

SIC Corporate Governance - Self Assessment 2022-2023

Introduction

Shetland Islands Council is committed to achieving good standards of corporate governance.

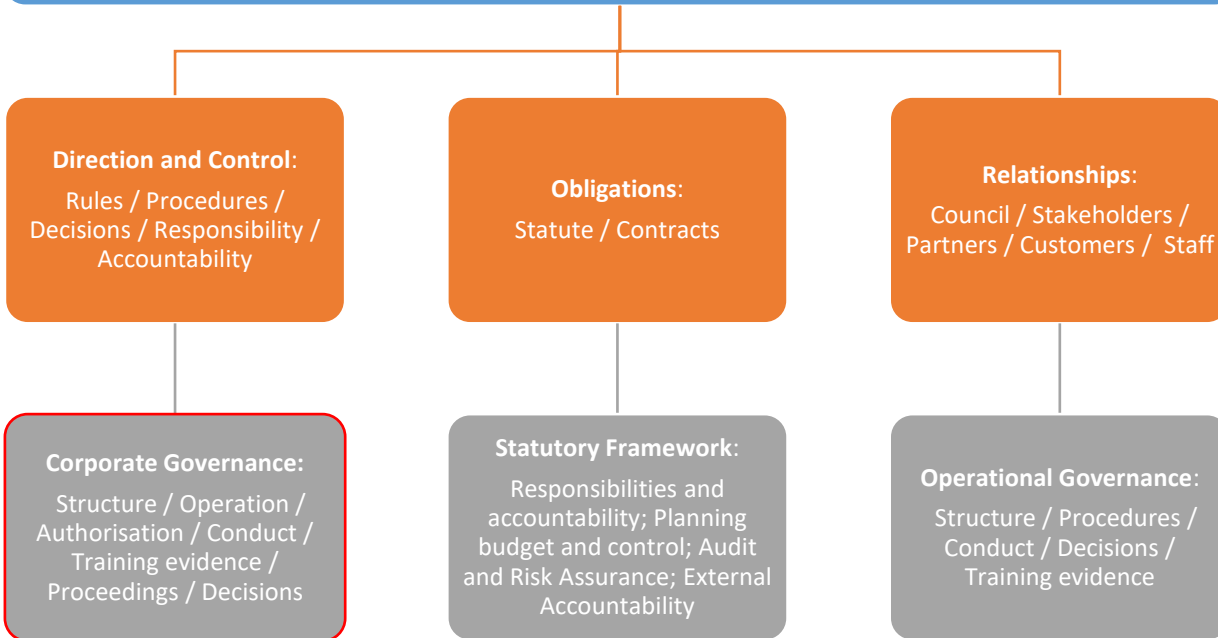
Following in internal self-assessment by the Council's Corporate Management Team, this document illustrates the framework of policies, procedures, behaviours and values by which the Council is controlled and governed, and demonstrates the Council's compliance with the national core principles.

The document specifically: (1) outlines the actions and behaviours that demonstrate good governance as set out in the national framework; (2) provides a list of policies, procedures and other documentary evidence that demonstrates the Council's governance arrangements; and (3) recommends improvement actions required to match or exceed the national standards, to introduce areas of best practice, to suggest areas for more detailed review, or to identify areas that are already subject to review under the Best Value Assurance Review 2022.

The Assessment is used to review the local Code of Corporate Governance, which describes how the Council will achieve compliance.

The Assessment will also be used to inform the Annual Governance Statement, which will be contained within the Council's Annual Accounts.

SIC Corporate Governance Framework



Compliance Evidence

Assessment of Compliance (this document)

SIC Local Code of Corporate Governance

Annual Governance Statement – Annual Accounts

Outcome of Assessment

Based on the evidence presented here Shetland Islands Council is governed by sound and effective internal management controls and continues to demonstrate compliance with the requirements of the CIPFA/SOLACE Framework: "Delivering Good Governance in Local Government".

Whilst the Code itself needs only minor adjustments to update terminology, there are a number of improvement actions noted in the Self Evaluation. Many of these actions are already in progress as part of the Best Value Assurance Report Strategic Action Plan, and are being monitored and reported quarterly to Audit Committee and Council via the Best Value Strategic Action Plan Sounding Board. The additional improvements noted in this Assessment will be monitored by Corporate Management Team, and re-evaluated annually as part of the Code of Corporate Governance Review.

Subject to Audit Committee's approval, and endorsement by the Council, the new revised Code for 2023/24 will be published on the Council's website in July 2023.

Executive Manager - Governance and Law

16 June 2023

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law					
A1. Behaving with integrity	<p>1.1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation</p> <p>1.2 Ensuring 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. These should build on the Seven Principles of Public Life (the Nolan Principles)</p> <p>1.3 Leading by example and using these standard operating principles or values as a framework for decision making and other actions</p> <p>1.4 Demonstrating, 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</p>	<ul style="list-style-type: none"> • Council Standing Orders and Scheme of Administration and Delegation and are reviewed regularly or when required • Ethical Framework policies and procedures embedded in Constitution • Councillors' Code of Conduct • Council Values and Aims understood by senior management and staff • Policies and procedures in place for key activities such as Procurement, Treasury Management, Complaints, Health and Safety and HR • External Audit and Internal Audit audits and report provide assurance and the Council responds positively to any recommendations arising from external and internal audits. • Integration Scheme for Shetland H&SCP 	<ul style="list-style-type: none"> • The Councillors' Code, which was introduced by the Ethical Standards in Public Life etc. (Scotland) Act 2000, sets out a protocol for relations between councillors and employees. All elected members, following their election in May 2022, have signed their declaration of acceptance of office whereby they undertook to meet the requirements of the councillors' code issued under the Ethical Standards in Public Life etc. (Scotland) Act 2000 in the performance of their functions as a councillor. • In relation to declarations of interest, members are formally asked to regularly review their register of interests every month and an annual review. • All agenda covers advise Members that declarations at meetings should include a brief explanation of the individual nature of the interest. • Declarations of interest are minuted and Registers of Interest are available for public view on the Council's website. 	5 = Very Good – major strengths	
A2. Demonstrating strong commitment to ethical values	<p>2.1 Seeking to establish, monitor and maintain the organisation's ethical standards and performance</p> <p>2.2 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation</p> <p>2.3 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values</p>	<p>As above and in addition:</p> <ul style="list-style-type: none"> • Reporting Concerns at Work Policy • Customer Charter • Complaints Handling Procedure and Annual Feedback Monitoring Reports • Contract Standing Orders, compliance and monitoring • Officers' Code of Conduct • Members' Registers of interest • Protocol on Councillor/Officer relations 		4 = Good – important strengths with areas for improvement	<ul style="list-style-type: none"> • Elected Members' Induction Refresher training on the Council's Constitution (Complaints and ward representation, Standing Orders, Data Protection, Information governance, Records Management and Ethical standards) - identified through Member Development Survey • Publication of Chief Officers Register of Interests.

A3. Respecting the rule of law	<p>3.1 Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.</p> <p>3.2 Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements</p> <p>3.3 Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders</p> <p>3.4 Dealing with breaches of legal and regulatory provisions effectively</p>	<p>As A.1 and A.2 and in addition:</p> <ul style="list-style-type: none"> • Statutory Officers job outlines included in Scheme of Administration • Protocol on Chief Officer Appointments • Statutory Officers are members of CMT and attend relevant Council and Committee meetings • Internal Audit used to investigate any alleged incidents of breaches of legal and regulatory provisions, corruption or misuse of power 		<p>4 = Good – important strengths with areas for improvement</p>	<ul style="list-style-type: none"> • The Scheme of Administration and Delegations Part C in relation to officer delegation requires updating to reflect current management structures and legislation.
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Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle B: Ensuring openness and comprehensive stakeholder engagement					
B1. Openness	<p>B1.1 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness</p> <p>B1.2 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</p> <p>B1.3 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</p> <p>B1.4 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action</p>	<ul style="list-style-type: none"> • Our Ambition 2021-2026 - annual updates • Openness and transparency review 2021 • Council Values and Aims • Agendas for meetings, minutes and reports published on the Council website. By exception, some items are held in private in accordance with Local Government legislation, and the reasons for this are documented • Meetings are open to the public and webcast • Council Standing Orders • Press releases and social media interaction used to inform the public of council policies and decisions • Internal Audit annual report • Annual Financial Report & Accounts • Quarterly and Annual Financial and Performance Reports • National LGBF benchmarking report • Chief Social Work Officer Annual Report • Asset Investment Plan reporting • Website information – housing, council tax, planning, schools, etc. • Freedom of Information – Publication Scheme • Public consultation on major projects – embedded in PRINCE2 methodology • Shetland Partnership leading member • Shetland Partnership Plan 2018-2028 • Council's social media channels • Social Media Strategy • Customer First Strategy • Customer Charter • Customer Feedback Framework 2022 • Complaints Handling Procedure and Annual Feedback Monitoring Reports • Unacceptable Actions Policy • Service-level customer communication • Equality and Human Rights Mainstreaming report 	<ul style="list-style-type: none"> • The Council chamber relocated from Lerwick Town Hall to the former St Ringans church in 2022, with the first Council meeting taking place on 16th March 2022. The project included the installation of conference equipment and broadcast technology to allow live streaming of Council and functional Committee meetings from September 2022, and the remaining committees from February 2023. Andrea Manson, Convener said: "This is an exciting step forward for the Council. Improving access to the democratic process was a significant part of the decision to move to the new chamber. The new technology will help extend the transparency around the decisions we make, something that the public rightly expect of us. I am sure that live streamed meetings will become the norm so that folk can see how we reach the decisions that affect the Shetland community." • A review was carried out into the Council's Openness and Transparency and reported to SIC in March 2021. This was commented on positively by the Council's external auditors in their 2021 Annual Audit report. 	5 = Very Good – major strengths	
B2. Engaging comprehensively with institutional stakeholders	<p>B2.1 Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably</p> <p>B2.2 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively</p> <p>B2.3 Ensuring 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</p>	<p>As B1 above plus:</p> <ul style="list-style-type: none"> • Locality Planning - targeted and joint approaches to improving outcomes in communities • Community Asset Transfer and Participation Request processes in place with open and transparent decision making which can be challenged • Shetland Business Forum • Shetland Space Innovation Programme • Growth Deal for the Islands Joint Committee • Orion - Shetland Islands Clean Energy Project • Regional Economic Forum member 	<ul style="list-style-type: none"> • Shetland Business Forum meets quarterly with meetings based around a specific topic or issue. Topics have included recruitment and retention of staff, and developing the young workforce, with the most recent meeting agendas focusing on Shetland's Energy Development Principles and the refresh of Highlands and Islands Enterprise's Strategic Plan. • The Islands Growth Deal has been developed over a number of years by Shetland Islands Council, Orkney Islands Council and Comhairle nan Eilean Siar, together with public, academic, business and community partners. It is a ten-year package of investment to drive economic growth and create sustainable jobs across the islands. There are 16 projects in total, including six for Shetland. 	5 = Very Good – major strengths	

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
B3. Engaging stakeholders effectively, including individual citizens and service users	<p>B3.1 Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes</p> <p>B3.2 Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement</p> <p>B3.3 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs</p> <p>B3.4 Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account</p> <p>B3.5 Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity</p> <p>B3.6 Taking account of the interests of future generations of tax payers and service users</p>	<p>As B1 and B2 above plus:</p> <ul style="list-style-type: none"> • Participatory Budgeting • "Voices For" Projects • Housing/Tenants Surveys • "Nort Natters" - see note • Knab Redevelopment - public/residents consultation and drop-ins • Community Conversations - Covid19 Recovery • Strategy for Parental Involvement and Parental Engagement • H&SCP - Shetland Public Engagement Network • Shetland Employability Partnership • Fuel Poverty Action Plan • Climate Change Action - public seminars and workshop events • Shetland Outdoor Access Forum - Communication Plan • Local Development Plan 2: Main Issues Report Consultation • Renewal theme of COVID-19 recovery • Meids Board - engaged with Young people with lived experience of being looked after and the care system 	<ul style="list-style-type: none"> • Nort Natters is an example of a community engagement project that took place in the north mainland of Shetland in November 2022 involving a range of partners. It was designed to hear from people who live, work and study in the area to understand what those communities want and need, now and in the future. • The 'Voices for' projects allow people to have their voice heard directly by decision makers, and be more involved in community planning. The 'Voices for' methodology entails recruiting people from different parts of the Shetland community and pairing them with the people who influence and have responsibility for making decisions in Shetland. Together, they meet on a one to one basis, over a period of 4-5 months. Participants bring their own perspectives and experiences to their conversations to build relationships and mutual understanding. 	5 = Very Good – major strengths	BVAR 2022 Strategic Action Plan - Draft an overarching Community Engagement Strategy

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits					
C1. Defining outcomes	<p>1.1 Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions</p> <p>1.2 Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer</p> <p>1.3 Delivering defined outcomes on a sustainable basis within the resources that will be available</p> <p>1.4 Identifying and managing risks to the achievement of outcomes</p> <p>1.5 Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available</p>	<ul style="list-style-type: none"> • Our Ambition 2021-2026 • Change Programme • Council Vision and Aims • Outcome Delivery Plan • Public performance reporting • Annual updates on Community Plan and Outcome Delivery Plan • Council Report – Financial Planning • Asset Investment Plan • Digital Transformation Strategy 2021-24 • Communications Strategy • Locality Planning • Budget planning process • Annual updates on Community Plan and Outcome Delivery Plan • Annual report and accounts • Council Report – Financial Planning • Annual Investment and Treasury Strategy • Strategic and operational risk registers • Risk reporting • Audit and CMT risk monitoring • Risk Management Strategy • Business Continuity Planning • Participatory budgeting (PB) 	<ul style="list-style-type: none"> • We have developed a political engagement strategy which tells Shetland's story – 'it's all happening in Shetland'. This highlights the contribution that Shetland already makes to the Scottish and UK economy and the support that Shetland needs to realise its full potential. The engagement strategy has resulted in significant investment being secured, including the successful Levelling Up Bid for the Fair Isle Ferry and associated infrastructure, North Isles Broadband funding through the UK Department of Culture, Media and Sport (DCMS), the Islands Deal, recognition of the Orion Project in the Scottish Government's Hydrogen Action Plan, fair ferry funding and the Space Pathfinder project. 	4 = Good – important strengths with areas for improvement	<p>BVAR 2022 - Strategic Action Plan - Financial Stability</p> <p>BVAR 2022 - Strategic Action Plan - Performance Management Arrangements - Development of revised Performance Framework including policy and procedures, performance indicators, and training for elected Members.</p>
C2. Sustainable economic, social and environmental benefits	<p>2.1 Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision</p> <p>2.2 Taking a longer-term view with regard to 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</p> <p>2.3 Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p> <p>2.4 Ensuring fair access to services</p>	<ul style="list-style-type: none"> • Asset Investment Programme / Asset Investment Group • Scottish Local Government Living Wage • Community Benefits • Agendas, reports and minutes of meetings • Asset Investment Strategy • Annual Investment and Treasury Strategy • Strategic risk register monitoring • Recovery & Renewal themes of COVID- 19 response • Council Standing Orders • Council website • Scheme of Administration • Main Issues Report & Local Development Plan • Adhering to statutory guidance • Equality and Diversity Policy • Equality Outcomes Mainstreaming Plan and Report • Fairer Scotland Duty - Fairer Shetland • Fair Work First Statement • Equal Pay Statement 2021-2025 	<ul style="list-style-type: none"> • As part of the Fairer Shetland programme, the Anchor Project concluded in March 2023. The learning from the project has resulted in 'Anchor for Families', supported by Whole Family Wellbeing Funding from the Scottish Government. A team is now successfully embedded across Shetland schools and provides a whole family support approach to support children, young people and families. • The first Shetland Living Well Hub opened in Brae in November 2021, offering a drop-in service for anyone who needs to find out more about local health and social care support options. Following on from the success of the first hub, a second Living Well Hub was opened in Scalloway in April 2022. The Community Led Support (CLS) approach aims to make contact with people and have a 'good conversation' about what matters to them, and what they would like to see happening in their lives. Hub workers are skilled in helping people and will have local knowledge of different types of support available. Conversations focus on questions such as 'What do you want to be doing?', 'What is really important in your life?', 'Who are the right people to help?', 'What is here in your community', 'What is working well?' and 'What matters to you?' The overarching strengths based ethos is a focus on "What's strong not what's wrong". There has been national interest in Shetland's approach with outcomes presented at various conferences. 	4 = Good – important strengths with areas for improvement	<p>BVAR 2022 - Strategic Action Plan - Financial Stability</p> <p>BVAR 2022 - Strategic Action Plan - Equality Impact Assessments - Development of Council -wide process for an Integrated Impact Assessment (Equality, Fairness and Rights, and Islands) and create a central repository of all completed Impact Assessments on council webpage.</p>

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes					
D1. Determining interventions	<p>1.1 Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</p> <p>1.2 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resource available including people, skills, land and assets and bearing in mind future impacts</p>	<ul style="list-style-type: none"> Options appraisals (including guidance & training) – mainstreamed into Business Cases & financial bid processes Council Standing Orders Agendas, reports and minutes of meetings Corporate report template - resource impact statements Financial planning and financial management A Recovery and Renewal Framework was agreed to support the recovery and renewal from the COVID-19 emergency 		4 = Good – important strengths with areas for improvement	<p>BVAR 2022 - Strategic Action - Partnership Working - Locality Plans</p> <p>BVAR 2022 - Strategic Action - Partnership Working - Community Engagement</p> <p>Building Better Business cases training</p>
D2. Planning interventions	<p>2.1 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</p> <p>2.2 Considering and monitoring risks facing each partner when working collaboratively including shared risks</p> <p>2.3 Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured</p> <p>2.4 Ensuring capacity exists to generate the information required to review service quality regularly</p> <p>2.5 Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan</p>	<ul style="list-style-type: none"> Procurement Contract Register Community Planning Partnership including thematic outcome delivery groups Risk Management Strategy Strategic Risk Register Business Continuity Planning Performance Management Framework (PMF) 2019-2024 Outcome strategies Outcome Delivery Plan Shetland Partnership Plan 2018-2028 Performance Management System Quarterly performance reporting Financial planning and management Best Value Sounding Board 		4 = Good – important strengths with areas for improvement	<p>BVAR 2022 - Strategic Action - Asset Investment Plan</p> <p>BVAR 2022 - Strategic Action -Procurement Arrangements</p> <p>BVAR 2022 - Strategic Action - Transformational Change - Change Programme Delivery Plan</p>
D3. Optimising achievement of intended outcomes	<p>3.1 Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints</p> <p>3.2 Ensuring the budgeting process is all- inclusive, taking into account the full cost of operations over the medium and longer term</p> <p>3.3 Ensuring 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 in order for outcomes to be achieved while optimising resource usage</p> <p>3.4 Ensuring the achievement of ‘social value’ through service planning and commissioning</p>	<ul style="list-style-type: none"> Financial management and planning Asset Investment Strategy Annual Investment and Treasury Strategy Local Development Plan Participatory budgeting (PB) – participatory approaches to policy development and capital and revenue spend Community Benefits, Fair Working Practices Asset Management Plans Corporate Asset Management Group Capital Project Appraisal Forms Financial Planning Revenue Savings Templates Corporate Resource Planning (e.g. transformation fund, restructuring budget) Financial Planning and management Economic Development & Islands Deal approaches to community benefits Change programmes 		4 = Good – important strengths with areas for improvement	<p>BVAR 2022 - Strategic Action Plan - Financial Stability</p> <p>BVAR 2022 - Strategic Action - Asset Investment Plan</p>

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it					
E1. Developing the entity's capacity	<p>1.1 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently</p> <p>1.2 Recognising the benefits of partnerships and collaborative working where added value can be achieved</p> <p>1.3 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources</p>	<ul style="list-style-type: none"> • Performance indicators are reviewed quarterly or annually • The council uses the Local Government Benchmarking Framework and takes part in relevant benchmarking exercises run by the Improvement Service, APSE and other networks • Scheme of Administration and Delegations • Induction training • Employee review and development procedures including Continuous Conversations and Teachers Professional Review and Development • Benchmarking/Performance Indicators • CE/Chairs Weekly Forum • iLearn/Brightwave training portal • Members' Induction and Development Training • Member Seminars and Briefings • Workforce Strategy 2021 – 2026 and Workforce Plan • Code of Conduct for Councillors • Protocol on Councillor/Officer Relations • Employee Code of Conduct • Performance Management Framework (PMF) 2019-2024 • Key Performance Indicators/Benchmark reporting • Medium/Long Term Financial Plan • Procurement Strategy • CoSLA and Improvement Service engagement • Community Planning Partnership • Shetland Health and Social Care Partnership • Growth Deal for the Islands • Scotland Excel • Local Government Digital Partnership connections • Third Sector Interface via Voluntary Action Shetland • Community Council support and liaison 		5 = Very Good – major strengths	
E2. Developing the capability of the entity's leadership and other individuals	<p>2.1 Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</p> <p>2.2 Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</p> <p>2.3 Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</p> <p>2.4 Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks</p> <p>2.5 Ensuring that there are structures in place to encourage public participation</p> <p>2.6 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</p> <p>2.7 Holding staff to account through regular performance reviews which take account of training or development needs</p> <p>2.8 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</p>	<ul style="list-style-type: none"> • Scheme of delegation • Elected member inductions • Scheme of Administration • Council Standing Orders • Contract Standing Orders • Codes of Conduct for Employees & Members • Job descriptions • Member and Officer induction programmes • Briefings to Members • Corporate Training Calendar • Brightwave e-Learning / i-Learn • Member Training and Development Plans • Member support team • Chief Executive and Member meetings • Member Training and Development Plans • HR and Health and Safety policies • Implementation of new Health & Safety ICT system • Continuous Conversations Policy • Harassment and Bullying at Work Policy • Healthy Working Lives Award • Employee Assistance Programme • Occupational Health provision • Mental Health and Wellbeing Policy • Violence against Women – a Policy to Support Employees • Menopause Support and Guidance for Staff • Equality and Diversity Policy • Equal Pay Statement 2021-2025 • Scottish Local Government Living Wage • Disability Confident Employer • Equality Safe at Work Accreditation 	Shetland Islands Council received its bronze accreditation in March 2021, after taking part in the innovative 'Equally Safe at Work' pilot scheme. This is the first accreditation programme to be run in the country which focusses on gender equality at work and the prevention of violence against women, and has been developed by 'Close the Gap', Scotland's expert policy advocacy organisation working on women's labour market participation. Shetland Islands Council is one of the first four local authorities to be recognised in this way, along with Aberdeen City Council, Midlothian Council and North Lanarkshire Council.	4 = Good – important strengths with areas for improvement	<ul style="list-style-type: none"> • BVAR 2022 - Strategic Action - Partnership Working - Participatory Budgeting • BVAR 2022 - Strategic Action - Partnership Working - Role of IJB in Strategic Change • Elected Members' Induction Refresher training on the Council's Constitution (Complaints and ward representation, Standing Orders, Data Protection, Information governance, Records Management and Ethical standards) - identified through Member Development Survey

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle F: Managing risks and performance through robust internal control and strong public financial management					
F1. Managing risk	<p>1.1 Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making</p> <p>1.2 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively</p> <p>1.3 Ensuring that responsibilities for managing individual risks are clearly allocated</p>	<ul style="list-style-type: none"> • Scheme of Administration and Delegations • Risk management Strategy and policy • Corporate Management Team/Risk Board monitoring • Business Continuity Planning • Audit Committee Remit • Departmental and Council Wide Risk Registers • Risk registers as part of response to and recovery from COVID-19 		5 = Very Good – major strengths	
F2. Managing performance	<p>2.1 Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review</p> <p>2.2 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</p> <p>2.3 Ensuring an effective scrutiny or oversight function is in place which encourages 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 (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</p> <p>2.4 Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p> <p>2.5 Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements)</p>	<ul style="list-style-type: none"> • Strategic planning and performance arrangements (Outcome Delivery Plan, Community Plan) • Council Minutes and Committee reports • Performance Management Framework (PMF) 2019-2024 • Corporate report format and guidance • Council Minutes and Committee reports • Scheme of Administration and Delegations • Codes of Conduct for Members and Employees • Recruitment and Selection Policy • Registers of interests (Member and Officer) • Anti-Fraud, Bribery and Corruption Policy • Council Standing Orders • Annual Governance Statement • Adherence to Local Gov. in Scotland Act • Contract Standing Orders • Financial planning and management • Annual Report and Accounts 		5 = Very Good – major strengths	
F3. Robust internal control	<p>3.1 Aligning the risk management strategy and policies on internal control with achieving objectives</p> <p>3.2 Evaluating and monitoring risk management and internal control on a regular basis</p> <p>3.3 Ensuring effective counter fraud and anti- corruption arrangements are in place</p> <p>3.4 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor</p> <p>3.5 Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment, that its recommendations are listened to and acted upon</p>	<ul style="list-style-type: none"> • Risk management strategy • Strategic risk register • Internal audit plan and reports • Risks linked to outcomes in key plans • Budget monitoring arrangements • Compliance with the Code of practice on managing the risk of fraud and corruption • Annual Governance Statement • Annual Report and Accounts • Internal audit work plan • Audit Committee oversight of Internal /External Audit and Strategic Risks 		5 = Very Good – major strengths	

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
F4. Managing data	<p>4.1 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</p> <p>4.2 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies</p> <p>4.3 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</p>	<ul style="list-style-type: none"> • Codes of Conduct for Members and Employees • Recruitment and Selection Code of Practice • Registers of Members' and Employees' interests • Anti-Fraud, Bribery and Theft strategy • Corporate training and guidance notes on FOI, Regulation of Investigatory Powers and Data Protection • Data Protection (e-courses) • Information Governance Policy Framework • Data protection policy and procedures • Data Sharing Framework • Records Management Plan • Information Asset Registers • Information Governance Board • Financial planning and management arrangements • Council Report - Financial Planning • Asset Investment Strategy • Annual Investment and Treasury Strategy • Outcome Delivery Plan • Performance Management Framework (PMF) 2019-2024 • Quarterly and end year reporting • Local Government Benchmarking Framework analysis 		5 = Very Good – major strengths	
F5. Strong public financial management	<p>5.1 Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance</p> <p>5.2 Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks & controls</p>	<ul style="list-style-type: none"> • Budget monitoring reports - quarterly and annual performance • Fund Manager reviews • Annual report and accounts • Financial Regulations 		4 = Good – important strengths with areas for improvement	BVAR 2022 - BVAR 2022 - Strategic Action Plan - Financial Stability Responsible Officer: Executive Manager - Finance

Principles	Sub-Principles	Evidence	Further Notes	Evaluation	Improvement Actions
Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability					
G1. Implementing good practice in transparency	<p>1.1 Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate</p> <p>1.2 Striking 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</p>	<ul style="list-style-type: none"> • Council website • Corporate Report Format • Agenda Management Guidance • Communications strategy • Annual Public Performance Report • Council website - performance pages • Evaluation of public performance reporting arrangements • Openness and transparency review 2021 	<ul style="list-style-type: none"> • The council budget setting process for 2023/24 was supported by a communication strategy. During 2022/23, we issued a series of documents explaining the challenges of rising costs, funding which does not increase with inflation, rising demands for services due to the cost of living, an aging demographic and COVID impacts, rising staff vacancies and recruitment challenges. The staff message was also used as a mechanism for engaging our workforce in the challenges that the organisation is facing and the need to change delivery models specifically around the vacancies to reduce expenditure of relief and agency staff. 	5 = Very Good – major strengths	
G2. Implementing good practices in reporting	<p>2.1 Reporting at least annually on performance, value for money and the stewardship of its resources</p> <p>2.2 Ensuring members and senior management own the results</p> <p>2.3 Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)</p> <p>2.4 Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate</p> <p>2.5 Ensuring 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</p>	<ul style="list-style-type: none"> • Annual report and accounts • Annual Public Performance Report • Performance Management Framework 2019-2024 • Local Government Benchmarking Framework • Annual Performance Report • Discussion at Council/Committees • Chief Executive review meetings • Code of Corporate Governance improvement actions • Annual governance statement- included in annual accounts and publicly available 		5 = Very Good – major strengths	
G3. Assurance and effective accountability	<p>3.1 Ensuring that recommendations for corrective action made by external audit are acted upon</p> <p>3.2 Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon</p> <p>3.3 Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations</p> <p>3.4 Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement</p> <p>3.5 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met</p>	<ul style="list-style-type: none"> • Recommendations made by external audit acted upon • Audit Scotland Annual Audit Report to Members and the Controller of Audit • Best Value report • Compliance with CIPFA's statement on the role of the head of internal audit • Compliance with public sector internal audit standards • Recommendations made by peer reviews/inspections/regulatory and bodies considered and included in plans for implementation • Annual Governance Statement • Community Planning Partnership governance arrangements • Ongoing approach to community engagement, participation and feedback on decisions 		5 = Very Good – major strengths	

Code of Corporate Governance - Council Improvement Plan 2023-2024				
PRINCIPLE	ACTION	LEAD OFFICER(S)	DEADLINE	Update 16/06/2023
A2. Demonstrating strong commitment to ethical values E2. Developing the capability of the entity's leadership and other individuals	Elected Members' Induction Refresher training on the Council's Constitution (Complaints and ward representation, Standing Orders, Data Protection, Information governance, Records Management and Ethical standards) - identified through Member Development Survey	Executive Manager - Executive	September 2023	Programme of training and information sessions to be developed in discussion with Members.
A2. Demonstrating strong commitment to ethical values	Publication of Chief Officers Register of Interests.	Director - Corporate Services Executive Manager - Executive	To be confirmed	Reference - Internal Audit Recommendation re Community Asset Transfers - this Action may be included as part of that overall review of Employee Register of Interests process.
A3. Respecting the rule of law	The Scheme of Administration and Delegations Part C in relation to officer delegation requires updating.	Executive Manager - Governance and Law	September 2023	In progress.
C1. Defining outcomes C2. Sustainable economic, social and environmental benefits D3. Optimising achievement of intended outcomes F5. Strong public financial management	BVAR 2022 - Strategic Action Plan - Financial Stability	Executive Manager - Finance	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
C1. Defining outcomes	BVAR 2022 - Strategic Action Plan - Performance Management Arrangements - Development of revised Performance Framework including policy and procedures, performance indicators, and training for elected Members.	Chief Executive Executive Manager - Change Programme Performance & Improvement Adviser	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
C2. Sustainable economic, social and environmental benefits	BVAR 2022 - Strategic Action Plan - Equality Impact Assessments - Development of Council-wide process for an Integrated Impact Assessment (Equality, Fairness and Rights, and Islands) and create a central repository of all completed Impact Assessments on council webpage.	Chief Executive	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
D1. Determining interventions	BVAR 2022 - Strategic Action - Partnership Working - Locality Plans	Director of Development Services Executive Manager - Community Planning and Development	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
B3. Engaging stakeholders effectively, including individual citizens and service users D1. Determining interventions	BVAR 2022 - Strategic Action - Partnership Working - Community Engagement Strategy	Executive Manager - Community Planning and Development	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
D2. Planning interventions D3. Optimising achievement of intended outcomes	BVAR 2022 - Strategic Action - Asset Investment Plan	Executive Manager - Assets, Commissioning and Procurement	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
D2. Planning interventions	BVAR 2022 - Strategic Action - Procurement Arrangements	Director of Corporate Services	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
D2. Planning interventions	BVAR 2022 - Strategic Action - Transformational Change - Change Programme Delivery Plan	Director of Corporate Services Executive Manager - Change Programme	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
E2. Developing the capability of the entity's leadership and other individuals	BVAR 2022 - Strategic Action - Partnership Working - Participatory Budgeting	Executive Manager - Community Planning and Development Executive Manager - Finance	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092
E2. Developing the capability of the entity's leadership and other individuals	BVAR 2022 - Strategic Action - Partnership Working - Role of IJB in Strategic Change	Director of Community Health and Social Care	Reference - Best Value Audit Strategic Action Plan Update Report - SIC 14 June 2023	http://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29092