Leicestershire County Council

LOCAL CODE OF CORPORATE GOVERNANCE
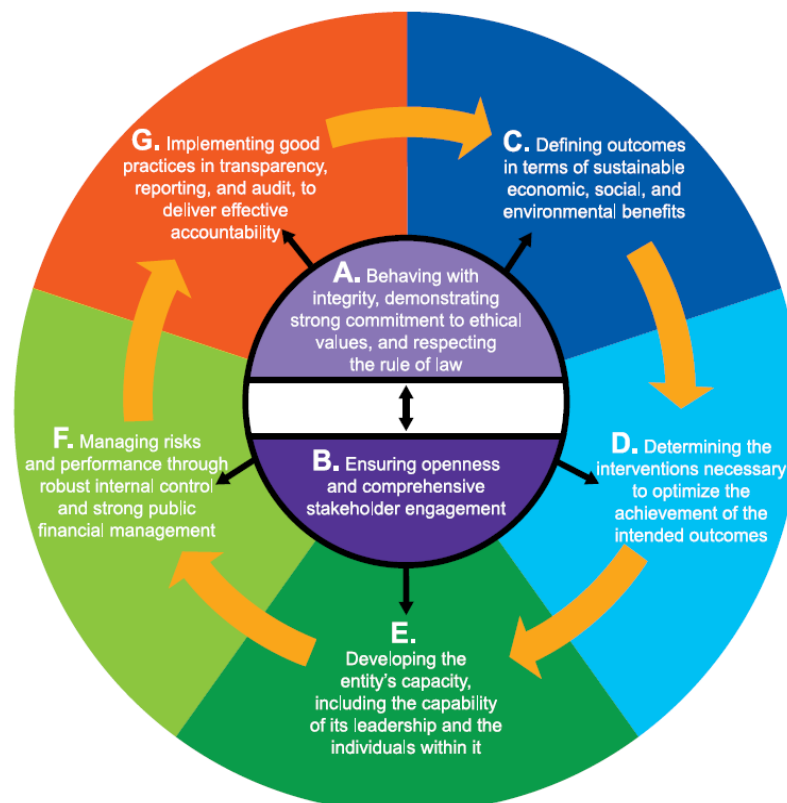
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LOCAL CODE OF CORPORATE GOVERNANCE

1. INTRODUCTION

1.1 In 2014, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants (IFAC) collaborated to produce The International Framework: Good Governance in the Public Sector. The International Framework defines governance as comprising the arrangements put in place to ensure that intended outcomes for stakeholders are defined and achieved. It states that in order to deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times. This implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders. The diagram below illustrates the core principles of good governance in the public sector and how they relate to each other: Principles A and B permeates implementation of principles C to G. It illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of positive outcomes for service users and other stakeholders.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times

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

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

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

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

B. Ensuring openness and comprehensive stakeholder engagement

D. Determining the interventions necessary to optimize the achievement of the intended outcomes

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

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1.2   In 2016, CIPFA in association with the Society of Local Authority Chief Executives (SOLACE) took the International Framework's core principles (and sub-principles) and interpreted them for a local government context. It revised and reissued its 'Delivering Good Governance in Local Government; Framework' (the Framework). The Framework sets the standard for local authority governance in the UK. The concept underpinning the Framework is to support local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The purpose of the Framework is to assist authorities individually in reviewing and accounting for their own unique approach, with the overall aim to ensure that:

- Resources are directed in accordance with agreed policy and according to priorities

- There is sound and inclusive decision making

- There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities

1.3   The Framework must be applied to annual governance statements prepared for the financial year 2016/17 onwards.

2. LEICESTERSHIRE COUNTY COUNCIL'S APPROACH TO CORPORATE GOVERNANCE

2.1   In Leicestershire, good governance is about how the Council ensures that it is doing the right things, in the right way and for the benefit of the communities it serves.

2.2   Good governance will invariably lead to high standards of management, strong performance, the effective use of resources and good outcomes which in turn will lead to increased public trust.

2.3   Good governance flows from having shared values and culture. It requires having in place a framework of overarching strategic policies and objectives underpinned by robust systems, processes and structures for delivering these. It also enables the Council and the public to monitor whether the strategic policies and objectives have been delivered.

2.4   The County Council recognises that the delivery of its strategic policies and objectives cannot be done in isolation. It needs to engage with other statutory bodies and the voluntary and community sector as well as private companies commissioned to deliver services. As such the County Council has an interest in ensuring that these partners have in place good governance arrangements.

2.5   The Council is committed to the seven core principles of good practice contained in the CIPFA framework and will test its governance arrangements against this framework and report annually.

In order to confirm this, we test our governance arrangements by:

- **Developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness**. Our Local Code has been written to reflect the Council's own structure, functions, and the

governance arrangements in existence. It's comprised of the policies, procedures, behaviours, actions and values by which the Council is controlled and governed.

- **Reviewing existing governance arrangements.** The Council will monitor its governance arrangements for their effectiveness in practice and will review them on a continuing basis to ensure that they are up to date. This review will include an assessment of the effectiveness of the processes contained within the Local Code. This includes annual assessments such as:

    o Departments' and corporate reviews of assurance arrangements

    o Head of Internal Audit Service (HoIAS) Annual Report including an opinion on the control environment

    o Assurance statements by the Chief Financial Officer, Monitoring Officer and the HoIAS that they are complying with their professional requirements

    o Annual review of the Constitution

    o Scrutiny Annual Report

    o External Audit Annual Letter

    o The opinions of other review agencies and inspectorates, including governance issues via ad hoc cases / disciplinary issues, police investigations

- **Reporting publicly on compliance with our own code on an annual basis and on how we have monitored the effectiveness of our governance arrangements in the year and on planned changes.** Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 requires the Council to conduct a review at least once in a year of the effectiveness of our systems of internal control and include a statement reporting on the review with our published statement of Accounts. This is known as the Annual Governance Statement. The Chief Executive and Leader of the Council certify the Annual Governance Statement to accompany the Annual Accounts which will:

- assess how the Council has complied with our Local Code
- provide an opinion on the effectiveness of the Council's governance arrangements
- provide details of how continual improvement in the systems of governance will be achieved.

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

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Behaving with Integrity	• The Council's Constitution contains Codes of Conduct for both Members and Officers to ensure that high standards of conduct are maintained. • Members (new) receive training on the Code of Conduct. • There is a separate Members' Code of Conduct for Planning Matters. All Members serving on the Development Control and Regulatory Board are required to have attended the training on the Code. • Registers of Members' interests and records of gifts and hospitality are published on the Council's website. • Members' Declarations of Disclosable Pecuniary Interests and Personal Interests that might lead to bias are recorded in minutes of meetings which are available on the Council's website. Minutes show declarations of interest were sought and appropriate declarations made. The Members' Register of Interests including gifts and hospitality is made available for public inspection and published on the Council's website. • The Corporate Governance Committee supports and promotes the maintenance of high standards of conduct by Members and has agreed criteria for assessing complaints against Members, which is published on the Council's website. • The Employee's (Officer's) Code of Conduct sets out standards of behavior and conduct that the Council expects of its employees. This includes including confidentiality, data protection, freedom of information, and fraud prevention. These areas are subject to mandatory training via e- learning. Reference is made to the Code in the Manager's Induction Checklist. • An employee policy is in place for acceptance of gifts and hospitality. The Monitoring Officer reviews the registers of interests and gifts and hospitality on an annual basis. Regular items appear on the Council's intranet and in the Managers' Digest reminding staff of the Register of Interests, Register of Gifts and Hospitality and the Whistleblowing Procedure and arrangements are in place to enable staff to raise issues of concern and report wrongdoing. • The Council has a 'Behaviour in the Workplace' Policy and Procedure. • We have arrangements in place to enable staff to raise issues of concern and report wrongdoing. • Standard decision making reporting format is in place to ensure that all those responsible for taking decisions have the necessary information on which to do so. Key decisions are supported by various different assessments e.g. EHRIA, HR, Financial etc. depending on the decision.

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	• A formal complaints policy which is publicly accessible is in place and an annual report on complaints is produced for all areas and is published.
	• The Council has in place an Anti-Fraud and Corruption Policy Statement and Strategy and implemented new policies and procedures to mitigate the risks of bribery and corruption and money-laundering in order to conform with requirements of the CIPFA Code of Practice – 'Managing the Risk of Fraud and Corruption' (2014) which are publicised across the organisation. A mandatory Fraud Awareness e-learning module exists that has recently been revised to ensure it remains fit-for-purpose.
	• Senior Officers and Elected Members (Corporate Governance Committee) receive regular fraud updates as part of a regular risk management report.
	• The Council's Organisational Values are available on CIS. (Note – the Organisational Values are currently under review).
	• Regular Chief Executive's newsletter 'News for All' contains information for staff and Corporate Management Team Road shows throughout the county (for public) and County Hall (for staff).
Demonstrating strong commitment to ethical values	• The Member Code of Conduct includes Principles and rules of behaviour which cover, Integrity; Selflessness; Objectivity; Accountability; Openness; Honesty and Leadership. Members, in signing the Code, agree to comply with these principles.
	• Employees Code of Conduct and Part 5B of the Constitution refers to the key principles in public life and standards.
	• The promotion of high standards of conduct is one of the key areas of responsibility for the Corporate Governance Committee
	• The Council's Constitution sets out delegations of the executive, committees and senior officers, and the decision making process to be applied. It also emphasises that the Council will act within the law.
	• When procuring goods or services, the Council uses a selection questionnaire which includes questions on a potential supplier's ethical behaviour.
	• A Whistleblowing policy/procedure is published on the Council's website for suppliers and is also included in the Conditions of Contract. The Council also subscribers on a voluntary basis to Public Concern at Work which is the lead organisation for whistleblowing issues.
Respecting the rule of law	• The Council's Political Structure and Roles are available on the Council's website and includes membership details and functions of all major committees as well as roles and responsibilities of Cabinet and other members.
	• The Constitution identifies the Director of Law and Governance as the Council's Monitoring Officer and sets out the role of the Monitoring Officer. The role, with membership of the Corporate Management Team, is to ensure that the Council respects the rules of law.
	• The Council has agreed a Fraud and Anti-Corruption Policy (including Anti-Money Laundering, Anti-Bribery, and Whistleblowing Policies). The Officer Code of Conduct requires Officers to have due regard the Policy when procuring goods and services.
	• Appropriate Officers monitor reports to ensure propriety of decision making and that legal advice is included where necessary and appropriate.
	• All members and Chief Officers are required to complete the 'Related Party Disclosure Form '.
	• The Council has appointed a Panel of Independent Persons and engaged external consultants to provide training. The role of the Independent Members also includes acting as the Independent Person when a recommendation is made to dismiss a Statutory Officer.
	• The Council maintains records of legal advice provided by officers to ensure it respects the rule of law.

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Principle B: Ensuring openness and comprehensive stakeholder engagement

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Openness	• Adoption of a clear and consistent reporting format in relation to committee reports. • Agendas, reports (and minutes) are also published on the council's website in advance. Meetings are open to the public except in relation to exempt items. • A 'forward plan' of items is in place and dates for submitting, publishing and distributing timely reports are set and adhered to. • Records of decisions and supporting materials are available in the Decisions Enquiry System which can be found on the Council's website • Regular meetings are held with relevant Lead Members to brief them on developments in their service area and of issues of concern. • A detailed Annual Performance Report on progress and outcomes against the Strategic Plan is published and scrutinised. • The Scrutiny Commission/Committees submit an annual report to the Council on the work undertaken. Reports to and decisions taken by the Council, Cabinet, Scrutiny Bodies and the Development Control and Regulatory Board are available on the Council's website. • The Council uses social media to reach a growing number of residents and stakeholders. It also publishes a council newsletter and has an active website. • An annual Council Tax leaflet is published on the Council's website showing how resources are deployed and the Council's accounts are scrutinised and published. • Freedom of Information practices are in place to publish responses to requests. • Important data is published in accordance with the Local Government Transparency Code (2014), as are quarterly performance dashboards. • The Council has guidance available for applicants wishing to make use of the Community Right to Challenge to express an interest in running local authority services.

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Engaging comprehensively with institutional stakeholders	• A number of priority partnerships have been identified and are supported to ensure that outcomes are achieved efficiently and effectively. • The Council has in place wide stakeholder lists for engagement purposes and is represented on a wide variety of bodies with relevant stakeholders. • A variety of arrangements are in place to engage with and involve other stakeholders including the business sector, health agencies , the police, district councils, rural communities and voluntary and community sector.
Engaging stakeholders effectively, including individual citizens and service users	• Engaging with customers before planning and commissioning services is encouraged by the Council's Communications, Consultation and Engagement group. A Consultation and Engagement team is in place to provide support on these matters across the Council • A wide range of techniques are used for dialogue with the community including a major budget/priorities consultation exercise, community based surveys, customer service feedback arrangements and individual service user groups. • Equality and Human Rights Impact Assessment (EHRIA) practices enable the Council to meet its statutory obligations, aid the Council in understanding issues of interest to the public and help the Council to shape service delivery. The Council supports an Equalities Challenge Group to enable engagement with and challenge from a wide range of communities to inform service reviews. • Quarterly residents surveys are undertaken to gauge satisfaction on key areas. Regular media and web monitoring is in place to pick up informal feedback. • The Council has agreed a Consultation and Engagement Strategy and all reports to member bodies must reflect the outcome of any consultation undertaken. • The Council has adopted a set of Consultation Principles that provide a clear framework for residents, service users and staff with regard to public consultations. • A corporate task group, bringing together expertise in communication, engagement, research and survey design, equalities issues and legal issues, provides support and guidance and co-ordinates resources to ensure robust public consultations. • Results of major consultations are published in bespoke reports, which are available via the Council's website.

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Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefit

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Defining Outcomes	- The Council's overall vision is reflected in the Council's Strategic Plan (to 2018) incorporating it's Medium Term Financial Strategy, Commissioning Strategy, Communities Strategy and Transformation Programme, which are then underpinned supported by specific departmental service/business plans and strategies. The Strategic Plan is being reviewed to include a Single Outcomes Framework and this is expected to be approved in 2017. - A separate Communities Strategy sets out the Council's approach to supporting communities and underpins working with the voluntary and community sector. - The Strategies set out defined outcomes with supporting performance measures. - Performance and progress against the strategies is published in the Council's Annual Report and Statement of Accounts - The Council communicates with, and takes account of feedback to review outcomes so they reflect progress and wider changes. - Departmental Management Teams and Cabinet Lead Members receive regular reports on the status of performance indicators and outcomes and have a process in place to address poor performance. - A variety of engagement, consultation and communication channels are in place to ensure that service users are aware of the financial and policy context and to help manage expectations. An annual budget media briefing and consultation on the budget is undertaken.
Sustainable economic, social and environmental benefits	- A four year capital programme is derived primarily from the Council's Strategic Plan and the Council's Capital Strategy and aims to ensure sustainable benefits. Investment in Land and Buildings is set out in the Corporate Asset Management Plan. Investment in infrastructure is included in the Infrastructure Plan and the Local Transport Plan, which provides the long - term strategy within which the Council manages and maintains its transport network. - Environment and Equalities Strategies are in place as well as an Enabling Growth Plan which sets out how the Council will support growth of the economy. All of the Council's plans seek to ensure an effective balance of economic, social and environmental benefits - Equality and Human Rights impact assessments and monitoring is in place to ensure an overview of fair access to services. - Social return on investment analysis and ensuring social value in contracts is an important element of the Council's approach. - The Council has agreed a Consultation and Engagement Strategy and all reports to member bodies must reflect the outcome of any consultation undertaken. Officers' meets regularly to ensure that consultations are undertaken on key changes to service provision and that such consultations are coordinated and comply with the Policy and existing best practice. Reports on new policy or changes to existing policies need to reflect how the policy will impact on different sectors in the community and local areas affected.

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Determining and Planning interventions	- A robust medium term financial planning and service planning process is in place. - Well-established governance of decision making is in place for making service decisions through DMTs, Project Boards and the Council's Transformation and decisions are made based on an evidence and business case basis using defined tools and templates. - A new Strategic Commissioning and contracting approach is being embedded into the organisation including commissioning strategies and a clear commissioning cycle involving service review, evidence and consultation. - The range of decision making information provided per option includes service user, staff and other stakeholder impacts, completion of Equality Assessments, consultation output and analysis of resource implications. - A new Business Intelligence Service is in place to provide insight, data analysis, forecasting and modelling support. - Feedback and complaints mechanisms/report in place to allow quality issues to be identified.
Optimising achievement of intended outcomes	- The Council has a good record of developing and delivering outcomes as well as managing within agreed budget parameters. - The Council's performance management processes ensure comparative benchmarking of outcomes against similar areas to feed into service planning and budgeting. - The Council's commitment to social value is embedded in the corporate Commissioning and Procurement Strategy. This commitment is also reflected in the guidance provided to staff undertaking procurement activity in the Council's Commissioning Toolkit. - The Council's Contract Procedure Rules requires that when procuring a service due regard is paid as to how the contract will improve the economic, social and environmental well-being of Leicestershire as required by the Public Service (Social Value) Act 2012. Achievement of social value is monitored regularly.

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

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Developing the entity's capacity	• The Council's People Strategy and Delivery Plan is in place. The Employment Committee receives regular reports, as appropriate, on elements of the People Strategy and the associated action plan. • A regular Employee Survey helps identify staff and manager capacity and support needs. • The Council monitors a variety of metrics including staff caseloads and customer activity to ensure that it has sufficient capacity in place at the right time. • Support arrangements are in place to allow deployment of interim capacity where required.
Developing the capability of the entity's leadership and other individuals	• The Council provides learning and development opportunities to elected councillors in accordance with its agreed Member Learning and Development Strategy. Compulsory training is provided to relevant members on Planning and Regulatory Matters and on Pensions. • Regular briefings are provided to members on the key issues and challenges facing the Council. • Council Learning and Development plans are informed by the MTFS; Strategic Vision; Departmental key aims; service plans; and individual Performance and Development Reviews (PDR). • Induction training is provided for all new staff appropriate to their role and responsibilities, with access to on-going Learning and Development activities to enhance skills. • An established competency framework is in place that yields behaviours to support the direction of the Authority, with all middle and senior managers completing a 'Leading for High Performance' programme. • There is a corporate Performance and Development Review (PDR) system in place to appraise the performance of all staff and a Learning Management System has been implemented. • The Council encourages and supports a diverse workforce and variety of workplace support groups, such that it has been recognised as a sector leader by Stonewall. • The Council's Equalities Board actively monitors and supports a diverse workforce and recruitment processes have been strengthened to ensure fair representation of different groups. • The Council has run a range of support programmes to ensure effective representation of women in senior management.

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

Rationale: Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Managing Risks	• The Council has a Risk Management Policy and Strategy with regular updates and reporting which is reviewed annually. Regular progress reports are provided on Counter Fraud Initiatives, Business Continuity and other related matters. • Corporate Governance Committee actively engages and conducts detailed scrutiny of the Corporate Risk Register and emerging risks. Presentations on specific risks are provided at each meeting. • Departmental Management Teams take full ownership of risks within their area and agree mitigating actions with regular monitoring and reporting processes in place.
Managing Performance	• The Council has corporate performance management and reporting processes in place with quarterly monitoring by Scrutiny Committees. • A regular programme of reporting on progress against outcomes, metrics and targets including benchmarking is in place at senior level. • Regular meetings between Chief Officers and their Lead members focus on key developments and risks going forward.
Robust in Internal Control	• The adequacy and effectiveness of the Council's internal control environment is tested throughout the year as a result of the approval and implementation of a risk based Internal Audit Annual Plan and by undertaking audits. • The Council participates in a range of external audits, inspections and accreditations to ensure it remains accountable for the quality of services its delivers as well to support continuous improvement of services. • An annual report is produced by Internal Audit which provides an opinion on the council's control environment, and a self-assessment of its arrangements against the public sector internal audit standards and CIPFA's guide to the role of the Head of Internal Audit. • There is an Anti-Fraud and Corruption Strategy which is subject to regular review and is approved by the Corporate Governance Committee. An annual fraud report summaries anti-fraud activity in the year. • The Annual Governance Statement (AGS) is subject to review by the Corporate Governance Committee.

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Managing Data	• The Council has a Corporate Data Protection Policy and well established risk assessment processes. • New mandatory training for managers has been implemented on data protection and information management • A partnership information sharing protocol, and information sharing agreements are put in place where required • Policies that govern the use of data, and corporate data standards are in place. • A variety of groups and monitoring are in place to ensure effective information management practice.
Strong Public Financial Management	• Financial procedures are documented in the Financial Regulations. • Monthly budget monitoring reports on the MTFS (capital and revenue) are provided to senior management and Member committees, Cabinet and Scrutiny. The reports provide an overall update, reasons for significant variances, actions being taken and any ongoing impact. • The Councils accounts show a strong track record of operating within its resources while allocating investment towards priority areas.

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

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

Sub-principle	Examples of the Council's commitment to achieving good governance in practice is demonstrated below
Implementing good practices in transparency and reporting	• Agendas, reports and minutes are published on the council's website. • Committee reports and debates are made available online to the public. • Regular press releases and briefings with good press coverage. • An Annual report is produced and also user friendly reports such as local account and report for young people. • Council newsletter produced for all residents • The Annual Financial Statements are compiled, published to timetable and included on the council's website. • The Annual Governance Statement (AGS) is prepared in accordance with CIPFA guidance
Assurance and effective accountability	• The AGS sets out the council's governance framework and the results of the annual review of the effectiveness of the council's arrangements. The AGS includes areas for improvement. • An effective internal audit function is resourced and maintained. The Internal Audit Service has direct access to members and provides assurance on governance arrangements via an annual report containing an opinion on the council's internal control arrangements. • There is compliance with CIPFA Statements on the Role of the Chief Financial Officer and the Role of the Head of Internal Audit. • There is an Internal Audit Charter (revised November 2016) which sets out the purpose, authority and responsibility for the internal audit function and clearly defines Members and officers' roles, responsibilities and relationship. • The Internal Audit Service abides with the principles of the Public Sector Internal Audit Standards but some development is required before full conformance can be claimed. • The Internal Audit Service will be subject to an independent external quality assessment during 2017-18. • External Audit provides an annual opinion on the Council's financial statements and arrangements. • The Council engages in peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.