

APPENDIX A

Foreword - Dorset Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively. The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

1. Good Governance in the Public Sector

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 diagram (table 1) 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. The Framework sets the standard for local authority governance in the UK. 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 to achieve desired outcomes for service users and communities

2. Corporate Governance

2.1 Corporate governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest, and accountable manner. Good governance means that we have the right systems, processes, cultures, and values in place, to ensure that we account to, engage with and, where appropriate, lead our communities. It also means that our elected members and staff will conduct themselves in accordance with the highest standards of conduct. We are committed to effective corporate governance. Dorset Council embraces the following three overarching elements of good corporate governance and continually works to ensure that they underpin the delivery of the services:

- Openness and inclusivity - being open through consultation with stakeholders providing access to accurate and clear information. To ensure that all can engage effectively with the decision-making processes and actions of Dorset Council.
- Integrity - based upon honesty, selflessness, and objectivity. High standards of propriety and transparency in the stewardship of funds and management of the council's business.
- Accountability - members and officers are responsible for their decisions and actions.

2.2 Dorset Council remains committed to the principles of good corporate governance. The council recognises that achieving high standards of corporate governance encourages stakeholders to have confidence in the authority. The chief executive and leader prepare the annual governance statement as part of the annual statement of accounts giving their opinion on whether the corporate governance arrangements are adequate and are operating effectively.

- 2.3 The council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. In discharging this accountability, members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's business and the stewardship of the resources at its disposal. It requires having in place a framework of overarching strategic policies and objectives underpinned by robust systems, processes, and structures for delivering these. We continue to engage with other statutory bodies and the voluntary and community sector as well as private companies commissioned to deliver services.



Table 1 - Dorset Council is committed to the seven core principles of good practice contained in the CIPFA framework. 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. 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.

2.4 This review will include an assessment of the effectiveness of the processes contained within the Local Code and includes annual assessments:

- Departments and corporate reviews of assurance arrangements - Internal Audit Annual Report including an opinion on the risk, governance and control environment and framework
- 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.

2.5 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. An opinion on the effectiveness of the Council's governance arrangements will be provided together with details of how continual improvement in the systems of governance will be achieved.

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

Sub-Principles

Behaving with integrity - Demonstrating strong commitment to ethical values Respecting the rule of law

Dorset Council's commitment to achieving good governance:

To behave with integrity

We are all committed to delivering excellent services to Dorset residents and our employees are key to this commitment. Everyone who uses council services are entitled to expect the highest standards of conduct from council employees. We are all responsible for improving life for residents by delivering high quality services. Our values are at the heart of everything we do and ensure that we do the right things in the right way and our behaviours have been designed to support and embed these values. Dorset Council as a team is responsible for the quality and integrity of the services that it provides. We ensure members and officers behave with integrity and lead a culture where acting in the public interest is visibly demonstrated thereby protecting the reputation of the council.

We ensure that members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. We look to lead by example and using the above standard operating principles or values as a framework for decision making and other actions. Demonstrating and communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.

Evidenced by:

- Dorset Council constitution
- Scheme of Delegation
- Contract Standing Orders
- Officer and member codes of conduct
- Anti fraud and corruption strategy
- Complaints policy

To demonstrate strong commitment to ethical values

We are committed to the principles of Good Governance as agreed by the Chartered Institute of Public Finance Accountancy and the Society of Local Authority Chief Executives.

Our local code of governance is underpinned by these principles and is comprised of a framework of policies, procedures, behaviours, and values by which Dorset Council is controlled and governed. The documents that make up this framework provide the structures and guidance that our members and employees require to ensure effective governance across the council.

As a council we seek to establish, monitor, and maintain the organisation's ethical standards and performance by underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the council's culture and operation. We have developed and maintain robust policies and procedures which place emphasis on agreed ethical values. We ensure that external service providers on behalf of the council act with integrity and in compliance with ethical standards expected by Dorset Council.

Evidenced by:

- Whistleblowing policy
- Procurement strategy
- Equality plan
- Job evaluation scheme
- Protocol for officer and member relations
- Behaviour framework
- Audit & Governance Committee

To respect the rule of law

Governance arrangements in the public services are keenly observed and sometimes criticised. Significant governance failings attract huge attention – as they should – and one significant failing can taint a whole sector.

Local government organisations are big business and are vitally important to taxpayers and service users. Dorset Council works to ensure that the highest standards and that governance arrangements are not only sound but are seen to be sound. The council works to ensure that its members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations. It is important that conditions are created to ensure that the statutory officers, other key post holders, and members, and can fulfil their responsibilities in accordance with legislative and regulatory requirements. The council works to optimise the use of the full powers available for the benefit of Dorset residents, its communities, and other stakeholders. Where required the council deals with any breaches of legal and regulatory provisions and works to ensure that any corruption and misuse of power are dealt with effectively.

Evidenced by:

- Financial regulations
- Audit & Governance Committee
- Officer and member codes of conduct

PRINCIPLE B. Ensuring openness and comprehensive stakeholder engagement

Sub-Principles

Openness - Engaging comprehensively with institutional stakeholders - Engaging with individual citizens and service users effectively

Dorset Council's commitment to achieving good governance:

To ensure openness

The Seven Principles of Public Life (also known as the Nolan Principles) apply to anyone who works as a public officeholder. All public officeholders are both servants of the public and stewards of public resources. The principles also apply to all those in other sectors delivering public services. Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Dorset Council recognises that we live in a modern, digital world where the use of modern communication methods such as filming, tweeting, and blogging should be embraced for enhancing the openness and transparency of local government bodies. This will ensure we have strong democracy where local government bodies are accountable to the residents whom they serve and to the local taxpayers who help fund them.

We aim to ensure an open culture through demonstrating, documenting, and communicating the council's commitment to openness. Making decisions that are open about actions, plans, resource use, forecasts, outputs, and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided. Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear. Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action

Evidenced by:

- Consultation and communication strategy
- Dorset Council constitution
- Freedom of Information compliance and Disclosure Log
- Council Plan
- Dorset Council website
- 'Your Dorset' publication
- Pay statement
- Behaviour framework

To engage comprehensively with stakeholders

Dorset Council appreciates that if people take time to engage, they need to be listened to and their comments made, when asked, need to be seen to be acknowledged and be seen to make a difference. If not, we end up with even more cynical members of the public, believing consultation to be merely a 'tick-box' exercise. Decisions and choices which affect people need to be explained clearly and communicated in a way that engages all. Sometimes difficult decisions need to be made, and the choices need to be explained clearly to those affected. As a council we have ever growing numbers of partners 'delivering' services to the community. In our day-to-day activities we seek out to reach as many Dorset residents as possible.

By engaging people at the point of delivery, we can enable residents to shape their community and in turn community cohesion will build and grow making Dorset an even better place to live, work and visit. We acknowledge that by effective engagement with stakeholders we will ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that the outcomes are achieved successfully. Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.

We work to ensure that partnerships are based on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners, and that the added value of partnership working is explicit.

By establishing a clear policy on the type of issues that Dorset Council will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes. Ensuring that communication methods are effective, and that members and officers are clear about their roles about community engagement. This is achieved through encouraging, collecting, and evaluating the views and experiences of communities, residents, service users and organisations of different backgrounds, including reference to future needs.

Implementing effective feedback mechanisms to demonstrate how views have been considered. Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity and taking account of the impact of decisions on future generations of taxpayers and service users.

Evidenced by:

- External communication strategy
- Consultation & engagement policy
- Public consultations on key decisions / changes to policy
- Equality Diversity & Inclusion Strategy
- Residents' survey
- Local Resilience Forum
- Dorset Council constitution

PRINCIPLE C. Defining outcomes in terms of sustainable economic, social, and environmental benefits**Sub-Principles****Defining outcomes - Sustainable economic, social, and environmental benefits**

Dorset Council's commitment to achieving good governance:

To define outcomes

Dorset Council recognises that clarity about outcomes is essential for any activity. Outcomes do not exist in isolation - they are part of an overall plan. They mean 'clearly stated results for residents and organisations who are supposed to benefit'. We acknowledge that establishing outcomes has both a value in terms of improving practice and external value for communicating with our stakeholders. Outcomes help to provide purpose, stronger partnerships through agreement on goals, and improved communication. A clear statement of outcomes establishes good communication with stakeholders and enables supporters and co-operators to understand what the council is aiming to achieve.

Having a clear vision, which is an agreed formal statement of the council's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning, and other decisions. Specifying the intended impact on, or changes for, stakeholders including residents and service users. It could be immediately or over the course of a year or longer. Delivering defined outcomes on a sustainable basis within the resources that will be available. Identifying and managing risks to the achievement of outcomes. Managing service users' expectations effectively about determining priorities and making the best use of the resources available.

Evidenced by:

- Council Plan
- Equality Diversity and Inclusion Strategy
- Performance and risk reporting

To enable sustainable economic, social, and environmental benefits

Dorset Council works to ensure that social value principles are applied in a way that enables the council to maximise economic, social, and environmental benefits for Dorset residents.

The council will go beyond the limitations of the Public Services (Social Value) Act 2012, acting as a leader and ensuring that economic, social, and environmental impact of policies are included in everything it does, linking economic and social growth with maximising the value obtained from money spent. Considering and balancing the combined economic, social, and environmental impact of policies and plans when taking decisions about service provision.

The council takes a longer-term view about decision making, taking account of risk, and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors, such as the political cycle or financial constraints.

We consider the wider public interest associated with balancing conflicting interests between achieving the various economic, social, and environmental benefits through consultation where possible, to ensure appropriate trade-offs. Dorset Council focuses on ensuring fair access to all services.

Evidenced by:

- Committee report impacts sheet
- Risk management
- Climate and Ecological Emergency Strategy
- Procurement and Commissioning Policy

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

Sub-Principles

Determining interventions - Planning interventions -Optimising achievement of intended outcomes

Dorset Council's commitment to achieving good governance:

To determine interventions

We ensure that decision makers receive objective and rigorous analysis of a variety of options, indicating how intended outcomes would be achieved and associated risks. Therefore, ensuring best value is achieved however services are provided. As mentioned, Dorset Council considers feedback from residents and service users when making decisions about service improvements or where services are no longer required to prioritise competing demands with limited resources available including people, skills, land, and assets and bearing in mind future impacts.

Evidenced by:

- Dorset Council constitution
- Council Plan
- Service risk registers
- Committee report and clearance process
- Questions from the public agenda item
- Overview committees
- Programme/Project management
- Business Intelligence
- Performance Reporting
- Budget Management

To plan interventions

Priority issues are set by using national and local intelligence, including work related accident, injury and ill health statistics, complaints, and information from other regulators. Planned interventions can include a wide range of activities ranging from provision of specific advice and information, training sessions and seminars, working with trade associations, recognising, and sharing good practice and workplace inspections.

We achieve this through the establishment and implementation of robust planning and control cycles that cover strategic and operational plans, priorities, and targets. Recognising engagement with internal and external stakeholders in determining how services and other courses of action should be planned and delivered. Considering and monitoring risks facing each partner when working collaboratively, including shared risks. The council ensure that arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances.

Establishing appropriate key performance indicators (KPIs) as part of the planning process to identify how the performance of services and projects is to be measured. Ensuring capacity exists to generate the information required to review service quality regularly. Preparing budgets in accordance with objectives, strategies, and the medium-term financial plan. Inform medium- and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.

Evidenced by:

- Member briefings
- Portfolio holders
- Service risk registers
- Public consultations on key decisions / changes to policy
- Programme/project management

To optimise achievement of intended outcomes

Dorset Council ensures that the medium-term financial strategy integrates and balances service priorities, affordability, and other resource constraints. Our budgeting process is all-inclusive, considering the full cost of operations over the medium and longer term. The medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period for outcomes to be achieved while optimising resource usage. We ensure the achievement of 'social value' through service planning and commissioning.

Evidenced by:

- Medium Term Financial Strategy
- Annual Audit and Inspection letter
- Scrutiny Committees
- Audit and Governance Committee
- Portfolio holder for Finance, Commercial and Capital Strategy

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

Sub-Principles

**Developing the entity's capacity - Developing the entity's leadership -
Developing the capability of individuals within the entity**

Dorset Council's commitment to achieving good governance:

To develop capacity

Workforce capacity planning helps Dorset Council to determine whether we have the right mix and numbers of employees with the right skills and knowledge. Dorset Council looks to support its managers, workforce, and HR always leads. For example, workforce capacity is essential when planning for improved outcomes for people with care and support needs and their careers. Prevention, integration, and wellbeing all need to be considered throughout the development of any capacity plan. An important part of workforce capacity planning is that workers understand the needs of the people they are supporting.

The council reviews operations, performance and use of assets on a regular basis to ensure their continuing effectiveness. We strive to improve resources through appropriate application of techniques such as benchmarking and other options to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently. Recognising the benefits of partnerships and collaborative working where added value can be achieved. Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.

Evidenced by:

- People strategy
- Business intelligence team
- Council Plan
- 'My Roadmap' appraisals

To develop the capability of the leadership and other individuals

We look to develop protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.

The Constitution specifies the type of decisions that are delegated and those that are reserved for the collective decision making of the governing body. Dorset Council ensures the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of service and other outputs set by members and each provides a check and balance for each other's authority.

Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political, and environmental and changing risks by:

- ensuring officers and members have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.
- ensuring members and officers have the appropriate skills, knowledge and resources and support to fulfil their roles and responsibilities and ensuring that they can update their knowledge on a continuing basis.
- ensuring personal, organisational, and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external

Ensuring that there are structures in place to encourage public participation. Taking steps to consider the leadership's own effectiveness and ensuring leaders are responsive to constructive feedback from peer review and inspections. Holding staff to account through regular performance reviews which take account of learning and development needs. Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.

Evidenced by:

- People strategy
- Wellbeing strategy
- Scheme of Delegation
- 'My Roadmap' appraisals and 1to1s
- Close working with unions
- Learning hub
- Staffing Committee
- Centralised HR team with business partner model
- Mentoring and coaching
- Peer reviews and external inspections
- Staff consultative panels
- Leadership Forum

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

Sub-Principles

Managing risk - Managing performance - Robust internal control - Managing Data - Strong public financial management

Dorset Council's commitment to achieving good governance:

To manage risks

Dorset Council has a statutory responsibility to have in place arrangements for managing risks. The Local Government (Accounts and Audit) Regulations state that 'A local government body shall ensure that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of its functions and includes arrangements for the management of risk.' The council recognises that there are risks involved in everything it does and it has a duty to manage these risks in a balanced, structured, and cost-effective way. Our approach to risk management is outlined within the Council's Risk Management Policy and is designed to ensure that:

- New and emerging risks continue to be identified promptly and assessed
- Significant risks are escalated
- The focus is on risks that, because of their likelihood and impact, make them management priorities (extreme and high-level)
- Effective mitigating action is taken to manage identified risks
- Steps are taken to reduce risks to an acceptable level.

Risks are regularly reviewed by the allocated risk owner(s) and there is an escalation process for those risks assessed as 'extreme or high level' (those assessed at 12 and above) which ensures that senior management and Members are aware of those risks that pose the most serious threat to the Council and how they are being managed. We recognise that Risk Management is an essential part of delivering good governance in a Local Authority and reduces the uncertainty of achieving ambitions as defined in the Council Plan.

Effective and efficient risk governance and oversight provide management with assurance that the Council's business activities will be positively enhanced by opportunities, but not be adversely impacted by threats that could have been foreseen. The effective management of risk can support Dorset Council in delivering transformed services required within the changing environment of local government. We are committed to driving the council forward to achieve a risk aware culture and in doing so Dorset Council has developed and identified ways to manage risk which enable us to make effective decisions to meet the Council's objectives and to safeguard the Council's assets.

Effective risk management is essential for a Council to demonstrate that it is acting in the best interests of the community it serves. We are accountable to the Audit and Governance Committee for the way in which we implement risk management. We continue to demonstrate that we have a structured approach, which is embedded into our planning and reporting cycles and decision-making processes.

Without good risk management practices, the Council cannot manage its resources effectively. Risk management means more than preparing for the worst, it also means taking advantage of the opportunities to improve services or to reduce costs.

Dorset Council's approach to Risk Management which sets out activities and roles and responsibilities required. The objectives are to:

- raise the profile and embed a risk culture across the council thus making it a core part of strategic planning, decision making, programme and project management, business continuity and health and safety
- deliver a consistent approach to risk across all directorates
- promote an inclusive approach to risk across the council and encourage ownership of the risk process
- raise awareness of risks across the council and inform staff of their responsibilities in relation to risk management
- allow continuous improvement and increased resilience through anticipating and responding to risks, both as potential threats and opportunities
- preserve and enhance service delivery, reduce injury, loss, damage to assets, safeguard employees, and maintain public funds
- protect the integrity of the council's services, its corporate governance framework, and its reputation

We recognise the importance of risk management and the requirements it places on its successful implementation that requires:

- ownership by, and commitment from, the Senior Leadership and Directorate Management Teams
- nomination, by Directors, of named officers to represent their service and to manage operational compliance with risk management framework
- commitment of Directors and Senior Managers to embed the risk management framework in their management structures to help ensure compliance with this framework
- risks are identified, recorded in risk registers, and regularly reviewed, escalated as required
- control and mitigating actions are identified, resourced, and implemented to manage risk to an acceptable level.

We have in place a risk management framework for all council services, functions, and teams to apply a common and agreed approach. We recognise that across the council some teams might adopt their own arrangements for risk management. However, they are strongly encouraged to adopt this framework to ensure consistency of approach. The framework will be governed by Assurance, Governance and Solicitor to the Council, who has responsibility for risk management. Regular reports on the performance of the framework will be provided to the appropriate council committee on a quarterly basis. Updates will also be made available to the senior leadership and management teams. Our framework is applicable to all council related services. Its application is mandatory, and adherence will be monitored by Assurance, Governance, and Solicitor to the Council, who has responsibility for risk management.

Corporate Governance is responsible for undertaking regular reviews of the framework to ensure it remains fit for purpose. Risk will never be eliminated therefore a robust approach is required which will deliver the following benefits:

- improved efficiency of operations and service delivery
- demonstration of good governance
- support the attainment of objectives
- better delivery of intended outcomes
- improved and informed decision making and resource allocation
- increased accountability for, and mitigation of, identified risks
- increased ability to secure funding
- maximisation of opportunities and supports innovation
- protection of reputation
- protection of budgets from unexpected financial losses
- protection of assets
- improved organisational resilience to risk
- compliance with legislation including the Civil Contingencies Act, Health and Safety etc. and emerging and evolving best practice
- enables efficient pro-active planning and reduces the need to react to risk i.e., less ‘firefighting’, and
- increased awareness of risk.

We continue to develop and embed our risk management culture. It is evident that council colleagues are more willing to participate in our risk process and better understand the informed decision-making. This continues to be helped by clear information made available through regular updates. The council's risk tolerance shown above clearly highlights the difference between those risks rated as low, medium, high-level, and extreme. If during a risk review, it is determined that the appetite around certain risks is increased, this can be affected by the removal of control and mitigating actions. However, any such decision must be carefully informed, reported and shared with other risk owners to ensure an understanding of potential interplays across various risks. As risk relates to uncertainty, as well as presenting threats, it can also present opportunities. Opportunity risk management involves actively taking advantage of risk through realisation, enhancement, and exploitation of opportunities, where there is scope to gain benefit. In addition to the 4T's of risk treatment a fifth 'T' applies for 'take' i.e., take advantage of the uncertainty. Opportunities should be considered on a case-by-case basis and the resources required for their pursuit and realisation determined. To ensure the successful, ongoing integration of risk management into council's systems and processes it is necessary to maintain a training and awareness for all colleagues. Training content encompasses the risk management process, application of risk management tools, identification and analysis of risk exposures, and reporting. The Assurance function will help facilitate and assist with the:

- induction training for new staff on risk, incident, and hazard reporting.
- regular risk and fraud awareness training
- risk assessment training for all managers, coordinators, and supervisors

Training is also available through the Dorset Council Learning Portal where several risk management related packages are available. For those colleagues who have limited computer access meetings and mail outs will provide the updates when deemed appropriate.

Evidenced by:

- Risk management policy statement
- Corporate and service risk registers, with clear risk owners
- Risk considerations within committee reports
- Reporting of significant risks to senior leadership teams and Audit and Governance Committee
- Business continuity framework
- Emergency Response Plan

Identified Improvements for 2022/23:

Ongoing rollout of Assurance Mapping and Fraud Risk Assessment work (Responsible Officer – Service Manager for Assurance)

To manage performance

Monitoring service delivery effectively including planning, specification, execution, and independent post implementation review. Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social, and environmental position and outlook. Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made, thereby enhancing the organisation's performance and that of any organisation for which it is responsible. Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement. Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (financial statements)

Evidenced by:

- Performance reporting to Senior Leadership Team and Scrutiny Committees
- Impact/Risk considerations within committee reports
- Separate Overview and Scrutiny Committees
- Portfolio holders

To ensure robust internal control

The council understands and implemented policies and controls that help to provide stakeholders with timely information. In turn, senior management ensures internal responsibilities and accountabilities are established, understood, and embedded at all levels of Dorset Council. Employees understand their responsibility for behaving according to the culture. The tone for risk management and internal control are in place to help enable the council to meet its responsibilities effectively. Dorset Council's risk management and internal control will include risk assessment, management, or mitigation of risks, including the use of controls, information and communication, and processes for monitoring and reviewing effectiveness.

Work continues with risk management and internal control systems to be embedded in the operations of the council and be capable of responding quickly to evolving business risks, such as Covid 19, whether they arise from factors within the council or from changes in the business environment. As such, we continue to align the risk management strategy and policies on internal control with achieving objectives. Evaluating and monitoring risk management and internal control on a regular basis. Ensuring effective counter fraud and anti-corruption arrangements are in place. Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and internal control is provided by the internal auditor. Ensuring that 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 are in place.

Evidenced by:

- South West Audit Partnership
- Chief Internal Auditors annual report
- Internal audit plan aligned to corporate risk register themes
- Anti-fraud and corruption policy
- Whistleblowing policy
- Quarterly reporting to Audit and Governance Committee
- SWAP attendance at senior leadership teams

To manage data

We use personal and sometimes sensitive (special) information to carry out our duties and deliver services. We decide why, what, and how information is processed and ensure safeguards are in place for the personal and special information we use. Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data. Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies. This means we are a 'Data Controller'. We're also required to have a Data Protection Officer.

The Council is empowered to deliver a range of services and undertake several public tasks.

All council staff are required to undertake 'data protection and information security' training to ensure that personal data is processed in accordance with current data protection principles. We share your data between departments and services within the council so that we can keep our information up to date, provide cross departmental support, and to improve our services for Dorset residents. The council also reviews and audits regularly the quality and accuracy of data used in decision making and performance monitoring.

Evidenced by:

- Information Compliance Team
- Information Governance Board
- Senior Information Risk Owner
- Caldicott Guardian
- Information Asset Owners
- Data sharing agreements

- Data Privacy Impact Assessments
- NHS Data Security and Protection Toolkit
- 2022 Cyber 360 Challenge
- Mandatory Data Protection and Cyber Risk Training
- Information governance policies (including data protection)
- Information governance KPIs, reporting to Senior Leadership Team

Identified Improvements for 2022/23:

Compliance with mandatory training, including Data Protection training, remains low. Action to be taken by Organisational Development. (Responsible Officer – Head of Organisational Development).

Better embedding “Data Protection by Design and Default” through improved Data Privacy Impact Assessments, potentially incorporating into a wider “whole impact” assessment (equality; climate change etc). Responsible Officer: Service Manager for Assurance.

Rollout of Information Asset Register. Responsible Officer: Service Manager for Archives.

To ensure strong public financial management

Dorset Council remains committed to providing value for money and ensuring that public money is spent efficiently to provide an effective service to Dorset residents. Strong financial management is essential for the efficient, effective, and economic management of any organisation. Financial management covers the allocation of available resources to key priorities, monitoring the delivery of those priorities in a changing environment, the effective management of risk, and compliance with relevant legislative requirements. The aim of the process of financial management is to deliver the greatest benefit to stakeholders within the resources available, in a legal and financially sustainable way.

The environment and the changing demand for the services that Dorset Council deliver means that the council has limited control and influence over the level of demand. In addition, the level of resources available has not kept pace with demand. This creates a challenging environment in which to operate effective financial management. By ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance. Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.

Evidenced by:

- CPMI reports
- Medium Term Financial Plan
- Budget update reports to committee

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

Sub-Principles

Implementing good practice in transparency - Implementing good practices in reporting Assurance and effective accountability

Dorset Council's commitment to achieving good governance in practice includes:

To demonstrate good practice with transparency

Dorset Council believes transparency is an essential element of the delivery of council services. We have a duty to Dorset residents to be transparent in our operations and outcomes. As part of this commitment to being open and transparent, a range of information has been published in line with the Code of Recommended Practice for Local Authorities on Data Transparency. Writing and communicating reports for the public and other stakeholders in a fair, balanced, and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. We look to strike a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.

Evidenced by:

- Annual Governance Statement
- Member allowances scheme
- Annual audit report
- Freedom of Information
- Disclosure Log
- Subject Access Requests
- Independent remuneration panel
- Committee reports and clearance process
- Mod Gov committee reports

Identified Improvements for 2022/23:

Improve compliance rates for Subject Access Request responses. Responsible Officer: Service Manager for Assurance

To implement good practices in reporting

Dorset Council reports at least annually on performance, value for money and the stewardship of its resources to stakeholders in a timely and understandable way. We ensure members and senior management own the results reported. Ensuring robust arrangements for assessing the extent to which the principles contained in this framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement).

The council ensures that this Framework is applied to jointly managed or shared service organisations as appropriate. We make sure that the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.

Evidenced by:

- Council plan and supporting performance reporting
- Accountable officers for performance indicators
- Accountable officers for risks

To provide assurance and effective accountability

Governance comprises the arrangements put in place by Dorset Council to ensure that the intended outcomes for stakeholders are defined and achieved. To deliver good governance both the Council and individuals working for it must try to achieve the Council's objectives while always acting in the public interest. Acting in the public interest implies primary consideration of the benefits for the county, which should result in positive outcomes for service users and other stakeholders. Ensuring that recommendations for corrective action made by external audit are acted upon.

The council ensures an effective internal audit service with direct access to members is in place, providing assurance about governance arrangements and that recommendations are acted upon. Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations. Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement. We ensure that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.

Evidenced by:

- Audit and Governance Committee
- Internal audit delivered by SWAP
- Monitoring and reporting of audit recommendations