

**Committee:**       **AUDIT AND REVIEW**  
**Date:**               **6 November 2009**

**Report:**            **ANNUAL REPORT ON CORPORATE GOVERNANCE**

### **Purpose of the report**

1. To present to the Committee my annual report on corporate governance.

### **Strategic Planning Framework**

2. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:
  - ***Corporate Plan 2009/10***  
Action 161: Maintain the Local Code of Corporate Governance, and produce the Annual Governance Report to Audit and Review Committee.
  - ***Corporate Governance Policy***  
The Audit and Review Committee .... will receive an annual corporate governance report from the Monitoring Officer.

### **Background**

3. During 2006, the Authority carried out a major piece of work on corporate governance. A Member Working Group, established by this Committee but also including two representatives of the Standards Committee, met on seven occasions during the year and comprehensively reviewed the Authority's performance against the "Good Governance Standard" produced by the Independent Commission on Good Governance in Public Services. A great deal of detailed work was done, and this continued into 2007, dealing with issues identified by the Working Group.
4. In March 2007 the Authority approved a corporate governance policy, and this is attached as Appendix 1 to this report. It is due for review later in this financial year.
5. Also in 2007, a new framework for local authority governance was developed by CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives). All types of Authority were encouraged to customise this to meet their own individual needs, and this Committee appointed three of its members to look at this in more detail. On 15<sup>th</sup> February 2008, this Committee received a report back on this work, and recommended the adoption

of revised governance principles for this Authority. These were adopted by the Authority on 25<sup>th</sup> March 2008, and are set out in the first two columns of Appendix 2.

6. The former requirement to produce an annual “Statement on Internal Control”, in rather formulaic wording, for inclusion in the Authority’s accounts, has been replaced by a requirement for an “Annual Governance Statement”, which is written individually by each Authority to reflect its own assessment of where it stands in governance terms. Consideration of governance issues has thus become a cyclical process over the course of each year, as follows:
  - a. The Annual Governance Report by the Monitoring Officer (ie this report) details the work undertaken over the previous year, identifies any current areas of concern and areas where work needs to be done.
  - b. Audit & Review Committee comments on this, and may suggest other issues to be looked at (ie at today’s meeting).
  - c. The results feed into the setting of objectives and targets in the Corporate Plan for the following year.
  - d. The results also form the basis for the Annual Governance Statement, which is presented to the February meeting of the Audit & Review Committee.
  - e. The Corporate Plan and Annual Governance Statement provide the agenda for governance work during the year.
  - f. The Annual Governance Statement is published as part of the Authority’s accounts.
  - g. The next Annual Governance Report by the Monitoring Officer reports on the extent to which this agenda is being achieved, and suggests areas of work for the year ahead.

### **Issues and achievements in 2009**

7. Throughout the last 12 months, many officers and Members have been involved in work which has contributed to the Authority’s governance arrangements. Highlights include:
  - a. A full review of the Member Champion initiative was undertaken, and led to revised guidance on the role, revised job descriptions, and a clear process for ensuring accountability of Member Champions to the Authority.
  - b. The appointment of three independent members to the Standards Committee, two of these being new appointments and the other the reappointment of Atiq Hassan, the Committee chair.
  - c. The production of the Annual Governance Statement, which was found by the external auditors to include all appropriate disclosures, and to be consistent with their understanding of the Authority’s governance arrangements and internal controls derived from their audit work.
  - d. A review of the Anti Fraud and Corruption Policy has been undertaken, and will be reported to the Authority meeting in November 2009.
  - e. The conclusion and implementation of reviews of the Authority’s Standing Orders, Financial Regulations, and Scheme of Delegation.
  - f. Training for Members and key officers on equalities and diversity issues has been arranged, and is taking place in October and November 2009.

8. The list above illustrates the breadth of the governance agenda. It is also worth remembering, however briefly, the multiplicity of processes that go on as part of the Authority's governance arrangements, including: the priorities-setting process; production of the annual Budget and the Corporate Plan to reflect those priorities; the quarterly monitoring of performance against objectives, targets, and performance indicators; the annual report of progress in relation to the National Park Management Plan; performance appraisal of staff, including the setting of objectives designed to deliver the actions in the Corporate Plan; the maintenance of the strategic risk register; the annual review of Partnerships; maintenance of the Local Code of Corporate Governance; the continual refreshment, through review, of the Authority's suite of policy documents; and the extensive training delivered through the year to Members and officers alike. These arrangements are built into the Authority's processes and seem to happen automatically – but Members know that their outcomes are carefully considered, and far from automatic.
9. The table below sets out the key outstanding issues in relation to governance which were identified in my 2008 annual report, and the progress on dealing with them:

Issue	Progress
Updating the documentation on the roles and responsibilities of Members.	This will be addressed in the light of the outcome of the Working Group on Member / Officer relations, and also the production of a Government Circular on National Parks, to replace the current Circular 12/96.
A decision on the principle of whether performance appraisal should apply to all Authority Members.	This issue is the subject of the Policy Development Forum meeting on 20 <sup>th</sup> October 2009, and following this, Members will be asked to take a formal decision.
Ensuring that all partnerships in which the Authority is involved have adequate documentation.	A significant amount of work has been done towards this end. This is covered in the separate report on the Annual Review of Partnerships which is on the agenda for this meeting.
Finalising the ICT Strategy	This was approved by Finance & Resources Committee in December 2008, and is due for revision in 2010.
Determining the Authority's response to new legislation (the Local Government and Public Involvement in Health Act 2007) and Government guidance issued under it ("Creating Strong, Safe and Prosperous Communities"), which requires the Authority to consider the involvement of representatives of local people in the planning and delivery of Authority services, and in influencing decisions which affect them.	This was considered at the Authority meeting on 31 <sup>st</sup> March 2009, and led to consideration being given to the Authority pursuing the adoption of the Customer Service Excellence Standard. The new duty of involvement has also been adopted in practice in relation to certain projects, for example the proposed redevelopment of the Dales Countryside Museum, and the development of the revised Integrated Access Strategy: "Special Qualities, Special Experiences".

Issue	Progress
To review the Authority's approach to commissioning, and the purchasing of goods and services.	This is covered by Action 162 in the 2009/10 Corporate Plan. A scoping exercise has been undertaken, and work is being planned to commence shortly.
<i>In addition, there were two other issues covered in the 2008/09 Annual Governance Statement, as areas to be addressed in 2009/10:</i>	
Finalise work on a Communication Strategy.	This has not been finalised, but will be taken forward under the new legal "duty to involve", and in work towards the Customer Service Excellence Standard.
Monitor and report on the progress made in delivering the Disability Equality Action Plan.	The annual progress report was considered and approved by this Committee in June. It showed that all but one of the relevant objectives were achieved or on course. The Plan itself has been updated accordingly and both it, and the progress report, have been published on the Authority's website.

## **A Review of Current Arrangements**

10. The corporate governance policy makes me responsible for keeping governance arrangements under review. This I do by maintaining a "Local Code of Corporate Governance" which matches what the Authority does against the governance principles adopted by the Authority in March 2008. This is then reported to the Senior Management Team twice annually, and to this Committee as part of the present report. A copy of the Local Code is attached as Appendix 2; the governance principles appear in the first two columns, and a summary of the Authority's governance arrangements in the fourth column.
11. What issues arise from the Local Code at this time? I would suggest the following as issues which need to be resolved over the next 12 months (numbers in brackets refer to the relevant paragraph in the Local Code of Corporate Governance):
- a. The review of the Corporate Governance Policy (2.1.1).
  - b. Concluding the review of procurement, including the letting and managing of major contracts and reviewing the strategy (1.3.5)
  - c. A review of the Strategic Risk Register, to link it more explicitly to the Authority's corporate objectives (4.3.1).
  - d. Migration of the Authority's accounting systems and procedures to the new International Financial Reporting Standards (4.2.2).
  - e. Applying for the Customer Excellence Standard (1.2.1)
  - f. A review of the Data Protection Policy (4.1.1).
  - g. The production of a revised protocol on Member / Officer relations, based on the conclusions of the Working Group (2.2.1).
  - h. Review and update the Procurement Strategy (1.3.5).
- The Committee should note that the above issues will (subject to Members' agreement) be considered for inclusion in the next Annual Governance Statement as significant internal control issues to be addressed in 2010/11.*

## Sources of Assurance

12. In corporate governance terms, Authority Members are the governors, and need to look for assurance that proper governance arrangements are in place. Obviously, this report is part of that process. But no one element could fully satisfy Members; and the Local Code refers to various sources of assurance which are available. Members will obviously look also to the annual governance report of the external auditor, which was received at the meeting of the Authority on 29<sup>th</sup> September 2009, and which proposed an unqualified audit opinion on the Authority's statement of financial accounts, and also an unqualified audit opinion as a conclusion to the external auditors' value for money review. These were particularly pleasing in the light of the "increased professional scepticism" applied by the external auditors.
13. Another important source of assurance is internal audit. Their 2008/09 Annual Report stated that "The overall opinion as to the controls operated by the Authority is that they are good. There is no higher level of opinion to aim for, so the objective will be to maintain this position in future years". Six reports have been prepared by internal audit in the current year, with conclusions as follows:

<b>Audit subject</b>	<b>Opinion on controls</b>	<b>Comment</b>
General IT controls	• Good (13.1.09)	
Main Accounting, Budgetary Control and Treasury Management	• Good (10.3.09)	
Human Resources and Payroll	• Good (10.3.09)	One weakness was identified; action to address it was agreed by management and has been implemented.
Car park income, planning fees, Visitor Centre income and sundry debtors	• Good (10.3.09)	
Purchasing, Creditors and Contracting	• Satisfactory (10.3.09)	Five recommendations were made; four of these were agreed and have been implemented.
Members Expenses	• Good (31.3.09)	

14. It should be noted that Internal Audit have now adopted a policy of reporting by exception, so that any areas they look at in future where there are no concerns will not be reported on.
15. The three statutory officers of the Authority (the Chief Executive, Chief Finance Officer and Monitoring Officer) have independent legal obligations which include reporting on any matters where the probity or legality of the Authority's actions or proposed actions are at stake. No such reports have been necessary in the past year. There have been no findings of maladministration by the Local Government Ombudsman in relation to the Authority, and no findings of any Authority Member being in breach of the code of conduct (though there is one current allegation, which has been referred to the Standards Board for their consideration).

## **Developments in Governance**

16. The corporate governance policy also requires me to bring any significant developments in public sector governance to the attention of the Authority and, if appropriate, to make recommendations for action to Members. Although there have been some developments in elements of governance over the last year, such as the issue of revised Probity in Planning guidance (which the Head of Planning is considering including in future planning training for Members), the basic framework as set out by CIPFA / Solace has remained unchanged. Later in November, I will be attending the annual conference of the Association of Council Secretaries and Solicitors (which is the professional association for Monitoring Officers and their deputies), and governance is a major theme on the agenda, so if there are any developments in the pipeline, I will be sure to become aware of them.
17. Looking further ahead, the process of National Park Authority Performance Assessment, which was last carried out in 2005, has been revised and is to be undertaken again for each Authority. It is expected that this Authority's assessment will take place towards the end of 2010. This will provide a significant impetus to work on elements of our governance arrangements, particularly performance management. The outcome of the assessment is likely to provide an immediate agenda for further action.

## **RECOMMENDATION**

18. That the Committee:
  - a. Receives this annual corporate governance report;
  - b. Comments on the assessment of the Authority's governance arrangements contained in the Local Code of Corporate Governance (Appendix 2), and endorses (or otherwise) the proposals in paragraph 11 of this report in relation to further work needing to be done.

**Richard Daly**  
**Solicitor / Monitoring Officer**  
16<sup>th</sup> October 2009

Background documents: Reports and minutes relating to meetings of the Authority, Finance & Resources Committee, Audit & Review Committee and Standards Committee, November 2008 to September 2009.

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

**The Authority's Values**

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

**1. Integrity**

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

**2. Accountability**

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

**3. Commitment**

We will do what we say we will do.

**4. Involvement**

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

**5. Improvement**

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

**6. Valuing People**

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

**Implementing the Values**

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

In order to achieve this, the Authority has adopted the "Good Governance Standard for Public Services" published by the Independent Commission on Good Governance in Public Services as a guide to understanding and applying principles of good governance,

and as a tool to assess the strengths and weaknesses of current governance practice within the Authority and to improve it. The Authority believes that good governance is critical to encourage public trust in the Authority, and public participation in its work: these in turn will enable the Authority to improve its performance in achieving its statutory purposes, and in delivering services.

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

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

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

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

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

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

Principle 6: engaging stakeholders and making accountability real.

## **Responsibilities**

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

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

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

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

- Monitoring the operation of this policy, ensuring that it remains up to date, and that any significant developments in public sector governance are brought to the

attention of the Authority and, if appropriate, that recommendations for action are considered by Members.

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

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

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

## **YORKSHIRE DALES NATIONAL PARK AUTHORITY**

### **LOCAL CODE OF CORPORATE GOVERNANCE**

#### **Introduction**

The Yorkshire Dales National Park Authority has adopted a Corporate Governance Policy, emphasising its' belief that strong corporate governance arrangements are necessary to ensure that the Authority's values are put into practice. In order to achieve this, the Authority adopted the "Good Governance Standard for Public Services" published by the Independent Commission on Good Governance in Public Services as a guide to understanding and applying principles of good governance, and as a tool to assess the strengths and weaknesses of current governance practice within the Authority and to improve it.

During the year 2006, a Working Group of five Authority members, with officer support, used the Good Governance Standard comprehensively to review the Authority's governance arrangements. This work was reported regularly to the Audit & Review Committee, which is responsible for advising the Authority on its corporate governance policies and agenda. In 2007, CIPFA and SOLACE published a piece of work to adapt the "Good Governance Standard" specifically to local government, and encouraged Authorities to customise their own versions to suit local circumstances. This YDNPA has done, with a set of core and supporting governance principles written specifically to meet the needs of this Authority. These were approved by the Authority on 25<sup>th</sup> March 2008.

This Local Code of Corporate Governance is maintained in order to set out those Governance Principles, and the extent to which the Authority matches up to them. The first two columns set out the core and supporting governance principles as adopted by the Authority; the third column sets out what procedures and documents one would expect to find in order to give effect to those principles; and the fourth column sets out the arrangements YDNPA has in place, and where further work is needed.

This Local Code of Corporate Governance is a living document, which is updated on an ongoing basis by the Monitoring Officer, who is the lead officer on governance issues. It forms an essential element of the annual corporate governance report to the Audit & Review Committee, which is called for by the Corporate Governance Policy, and it feeds into the Authority's Annual Governance Statement.

A list of abbreviations used is contained at the end of this document.



## Good Governance means....

Core Principle	Supporting Principles	Relevant procedures & documents	YDNPA's position
<p>1. Focussing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the National Park.</p>	<p>1.1 Being clear about the Authority's purpose and its intended outcomes for citizens, service users and stakeholders.</p>	<p>1.1.1 A clear statement of the organisation's purpose.</p>	<p>The statutory statement of National Park purposes is set out in, and given effect to by, the National Park Management Plan 2007-12 (NPMP), which was adopted in November 2006. Statements of the Authority's mission and core values are set out in the Corporate Plan. A detailed evaluation of all programmes and their contribution to the statutory purposes is carried out every 3 years (2003, 2006 &amp; 2009) and reviewed annually.</p>
		<p>1.1.2 Statement of objectives in a business plan or similar.</p>	<p>Contained in NPMP &amp; in the Corporate Plan 2009/10 Annual Action Plan to deliver the above.</p>
		<p>1.1.3 An explicit process which links business planning and budget setting.</p>	<p>This exists, and there is a brief and simple guide to explain the process. The Authority was judged to be strong in the area of setting priorities during the 2005 National Park Authorities Performance Assessment (NPAPA).</p>
		<p>1.1.4 A website which effectively conveys key information to the public.</p>	<p>The website largely does this, including a governance section ("How we work"), with a link to the corporate governance policy. Usage of the website has increased significantly, with the latest figures showing over 400,000 unique users of the website per annum.</p>
	<p>1.2 Making sure that users receive a high quality service.</p>	<p>1.2.1 Defined quality measures, and information on performance in relation to them.</p>	<p>"State of the Park" information is updated and published annually on the Authority's website. It contains detailed 'outcome' information about the environmental, social and economic condition of the National Park. This is supported by a wider range of information, again updated each year, which monitors progress towards achieving all the objectives in the NPMP. There is also an annual monitoring report on the impact of the Yorkshire Dales Local Plan. The Authority's own performance in delivering its services is measured through a range of corporate objectives and performance indicator targets – set out in the annual Corporate Plan. Progress is regularly reviewed by the Senior Management Team (SMT) and reported quarterly to the Audit &amp; Review Committee. Up to two 'Performance Improvement Reviews' are carried out each year for the Audit &amp; Review Committee, focusing on areas where the Authority has not met its objectives/targets. In 2009/10, the Authority is pursuing the adoption of the Customer Service Excellence Standard.</p>
		<p>1.2.2 Processes to obtain the views of service users and others about the</p>	<p>Objective 19 in the Corporate Plan includes obtaining the views of service users. There is a consultation strategy (approved May 2007 and revised in 2008), attached to which is a list of</p>

Core Principle	Supporting Principles	Relevant procedures & documents	YDNPA's position
		suitability and quality of services.	consultations undertaken. This was rationalised in early 2007. Consultations undertaken in 2008/09 include a Residents' Survey, Regional Awareness Survey, the Statement of Community Involvement [in the development of local planning policies], and more detailed and service related consultations, for example Parish Wildlife maps. Annual satisfaction surveys are carried out in relation to car parks, toilets, planning service and the main 'promoting understanding' services (NPCs, education, events, website) There is a Complaints Procedure (reviewed in 2009), with results reported annually to Audit & Review Committee.
	1.3 Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.	1.3.1 Statement of commitment to the effective use of resources.	Corporate Plan objective 18 does this.
		1.3.2 Performance information in relation to Corporate Plan targets.	This is contained in the Performance section of the Corporate Plan, and there are quarterly reports to SMT and to Members.
		1.3.3 Application of best value principles.	External audit assess, and publish a conclusion upon, the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources. The conclusions of external audit are informed by the work done by internal audit. Government guidance issued in July 2008 prompts a review of commissioning and procurement, which is included in the actions for 2009/10.
		1.3.4 Financial Regulations	Contained in the Members' Handbook and on the Intranet. Cover procurement of goods & services, making payments and collecting income, custody and disposal of assets, treasury management, and insurance and risk management. Reviewed and updated in April 2009, and approved by Finance & Resources Committee.
		1.3.5 Procurement Strategy	A procurement strategy was approved by Finance & Resources Committee in February 2007. In view of developments in economic and environmental considerations, it needs to be reviewed.
		1.3.6 Asset Management Strategy	A property strategy (land and buildings) was approved by Finance & Resources Committee in February 2007. A Treasury Management Strategy was adopted by the Authority on 31st March 2009.
2. Members and officers working together to achieve a common	2.1 Being clear about the functions of the National Park Authority.	2.1.1 Corporate Governance policy document.	A corporate governance policy was adopted by the Authority in March 2007, and will be reviewed in 2009/10.
		2.1.2 Clear delegation scheme for Committees etc.	Contained in the Members' Handbook. The Committee structure and decision making framework was reviewed and overhauled in

<b>Core Principle</b>	<b>Supporting Principles</b>	<b>Relevant procedures &amp; documents</b>	<b>YDNPA's position</b>
purpose with clearly defined functions and roles.			2004/05. The Delegation Scheme and Terms of Reference of Committees was fully reviewed and amended in 2006, and the Delegation Scheme reviewed again in 2008.
	2.2 Ensuring that a constructive working relationship exists between Authority members and officers, and that the responsibilities of Authority members and officers are carried out to a high standard.	2.2.1 Written statement of the roles of Members & Officers.	Material about the Roles and Responsibilities of Members & Officers, and the interface between them, is in the Members' Handbook. A working group has been established to develop a protocol on member / officer relations, which should replace the current material.
		2.2.2 Written statement of respective roles of Chair and Chief Executive (eg job descriptions)	Job descriptions for the Chairman & for Members have been agreed and implemented. They may need to be reviewed as and when a new National Parks circular is produced to replace 12/96. Job descriptions exist for Chief Executive (& all other officers). In 2006, the new role of "Member Champion" was created, covering each of the seven functional headings set out in the Corporate Plan, and each with a detailed description of the areas of activity covered. Climate Change was added as an eighth portfolio in 2009. The role, and the descriptions, were reviewed in 2007, and again in 2009. The issue of how Member Champions should report back on their work has been addressed, with a programme of reports back to full Authority meetings, though this has worked patchily in practice to date.
		2.2.3 Performance appraisal of individuals.	There is a performance appraisal scheme for all staff. Performance appraisal also exists for Secretary of State members. A Defra proposal to extend this to all Members has not come to fruition, and the Authority now needs to decide whether, and if so how, to take this work forward for YDNPA. This will be considered at a Policy Development Forum meeting in October 2009.
		2.2.4 Statement that all members have collective responsibility.	There is no explicit statement to this effect, though a statement on the advocacy and representational roles of members covers some aspects, and the new National Parks circular to be drafted by Defra may include such a statement.
	2.3 Being clear about the relationships of members and officers of the Authority with the public.	2.3.1 A publicly accessible explanation of who the Members are and what they do; who the officers are; and how the public can input into and influence Authority decisions.	The website provides this explanation, as well as opportunities for the public to understand and comment on the Authority's work. All Authority and Committee meetings include public question time. The Planning Committee has a scheme for public speaking on particular applications. Members have an advocacy and representational role, and have been issued with guidance on this.

Core Principle	Supporting Principles	Relevant procedures & documents	YDNPA's position
		2.3.2 Access to reliable information about public opinion and satisfaction levels.	A survey of residents is carried out independently of the Authority every five years (latest survey in 2009). Comments are also invited at National Park Centres, and via the website, and "Visitor" and "Dales" publications. There is a survey of people coming into contact with the Planning Service. ANPA, ENPAA and Natural England carry out national surveys. Corporate Plan objective 19 includes ensuring that information on customer satisfaction with NPA services is never more than 5 years old.
		2.3.3 Staff code of conduct and guidance on personal interests.	These both exist, and are on the Intranet. The code of conduct has recently been reviewed, and consultation on changes is imminent.
3. Promoting values for the Authority, and demonstrating the values of good governance through behaviour.	3.1 Putting the Authority's core values into practice.	3.1.1 Clear statement of the values of the organisation.	The Authority has adopted core values, which appear in various documents, and on the website. These were reviewed in 2005, and 6 core values, with 15 "behaviours" to put the values into practice, were adopted in place of the previous 8 values. They were reviewed again in 2008, and not changed.
		3.1.2 An appraisal process linked to the core values.	The issue of performance in relation to the core values has been built into the staff appraisal process, and the core values were embedded through management development training. The IIP process provides some external verification in this area, and the Authority retained IIP status at the latest (December 2007) assessment. The next assessment is in December 2009.
		3.1.3 Clear and accessible policy framework.	A list of all of the Authority's policies, with hyperlinks to the documents, is contained on the Intranet.
	3.2 Members and officers of the Authority behaving in ways that uphold and exemplify effective governance.	3.2.1 Code of Conduct for Members.	The statutory model code was adopted by Authority, with some adaptations, July 2007. Statement of standards of behaviour in formal meetings also adopted: see Members' Handbook.
		3.2.2 Procedure for declaring gifts & hospitality.	Members must declare these as personal interests. Guidance for members on the subject was approved by the Standards Committee in February 2008, and adopted by the Authority on 25 <sup>th</sup> March 2008. There is guidance for officers, and a Register of gifts & hospitality received by officers.
		3.2.3 Transparency about business dealings between the Authority and Members / senior staff.	An annual related parties transactions survey is undertaken in April. Details of the allowances paid to members are published.
		3.2.4 Anti fraud and corruption policy.	A new policy was adopted in November 2006, and is being reviewed in 2009.
		3.2.5 Register of Members Interests.	Maintained by Monitoring Officer. Updated October 2009 and ongoing.

<b>Core Principle</b>	<b>Supporting Principles</b>	<b>Relevant procedures &amp; documents</b>	<b>YDNPA's position</b>
		3.2.6 Register of Officers Interests	Maintained by Monitoring Officer. Specific reminder issued, September 2009.
		3.2.7 Standards Committee	Established, with three independent members, one of whom is the Chair. Terms of reference reviewed and amended, March 2006.
4. Taking informed, transparent decisions and managing risk.	4.1 Being rigorous and transparent about how decisions are taken, including effective consultation where appropriate.	4.1.1 Clear access to information arrangements.	Statutory: Part VA of the Local Government Act 1972, and the Freedom of Information Act 2000. FoIA procedures updated August 2008. YDNPA has adopted the ICO's standard Publication Scheme, and a guide to what information the Authority makes available was updated in December 2008. All public Authority / Committee papers are available on the website. SMT minutes and meetings are open to staff (except for confidential items). Data Protection policy approved by the Authority, September 2007. Due for review in 2010.
		4.1.2 Standing Orders.	Contained in the Members' Handbook and on the website. Reviewed and amended, November 2008.
		4.1.3 Delegation Scheme for Committees and Officers.	Contained in Members' Handbook and accessible via the Intranet. Reviewed and amended November 2008.
		4.1.4 Explicit statement of the criteria, rationale and relevant considerations on which decisions are based.	National Park purposes for all decisions. Local Plan / Local Development Framework for planning decisions. Written reports cover specific issues – eg planning policies. Reports address conformity of the subject matter with the Authority's strategic planning framework. "Guidance on Good Decision Making" developed and circulated in 2006.
		4.1.5 Consultation Strategy	A new Consultation Strategy was agreed by the Authority in May 2007, and revised in 2008.
	4.2 Having and using good quality information, advice and support to ensure that services are delivered effectively.	4.2.1 Explicit understanding of what information members need to take decisions.	A statement on this was agreed by the Authority in September 2007.
		4.2.2 Availability of clear and reliable financial and performance information.	Financial information is presented to officers and members in the form of regular budget monitoring reports, and financial issues are overseen by the Finance & Resources Committee. There is a current need for accounting systems and procedures to migrate to the new International Financial Reporting Standards. Performance information is available in the performance section of the Corporate Plan, and up to date performance information is considered regularly by SMT and Audit & Review Committee, which also reviews major projects, specifically to consider lessons to be learned.

Core Principle	Supporting Principles	Relevant procedures & documents	YDNPA's position
		4.2.3 Procedures which ensure financial, HR and legal advice is provided where necessary.	Standing instruction to authors of reports to seek financial and legal input where necessary. This does not always work well in practice. All Departments were reminded of this issue in early 2009. Project management documentation does require that financial, legal and HR advice is taken.
		4.2.4 Information & Communications Technology Strategy	A new ICT Strategy was adopted by Finance & Resources Committee on 5 December 2008, and all officers have read, and agreed to abide by, the policies linked to this strategy.
	4.3 Making sure that an effective risk management system is in operation.	4.3.1 Risk management policy / procedures. Strategic Risk Register.	A new risk management policy was approved by Audit & Review Committee in February 2007. A twice yearly review of risk is undertaken by SMT to identify the risks facing the Authority, the controls in place, and the responsibilities for managing those risks. This is summarised in a strategic risk register, and reported annually to Audit & Review Committee. Identified risks should be linked to corporate objectives, to improve clarity. All new policy proposals are to be accompanied by a risk assessment. There is a crisis management plan in place. Business continuity plans have been developed so far as thought necessary. Increased emphasis has been given recently to documenting relationships within key partnerships: work on this is well under way, based on a full audit of what documentation exists in relation to each partnership.
		4.3.2 Annual Governance Statement.	Contained in the annual statement of accounts. 2008/09 AGS was approved by Audit & Review Committee in February 2009.
		4.3.3 Appropriate protections against personal liability.	These were put in place in July 2006.
5. Developing the capacity and capability of members and officers to be effective.	5.1 Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.	5.1.1 Induction training for new members, and for Member Champions.	This is provided locally. National training is also provided for new members. A mentoring scheme for new members was introduced in 2007.
		5.1.2 Training needs analysis of members and officers.	This is addressed by an annual survey of Members, which leads to the production of a Member Training Programme. For all staff, the issue of personal development is built into the appraisal process, and personal development plans form part of appraisal records.
		5.1.3 Clear statement to bodies which appoint members as to what skills and perspectives would be most helpful (including diversity issues).	A document prepared for appointing authorities is in the Members' Handbook; it was updated in October 2006 and reissued in March 2007.

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	5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.	5.2.1 Appraisal / performance review of members.	The 6 Secretary of State members are appraised annually by the Chairman; others not currently. See 2.2 above.
		5.2.2 Self assessment of performance by the Authority as a whole.	National Park Authority Performance Assessment (NPAPA) process took place through 2005, and included a self assessment element. A national review of the NPAPA process was completed during the early part of 2009, including the Key Lines of Enquiry (KLoE). Consequently a further review is now planned, for the YDNPA, in late 2010/early2011. An annual review of performance against all the Authority's objectives is presented to the Authority. A more detailed review, including all action plan targets and performance indicators is presented to Audit & Review Committee. A review of the corporate performance of the senior management team is taking place in 2009.
	5.3 Striking a balance, in the membership of the Authority, between continuity and renewal.	5.3.1 Explain preferred approach to continuity / renewal to outside bodies that appoint members.	Past experience has shown that the Authority has little influence on these matters. However, a document has been produced to brief appointing authorities about the role of NPA members, and this is sent to those authorities when appointments are due to be made. It does not address the continuity / renewal issue, however.
6. Engaging stakeholders to ensure robust public accountability.	6.1 Understanding formal and informal accountability relationships.	6.1.1 Statement clarifying to whom the Authority is accountable, and for what.	The website contains explanatory material. The National Parks circular contains some relevant material, but is out of date. Consultation on a new circular is due to commence towards the end of 2009.
	6.2 Engaging effectively with the Authority's institutional stakeholders.	6.2.1 Identify key institutional stakeholders, and make them aware of the Authority's corporate governance arrangements.	Key institutional stakeholders have been identified as the five local authorities, Defra, DCLG, Yorkshire Forward, Government Office for Yorkshire & the Humber and the Yorkshire Dales Millennium Trust. They were made aware of the governance arrangements once the corporate governance policy was adopted by the Authority. ENPAA have identified stakeholders that are important for all NPAs.
		6.2.2 Partnership strategy.	There is a strategy, which includes criteria specifying the main purposes of belonging to a partnership, clear terms of reference, adequate training and an exit strategy. A review of the nature and involvement of the Authority across all partnerships was completed in 2004/05, with the approach to participation in partnerships rationalised. An annual assessment leads to a decision on which should continue, and on what basis. In 2006, criteria were agreed and applied in relation to who should represent the Authority on partnerships (ie members or officers).

Core Principle	Supporting Principles	Relevant procedures & documents	YDNPA's position
			Work has been done to identify the governance arrangements within partnerships, and further work on this is ongoing currently.
		6.2.3 Framework of accountability for partnerships.	A number of model documents are available as a basis for tailor-made partnership governance arrangements. More work is needed on this, as identified in the Annual Governance Statement; this is now under way, following a report to SMT in December 2008.
		6.2.4 Mechanisms for obtaining feedback from stakeholders.	See above: 1.2 , 2.2.3, 2.3 and 5.2.2.
	6.3 Taking an active and planned approach to dialogue with and accountability to the public.	6.3.1 Procedures for seeking public involvement.	New legal requirements in relation to public involvement came into effect on 1 <sup>st</sup> April 2009. The Authority is pursuing adoption of the Customer Service Excellence Standard.
		6.3.2 Complaints Procedure.	A Compliments, Complaints and Comments procedure is in place (revised July 2009). Complaints that Members have breached the code of conduct are made to the Standards Committee. Procedures to deal with them were approved in July 2008.
		6.3.3 Strategy for consultation.	A new Consultation Strategy was agreed by the Authority in May 2007 and revised in 2008. The Authority is engaged with the consultation panels set up by the North Yorkshire Strategic Partnership and Craven Local Strategic Partnership.
		6.3.4 Communication Strategy	A Communication Strategy has been drafted, but not yet finalised. Work has been done to implement the new legal "duty to involve". There is a crisis management plan for communication. An internal guide to style and plain English has been produced, and media guidelines have been agreed by SMT.
		6.3.5 Annual publication of purpose, strategy, plans, finances, and outcomes.	This is contained in the Corporate Plan. Circular 12/96 requires an annual report on stewardship of the Park; this is also contained in the Corporate Plan. The English National Parks publish a joint annual report, in which there is a chapter relating to the YDNP.
		6.3.6 Effective communication to the public of decisions which have been taken.	Meetings are mostly open to the public, and minutes of Authority and Committee meetings are placed on the website. Decisions on planning matters could be more clearly communicated, perhaps by developing case summaries on the website. It is part of the role of Member Champions to explain decisions, and media training has been provided accordingly.
	6.4 Taking an active and planned approach to	6.4.1 Staff consultation mechanisms.	A climate survey every two years canvasses views of staff, and issues raised are put into an Action Plan. Again, IIP provides an element of external verification. There are established

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	responsibility to staff.		mechanisms for consulting staff and Unison on specific issues, and formal quarterly meetings with Unison.
		6.4.2 Whistleblowing procedures.	Confidential reporting policy: updated & reissued November 2005; reviewed August 2008 and some changes agreed. It is included in member / staff induction.
		6.4.3 Staff code of conduct.	Included in Employment Information Guide. A National code of officers' conduct is awaited; the Authority responded to a Government consultation paper in December 2008. Meanwhile, the existing code has been reviewed and consultation on proposed changes is imminent.
		6.4.4 Staff development procedures	This is built into the appraisal process: see 5.1
		6.4.5 Personnel policies	These have been comprehensively reviewed and rewritten during 2006 - 2009, including consultation with Unison, and were approved by Finance & Resources Committee. They are accessible on the Intranet.

The following checks exist for the Authority to be able to take assurance that proper governance arrangements are in place, and are working properly:

- Internal Audit (provided externally by North Yorkshire County Council)
- External Audit (provided by Deloitte), including the annual audit letter and the report to those charged with governance
- Audit & Review Committee
- Independent inspections / reviews, eg National Park Authority Performance Assessment
- Statutory roles of Head of Paid Service, Section 151 Officer and Monitoring Officer

#### List of abbreviations used

AGS: Annual Governance Statement  
ANPA: Association of National Park Authorities  
DCLG: Department for Communities & Local Government  
Defra: Department for the Environment, Food and Rural Affairs  
ENPAA: English National Park Authorities Association  
FoIA: Freedom of Information Act  
ICO: Information Commissioner's Office  
ICT: Information and Communications Technology  
IIP: Investors in People  
NPAPA: National Park Authority Performance Assessment  
NPMP: National Park Management Plan  
SMT: Senior Management Team  
YDNPA: Yorkshire Dales National Park Authority