

**Committee:           AUDIT AND REVIEW**

**Date:                   9 February 2007**

**Report:                CORPORATE GOVERNANCE**

**Purpose of Report**

1. To update the Committee on the work of the Corporate Governance Working Group; to propose a corporate governance policy for the Authority, and ask the Committee to consider recommending it to the Authority for adoption; and to ask the Committee to consider proposed processes for the future review and monitoring of governance arrangements.

**Strategic Planning Framework**

2. The information and recommendations contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:

- The core values adopted by the Authority, particularly Integrity and Accountability
- BVPP Action in relation to Corporate and Democratic Core Functions: carry out a comprehensive review of corporate governance.

**Background**

3. On 16 December 2005, the Audit and Review Committee agreed that the "Good Governance Standard for Public Services" published by the Independent Commission on Good Governance in Public Services would be an appropriate framework for YDNPA's corporate governance arrangements. The Committee also established at that time a Corporate Governance Working Group (CGWG), with the following terms of reference:

- a) To assist the Audit and Review Committee to discharge its responsibilities in relation to the corporate governance of the Yorkshire Dales National Park Authority by:
  - I. Identifying any gaps in current arrangements for corporate governance;
  - II. Examining the appropriateness of policies and procedures which do exist and are relevant to corporate governance, and proposing changes where necessary;
  - III. Considering the structure of, and roles within, the Authority's corporate governance arrangements, including the roles of Authority members;
  - IV. In the light of the above, developing a corporate governance policy for the Authorityand making recommendations to the Committee on these matters.

- b) If thought appropriate following the above work, to offer advice to the Standards Committee in relation to any issues which fall within its terms of reference and are relevant to the corporate governance of the Authority.

4. CGWG had seven meetings during the course of 2006. Basing its work around the “Good Governance Standard”, each of the first six meetings looked at one of the six principles of good governance contained within the standard. CGWG looked at the details of each principle, and compared them to the current arrangements within YDNPA, asking itself the “Assessment Questions for Governors” and the “Questions for the public to assess and challenge standards of governance” which are contained within the Good Governance Standard. CGWG has concluded that the Good Governance Standard has proved itself to be very fit for this purpose, and an excellent tool for assessing the Authority’s governance arrangements, because of its twin approach of addressing the perspectives of both governors and the public.

5. Reports of the first six CGWG meetings have already been brought to this Committee for information, and the report of the seventh meeting is attached to this report, on the same basis (**Appendix 1**).

6. The work done by CGWG, in looking at the six governance principles, has produced a list of recommended actions, and this list has been brought regularly to SMT, with SMT being asked to decide whether it agreed the actions, and if so, how to take the issue forward. SMT’s response has been reported back to CGWG, and the Action List updated accordingly. A copy of the final version of the Action List is attached as **Appendix 2**. This illustrates the wide scope of the work of CGWG, and how much the Authority has achieved in terms of its corporate governance arrangements over the past 12 months.

7. CGWG was always intended to be a “task and finish” group, and it has now finished its work. As will be seen from Appendix 1, a significant part of the Group’s last meeting was taken up with considering how governance matters should be managed, monitored and reported in the future. The Group is recommending that the basis of corporate governance work should be encapsulated in a brief Corporate Governance Policy document (copy attached as **Appendix 3** to this report). This deals with the key responsibilities of members, officers and auditors, and proposes in particular that I, as Monitoring Officer, should be the lead officer on corporate governance, and should report annually to this Committee on that subject. That annual report would include an assessment of the Authority’s governance arrangements against the “Good Governance Standard”. The assessment would be in the form of a table setting out the core principles and supporting principles of the Good Governance Standard, what relevant procedures and documents one might expect to find in an organisation in relation to those principles, and how the YDNPA’s arrangements match up to those expectations. The table would be a local code of corporate governance, matching requirements and expectations against reality. It would be compiled by myself (in consultation with my senior management colleagues), and then subject to the scrutiny of this Committee, as part of this Committee’s responsibility to “advise the Authority on its corporate governance policies and agenda, and implementing and managing the Authority’s agreed policies in this area”.

8. But what of the Action List compiled from the work of CGWG? The proposal is that, now that CGWG has completed its work, the outstanding points from the Action List should be taken into the table referred to in the previous paragraph, ensuring that those

points are not lost, but that there is one single monitoring document which will highlight ongoing work which needs to be done.

## **RECOMMENDATIONS**

9. That the Audit and Review Committee:

- (a) recommends the Authority to adopt the corporate governance policy attached as Appendix 3 to this report; and
- (b) agrees to the proposals in this report as to how governance matters should be managed, monitored and reported in the future.

**Richard Daly**  
**Solicitor / Monitoring Officer**

25<sup>th</sup> January 2007

Background documents: none



**YORKSHIRE DALES NATIONAL PARK AUTHORITY  
AUDIT & REVIEW COMMITTEE**

**REPORT OF THE CORPORATE GOVERNANCE WORKING GROUP**

The Corporate Governance Working Group met on 15<sup>th</sup> December 2006 (Meeting 7)

Members present: John Blackie, Kevin Lancaster (Yvonne Peacock being no longer a member of the Authority), Shelagh Marshall, Malcolm Petyt, and Yvonne Rose.

Officers present: David Butterworth, Richard Burnett and Richard Daly

Election of Chair for the meeting

This was the Working Group's last meeting, and Yvonne Rose was elected as Chair for the meeting. Members agreed to record their appreciation of the work done by Yvonne Peacock, as the previous Chair of the Group.

Report of last meeting

The Working Group reviewed the notes of its previous meeting held on 31<sup>st</sup> October 2006, and agreed them as a correct record, subject to two amendments: the first to reflect the fact that there are five local authorities whose areas cover part of the National Park; and the second to record that a report on complaints received is presented to the Audit and Review Committee twice yearly.

It was agreed that, although the point had not been raised at the last meeting, the Rural Development Agency and Government Office for Yorkshire and the Humber should be listed among the Authority's key institutional stakeholders.

Development of an appraisal scheme for Members: update

David Butterworth referred to the job descriptions for the Authority Chair and members which had been produced by Defra, and advised that these would be reconsidered in the light of a new National Park circular, which was being considered as a replacement for the present Circular 12/96. Consultation on a draft of this circular would take place early in the New Year, and it was expected that the issue of member appraisal would be covered. He suggested that, once the proposals were available, the matter should be considered at a Policy Development Forum (PDF) meeting.

Kevin Lancaster pointed out that some local authorities, including South Lakeland District Council, already have systems for member appraisal, which are linked to a personal development plan and assessments of the effectiveness of members in relation to any appointments to outside bodies.

In response to the concerns of some members that appraisal might be seen as a political process or a check on their voting record, it was emphasized that voting record was not relevant: the process was about developing the capacity and capability of members to be effective, which was absolutely in line with Governance Principle 5. Appraisal was about

agreeing personal aims, and then assessing whether they had been achieved, though it would be relevant to consider whether the member had acted in any way unlawfully, or had put the Authority in jeopardy.

CGWG agreed that member appraisal was fundamental to the corporate governance of the Authority, and that it should go ahead; and reference of the issue to a PDF meeting as soon as appropriate was agreed.

#### “Very draft discussion paper” on producing a Consultation Strategy

Annie Galloway was unable to attend the meeting, so Richard Daly introduced this item, explaining that CGWG had agreed to look at this work in its early stages and to offer comments which might help guide officers working on a Consultation Strategy for the Authority.

The paper itself was commended, but members were clear that a Consultation Strategy itself would have to be a much shorter and crisper document, and that it would need to recognise and address the differences between public consultation and community engagement. It would need to address consultation with regional and national audiences as well as local ones, and with real people (including young people) as well as corporate bodies, though in the latter case considerations of practicality might point, for example, to engagement with representative bodies such as the Ramblers’ Association, rather than seeking to consult large numbers of walkers as individuals. Making the Authority’s website as interactive as possible would be increasingly important as a means of consultation. Consultation within the Authority and externally were both important, but needed to be recognised as separate. John Blackie asked that Senior Management Team should give consideration to the need for the Authority to have an ongoing dialogue with the public.

The resourcing of the strategy would be of key importance, for no strategy could succeed without the resources to make it work; on the other hand, the issue of consultation would need to be kept in perspective, proportionate to the size of the Authority, and be cost effective.

The key elements of any consultation exercise are that people know when it is taking place, what it is about, how they can have their say, and what the outcome is. The latter element is often missing from consultation exercises, but is actually of vital importance – particularly the point that if the Authority disagrees with views expressed through consultation, it must explain the reasons why. There is a need to avoid pitfalls which have been revealed by some previous consultation exercises, such as the use of jargon or complex wording, and misunderstandings over the roles of the people / organisations involved.

Kevin Lancaster pointed out that Manchester University were proposing to do some work with a few authorities to look at issues relating to the effectiveness of attempts at public involvement and consultation, and to produce recommendations. Members generally supported the involvement of the Authority in such work. It was also agreed that further work should be done to produce a draft Consultation Strategy, which should be considered by the Senior Management Team and then the Audit & Review Committee.

## Findings from the 2004 Climate Survey

At its' previous meeting, CGWG had asked to see the findings from the last "Climate Survey" of staff opinions. Unfortunately, the 2006 Climate Survey results would only be available in late December 2006, and so the 2004 results were provided. In introducing the paper, Richard Burnett commented that, at the time of the 2004 survey, not many staff had contact with Authority members, and the 2006 survey asked questions to establish the level and nature of such contact, so that the results could be interpreted more intelligently. Any issues from the 2006 survey which related to Authority members would be referred to the Member Champion for the Corporate and Democratic Core. Past survey results may not have recognised the time and effort put in by members.

John Blackie remarked that the "Member Champion" role would mean increased contact between members and officers, and that good corporate governance required both clear role boundaries and good liaison between members and officers. It might be beneficial to institute a scheme whereby certain officers, as part of their personal development, spent a day "shadowing" a member, to gain a greater understanding of what members do. He also commented that members see Yoredale-based staff much more than others; but it was unfortunate that a "Staff Only" sign had been put on the door opposite the reception desk, as this made officers less accessible to members. David Butterworth replied that this sign was NOT intended to deter members, and he would consider how this point could be dealt with.

CGWG agreed that it was important that the Climate Surveys should continue, and that the results should be monitored and reported to members.

## Action List: outstanding points

Members agreed that the Action List provided a good record of the Group's work, and the breadth of the issues it had looked at, as well as the significant progress which had been made in dealing with those issues.

Questions were raised about the strength of the Authority's relationships with the local authorities, and David Butterworth said that the Local Strategic Partnership process had strengthened these. Members emphasised the need to ensure that the Authority continually re-evaluates who its' key partners are, and keeps up to date in changes within them. It was noted that a statement of the role of National Park Authority members had been prepared for the five local authorities who appoint members to YDNPA, so that they are aware of this in considering these appointments. Richard Daly was asked to provide a copy of this document to all CGWG members.

## Developing a Corporate Governance Policy for the Authority

CGWG addressed the final "assessment questions for Governors" from the "Good Governance Standard for Public Services":

*To what extent does the Good Governance Standard apply to our organisation, bearing in mind its type and size?*

The Group felt that the Standard had applied very well, and had proved to be an excellent tool for assessing the Authority's governance arrangements.

*Are we upholding and demonstrating the spirit and ethos of good governance that the Standard sets out to capture?*

The Group felt that this was largely so, particularly when the issues it had raised had been fully addressed. The idea of having a Corporate Governance Policy along the lines of the draft presented to CGWG was supported, subject to the Authority's six values being rearranged, for this purpose, into the following order: Integrity, Accountability, Commitment, Involvement, Improvement, Valuing People. It was also agreed that the policy should bring out the different responsibilities of members, officers and auditors rather more strongly.

*Do we have a process for regularly reviewing our governance arrangements and practice against the Standard? What further improvements do we need to take?*

The proposal, within the draft corporate governance policy, to have an annual corporate governance report by the Solicitor / Monitoring Officer to the Audit & Review Committee was supported. It was agreed that the current Action List detailing the work of CGWG should be amalgamated into the table summarising the requirements of good governance in terms of the Standard, and the resulting document could be included with the annual report as a "Local Code of Corporate Governance".

*Are we making public the results of our reviews and our plans for future improvements, and are we inviting feedback from stakeholders and service users?*

It was agreed that the corporate governance section on the website should be updated to reflect the work of CGWG. The corporate governance policy should be shared with stakeholders, and also made available via the website.

#### Briefing the wider membership of the Authority on developments in corporate governance

A final report on the work of CGWG will be made to the meeting of the Audit & Review Committee on 9 February 2007, and this will include consideration of the proposed corporate governance policy and the proposed process for regular review of governance arrangements. If the Audit & Review Committee agrees, the Authority will then be invited formally to adopt the policy at its meeting on 27 March 2007. It was agreed that a presentation to that Authority meeting by CGWG members should be arranged.

Members asked that their thanks to the officers who had worked with the Group should be formally recorded.

Yvonne Rose  
22<sup>nd</sup> December 2006

### Corporate Governance – Action List

The Audit & Review Committee has adopted the six core principles of good governance set out by the Independent Commission on Good Governance in Public Services, and the Corporate Governance Working Group has looked at how these are implemented in practice in the Authority, and what further work might be necessary to achieve this.

The following Table sets out the position:

Issue	Agreed way forward	Who?	Current position
<i>Principle 1: good governance means focussing on the organisation's purpose, and on outcomes for citizens and service users.</i>			
How the policy context is dealt with in reports to Planning Committee.	The relevant issue here is Local Plan policies. Each report now has an enhanced section (at the end), stating more explicitly which policies are most relevant, and how they have been applied. Planning Officers are working on refining this element & ensuring consistency.	DC Champions (previously Probity in Planning Group).	Practice is developing, and progress was monitored by the Probity in Planning Group (last meeting 7.11.06). The Member Champions for DC will now keep this under review.
How effective is the new website in terms of conveying key information to the public?	Good, but needs to be updated re the Local Plan, and to include information on the Authority's values and corporate governance arrangements.	Kath Taylor  Peter Stockton  Richard Daly	BVPP Objective 86: to improve effectiveness of the website, including user evaluation and analysis of the uptake of electronic service delivery. Surveys carried out and reported to CGWG 31.10.06 Text relating to Local Plan updated. Text re Governance is now on the website. Existing text to be updated, and corporate governance policy to be added, when approved by the Authority.
The clarity (plain English etc) of the Authority's communications could be better in some areas.	Include as a target in the 2006/07 Best Value Performance Plan, probably including some element of external audit, and training, eg by the Plain English	Annie Galloway, Kath Taylor & Promoting Understanding Champion	BVPP Objective 63 includes publishing and internally promoting an Authority style guide to promote consistent and plain English communication. This

Issue	Agreed way forward	Who?	Current position
	Campaign.		has been done and is being introduced via Departmental meetings.
The effectiveness with which we explain the Authority's actions could be improved.	New post of Media Relations Officer in External Affairs should help address this. Press cuttings service to Members to be reinstated. Issue to be included in new Communications Strategy.	Annie Galloway, Kath Taylor & Promoting Understanding Champion	<b>Achieved.</b> Press cuttings service has been reinstated. BVPP Objective 64 is to promote National Park messages through the media. For progress on this, see January 2007 MIB. Media issues is a standing item on all SMT agendas, to share information about actual and prospective stories.
Benchmarking our performance with that of other NPAs and environmental organisations.	Head of Conservation & Policy to report to Audit and Review Committee showing our performance in 2005/06.	Gary Smith	Objective 82 in BVPP. <b>Achieved:</b> report to A&R Committee June 2006.
Development of Asset Management Strategy.	Included in NPAPA improvement plan.	Richard Burnett / Richard Daly and Corporate & Democratic Champion	Action 88 in BVPP is to identify most appropriate approach to future asset management by September 2006. This will be presented to F&R Committee in February 2007.
Development of Procurement Strategy.	Included in NPAPA improvement plan.	Joyce Whitley and Corporate & Democratic Champion	Strategy has been drafted, and approved by SMT. Will now be presented to F&R Committee.
<i>Principle 2: Good Governance means performing effectively in clearly defined functions and roles.</i>			
Development of the role of Member Champions.	Authority to agree roles on 30 <sup>th</sup> May and make appointments on 25 <sup>th</sup> July.	David Butterworth	<b>Achieved.</b> Roles have been defined, and Champions appointed.
Develop the role of Audit & Review Committee.	Sharpen focus on review and scrutiny and do more work in small officer / member groups.	A&R Chair	<b>Achieved.</b> An enhanced role & remit for A&RC was agreed at the Authority meeting in July 2006.
Review Members' role in Partnership working.	Agree criteria for who represents the Authority on partnerships, and apply these to review	Richard Daly  SMT /	<b>Achieved.</b> Criteria prepared, agreed, and applied at Authority meeting in July 2006.

Issue	Agreed way forward	Who?	Current position
	current representation on all partnerships.	Authority	
Review the advocacy and representational roles of Members	Paper to be drafted which can form the basis for a member discussion through Policy Development Forum.	Richard Daly	<b>Achieved.</b> Paper discussed at PDF and full Authority, and 9 Principles adopted.
Document the new roles and responsibilities of members.	Revise the Guidance note on Member roles and responsibilities, and the job description for Members.  Officers shadowing members, to learn more about their work?	Richard Daly  SMT to consider	To be done when new arrangements have become established. NB new National Parks circular may also address this area.
Collective responsibility for decisions.	To be covered in the paper on the advocacy and representational roles of Members.	Richard Daly	<b>Achieved.</b> Now covered in the agreed Principles on the advocacy and representational roles.
More efficiency and flexibility in the ways we get to know the views of the public and service users, and making better use of information about their views.	Consultation Group to create a list of resources, and make others aware of this. More emphasis to be given in Dales newspaper on how we are influenced by responses to consultation etc.	Annie Galloway	Group has produced a list of all consultations YDNPA is involved in. Now rationalising activity and identifying gaps: idea is to reduce number and cost of surveys, whilst still getting all the info we need. See also BVPP Objectives 61 (communicating more effectively) and 93 (developing a corporate programme for future public consultation)
<i>Principle 3: Good Governance means promoting values for the whole organisation, and demonstrating the values of good governance through behaviour.</i>			
The Authority has agreed Values, but does it live up to them?	External judgments will be made as part of IIP (2007/8) and the next round of NPAPA. Staff appraisals will look at how staff put the values into practice. Public perceptions can be judged through the website and the Residents' Survey.	Richard Burnett  Line managers  External Affairs	Guidance being developed for 2007 round of staff appraisals.

Issue	Agreed way forward	Who?	Current position
	Develop a questionnaire to use with people attending Authority / Planning meetings.		A questionnaire has been developed, and has been used from September 2006 for Committee attendees.
Are the Values put into practice in decision making?	Monitoring Officer to draft guidance on the principles of good decision making.	Richard Daly	<b>Achieved.</b> Guidance now in Members Handbook and on the intranet.
Check that policies and strategies are consistent with the Values.	This issue to be included in the review of all plans and strategies, as and when such review is due.	Gary Smith / all officers responsible for reviewing plans/ strategies	DB/GS to consider and report back to SMT on how this can be done by SMT individually or collectively.
<i>Principle 4: Good Governance means taking informed, transparent decisions, and managing risk.</i>			
Meetings are too formal & too lengthy: need to allow freer debate and make more understandable to the public.	Review of Standing Orders. Discussion at PDF, and/or A&R Committee. Training for Authority members, especially those who chair meetings.	Richard Daly / Richard Parkin	Standing Orders to be examined to see if amendments can be made which, whilst retaining an essential structure, allow for freer debates.
Need for meetings to emphasise more the Authority's operational work.	Agendas to include oral reports from Member Champions – rules for this to be devised.  More “lunchtime briefings”?  Reorder agendas to put “interesting” items first?	David Butterworth & Carl Lis	Current thinking is to invite Champions to speak on relevant items at Authority meetings, & also have feedback from Champions in MIB. Lunchtime briefings arranged to cover Mosaic, Yorkshire Forward, Haytime project, Digital interpretation and Volunteers. CEO's report moved to end of agenda, and now moved back .
Decisions on planning matters to be more clearly communicated.	Review wording of decision letters / notices & information on website. Possible development of case summaries on the website. Information about Local Plan / LDF on display at	Peter Watson and the Development Control champions.	There are technical and legal constraints on the wording used in decision notices.  Peter Watson to consider  Peter Watson to

Issue	Agreed way forward	Who?	Current position
	Planning Committee meetings.		consider
More emphasis on getting the message across re who takes decisions, and on what basis.	Use of Dales newspaper: article by CGWG member. Member articles explaining particular decisions?  Website FAQs	Annie Galloway	Article to be included in Spring 2007 edition of "Dales". This will be part of the role of Member Champions, and appropriate training has been provided.
Risk management system and procedures to be changed to clarify Member responsibilities, which should be at a strategic level.	Introduce statement of A&R Committee's role. Strategic risks to be listed separately and reported to Committee bi-annually. All new policy proposals to be accompanied by a risk assessment. Business continuity plans to be developed in key areas. More emphasis on documenting relationships within key partnerships.	Richard Daly  Richard Burnett  All SMT  Richard Burnett  Richard Daly / relevant lead officers.	Risk management policy is being amended to take account of these points.  Agreed this should be done in all relevant Authority / Committee reports  All Departments tasked with considering this. Detailed work done to document relationship with YDMT: this can be used as a template.
<i>Principle 5: Good Governance means developing the capacity and capability of the governing body to be effective.</i>			
Member training, including induction.	A survey of Members' training needs to be undertaken, and consideration to be given to assigning a mentor to new Authority members.	Corporate Champion	Kevin Lancaster to consider the mentor idea, & to include in wider issue of Member training.
Briefing appointing Authorities about the role of NPA members.	Existing document to be updated.	Richard Daly	<b>Achieved.</b> Document has been revised and will be used as and when appointments are due to be made.
Possible introduction of a Carer's Allowance for Members.	Legal position to be checked	Richard Daly	National Park Authorities do not have power to pay Carers' Allowances.
Appraisal of Members' performance	Proposals to be developed for appraisal of all Authority members wef May 2007.	David Butterworth	Refer issue to a PDF meeting, once Defra proposals re member appraisal are available

<i>Principle 6: Good Governance means engaging stakeholders and making accountability real.</i>			
YDNPA documents referring to members as “representing” the bodies that appoint them.	This wording to be changed, as members do not represent their appointing bodies.	Lesley Knevitt	Achieved.
Consultation Strategy	Draft of new strategy to be brought to CGWG for comment.  Consideration to be given to YDNPA involvement in work by Manchester University re public involvement and consultation.	Annie Galloway  SMT	Strategy to be reworked in light of CGWG comments, and then considered firstly by SMT and then by A&R Committee.
Community engagement strategy	SMT to consider development of one, and the need for the Authority to have an ongoing dialogue with the public.	SMT	Included in the above.
Rights of staff who are not trade union members	Consideration to be given to whether these are fully respected within existing arrangements	Richard Burnett	This point has been addressed, and it is considered that the rights of these staff are fully respected within existing arrangements.
Creation of a list of key institutional stakeholders	SMT to consider creation of such a list, and how to get the most out of these relationships.	SMT	SMT did not consider that such a list was necessary.
Inform stakeholders of the Authority’s corporate governance arrangements	Provide narrative, and copy of CG policy, to all 5 local authorities, Defra, DCLG, RDA & GOYH. Also, YDMT.	Richard Daly	To be done once CG policy has been approved by Authority.

**YORKSHIRE DALES NATIONAL PARK AUTHORITY**  
**CORPORATE GOVERNANCE POLICY**

**The Authority's Values**

The Yorkshire Dales National Park Authority has adopted six Values, which apply to all its work. They are:

**1. Integrity**

Our relationships with the public, partners and each other are built on honesty, transparency, equality, impartiality and consistency. We welcome and respect diversity and demonstrate equality in working relationships.

**2. Accountability**

We will explain and take responsibility for our decisions and actions.

**3. Commitment**

We will do what we say we will do.

**4. Involvement**

We are open and approachable, and are proactive in encouraging wider and diverse participation in achieving our statutory purposes.

**5. Improvement**

We will continually strive to improve our performance in delivering National Park purposes and welcome feedback to help us do this.

**6. Valuing People**

We value the people who work for us and will ensure that they are equipped and empowered to provide professional services to the public.

**Implementing the Values**

The Authority believes that strong corporate governance arrangements are necessary to ensure that these Values are put into practice. Corporate governance arrangements are all of the structures, policies and procedures that determine and control the way that the Authority operates.

In order to achieve this, the Authority has adopted the "Good Governance Standard for Public Services" published by the Independent Commission on Good Governance in Public Services as a guide to understanding and applying principles of good governance, and as a tool to assess the strengths and weaknesses of current governance practice within the Authority and to improve it. The Authority believes that good governance is critical to encourage public trust in the Authority, and public participation in its work: these

in turn will enable the Authority to improve its performance in achieving its statutory purposes, and in delivering services.

The principles of corporate governance apply to all aspects of the Authority's work. These six principles are:

Principle 1: focussing on the organisation's purpose, and on outcomes for citizens and service users.

Principle 2: performing effectively in clearly defined functions and roles.

Principle 3: promoting values for the whole organisation, and demonstrating the values of good governance through behaviour.

Principle 4: taking informed, transparent decisions, and managing risk.

Principle 5: developing the capacity and capability of the governing body to be effective.

Principle 6: engaging stakeholders and making accountability real.

## **Responsibilities**

All **Members of the Authority** share responsibility for good governance: Members are the Governors. The members who are first among equals in this responsibility are the Chair of the Authority, who has a unique leadership role in ensuring the development of a culture within the organisation which reflects its values; the Chair of the Audit & Review Committee; and the Member Champion for the Corporate and Democratic Core.

The Audit and Review Committee is responsible for advising the Authority on its corporate governance policies and agenda, and implementing and managing the Authority's agreed policies in this area. It will receive an annual corporate governance report from the Monitoring Officer. The Standards Committee is responsible for oversight of ethical issues, and has been asked to advise the Authority on ethical issues which affect governance.

**At officer level**, good governance is first and foremost the responsibility of the Authority's three "Statutory Officers": namely the Chief Executive, the officer responsible for the Authority's financial affairs and the Monitoring Officer. Amongst their responsibilities is leadership in promoting a culture and practice of good governance throughout the staff of the Authority, so that all employees understand and promote it.

The lead officer on governance issues is the Monitoring Officer. S/he will be responsible in particular for:

- Monitoring the operation of this policy, ensuring that it remains up to date, and that any significant developments in public sector governance are brought to the attention of the Authority and, if appropriate, that recommendations for action are considered by Members.

- Keeping the Authority's structures, policies and procedures under review in the light of the "Good Governance Standard", and drawing any concerns to the attention of the other statutory officers and if necessary to Members.

The Authority's **internal and external auditors** will also assess the Authority's governance arrangements, and their work will provide assurance to Members that governance arrangements are sound. Details of these and other assurance arrangements will be published annually by the Authority as part of a "Statement of Internal Control" within the Statement of Financial Accounts.

*This policy was adopted by the Authority in March 2007, and is due to be reviewed in 2010.*