan is developed to ensure actions identified in the report are act on.</li> <li>▪ Local Area Network (LAN), comprising representatives of all the scrutiny bodies who engage with the councils, draws scrutiny activity for each council in Scotland. Edinburgh is part of the scrutiny activity which is based on the shared risk assessment. Improvement actions from each inspection are implemented and progress reported regularly to senior managers and relevant Committees.</li> <li>▪ An annual validation audit is also included in the IA plan. This confirms that controls to address historic controls gaps have been implemented and sustained.</li> </ul>	
<b>Principle 7 - Improvement plan</b>	<b>7.2.2</b> <ul style="list-style-type: none"> <li>▪ Lessons learned were actioned from this exercise and a new template and procedure were agreed following elected member and officer workshops.</li> <li>▪ A session was scheduled for April 2018 with senior Council stakeholders to facilitate holistic population and provide additional peer-scrutiny to submissions.</li> <li>▪ Governance, Risk and Best Value Committee reporting will be reformatted to focus on improvement actions and their monitoring.</li> </ul> <ul style="list-style-type: none"> <li>• With the current Edinburgh Partnership Plan due for completion in 2018 a new LOIP, taking account of the legal requirements set out in the Community Empowerment (Scotland) Act 2015. This work is scheduled for completion in Autumn 2018 has been agreed.</li> <li>• The council is working with Scottish Government on their Local Governance Review</li> <li>• At the June Governance, Risk, and Best Value Committee, an action plan was presented in response to the GRBV decision on historic management actions taken in May. <a href="#">Response to GRBV Decision on Historic Internal Audit Findings</a></li> <li>• A revised set of Internal Audit Key Performance Indicators will be taken to GRBV in January.</li> </ul>	Responsible officer(s)  Governance & Resilience Senior Manager  Strategy Manager (Communities)  Chief Internal Auditor Democracy, Governance and Resilience Manager Chief Officer IJB

- A review of the report template and guidance is to be conducted.
- IJB currently undertaking a governance review.