



Cork City Council Governance Framework

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1 FORWARD

Cork City Council Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Good governance leads to:

- effective leadership,
- good management,
- good performance,
- good stewardship of public funds,
- good public engagement and,
- ultimately, good outcomes for our service users and citizens.

Local authorities in Ireland operate within complex legislative, political and local contexts. They provide a myriad of services but are also both regulators and regulating bodies, with significant legal and government policy obligations. Local government is expected to play an active leadership role within the community. It is imperative that the Council employs good corporate governance structures and principles when exercising its various roles in order to inspire trust in the local government sector and strengthen the relationship that must exist between local authorities and the communities they serve.

Governance must be owned by all stakeholders, including senior management and members, and become an intrinsic core of the council. It should remain embedded in the culture of the council and applied within a transparent framework of legislative requirements, governance principles and management processes.

Good governance enables the effective pursuit of our vision and corporate objectives within an environment that manages and controls the associated risks. The achievement of these objectives will ultimately contribute to an improvement in the lives of the people we serve.

Ann Doherty

September 2018

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2 INTRODUCTION: GOVERNANCE WITHIN CORK CITY COUNCIL

Fundamentally, good governance in the local government and wider public sector is about delivering priorities, achieving objectives, behaving with integrity and acting in the public interest and in ways that are consistent with legal, regulatory and government policy obligations.

Corporate governance has been defined simply as "the system by which organisations are directed and controlled". Within local authorities, it involves the set of relationships between councillors, management, staff and wider stakeholders, and good governance assists in determining priorities, in deploying resources, in delivering quality services, in managing risks and uncertainties and in ensuring that the public interest is served at all times.

Effective governance encourages the efficient use of resources, strengthens accountability for the stewardship of those resources, improves management and service delivery, and thereby contributes to improving people's lives. Effective governance is also essential for building greater trust and confidence in public sector entities.

The purpose of this Governance Framework is to provide a clear and comprehensive summary of the principal aspects of corporate governance within Cork City Council. This local framework defines the principles that underpin the governance of this authority. We will test our arrangements by:

- Reviewing our existing governance arrangements against the Local Code.
- Maintaining an up-to-date Local Code of Corporate Governance, including arrangements for ensuring its ongoing application and effectiveness.
- On an annual basis, prepare an Annual Governance Statement in order to report publicly on the extent to which we comply with the Local Code, including how we have monitored the effectiveness of our governance arrangements in the year, and on any planned changes in the coming period.

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3 GOVERNANCE PRINCIPLES

This framework is substantially drawn from the following thought leadership publications:

- *Governance Principles and Governance Framework for the Local Government Sector (the “IPA Governance Framework”)*.
 - The City and County Management Association, the Association of Irish Local Government in conjunction with The Institute of Public Administration: December 2015
- *Code of Practice for the Governance of State Bodies (The “Code”)*
 - Department of Public Expenditure and Reform: August 2016

The IPA Governance Framework sets out six core governance principles. These were developed and modelled on the *International Framework: Good Governance in the Public Sector* (IFAC/CIPFA, 2014) and the *Good Governance Standard for Public Services* (Independent Commission on Good Governance in Public Services, 2004).

Principle	Detail	Description
1	Purpose Planning and Performance	Good Governance means focussing on <ul style="list-style-type: none"> ➤ the purpose of the authority, ➤ outcomes that deliver economic and societal benefits and ➤ implementing a vision for the local authority
2	Leadership Roles and Relationships	Good governance means members and officials working together to achieve a common purpose within a framework of clearly defined functions and roles.
3	Values, Ethics and Behaviour	Good governance means promoting and demonstrating public service values through upholding high standards of conduct and behaviour.
4	Decision Making, Risk and Control	Good governance means taking well informed and transparent decisions and managing risks and performance.
5	Evaluation and Capacity Development	Good governance means developing the organisational capacity and the leadership capability and competencies of members and officials to operate effectively and fulfil the purposes of the organisation.
6	Stakeholders and Public Accountability	Good governance means engaging openly and comprehensively with local people, citizens and other stakeholders to ensure robust public accountability.

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The manner in which these principles will be applied by Cork City Council is set out across the following eight parts over chapters four to eleven:

1. Cork City Council Overview;
2. Purpose, Planning and Performance;
3. Leadership, Roles and Relationships;
4. Values, Ethics and behaviours;
5. Risk and Control;
6. Decision Making and Evaluation;
7. Capacity Building;
8. Stakeholders and Public Accountability.

An objective of this principles-based framework is to provide a clear and comprehensive summary of the principal aspects and elements of corporate governance within a local authority context. It aims to clarify governance, legal and other requirements for the benefit of councillors, senior managers, staff, key stakeholders and the wider public. The framework will also provide councillors, managers and staff with much of the basic information needed to understand their duties, roles and governance responsibilities. Finally, a robust and coherent governance framework demonstrates that the Council has appropriate structures and processes in place to direct and manage the organisation so that stakeholders can be assured that the Council is operating effectively and efficiently.

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4 PART 1 – AN OVERVIEW OF CORK CITY COUNCIL

4.1 NATIONAL LOCAL GOVERNMENT FRAMEWORK

Local Government is an integral part of the public sector and an essential component of the system of representative democracy. Article 28A of Bunreacht na hÉireann recognises its role in providing a forum for the democratic representation of local communities, in exercising at local level powers and functions conferred by law and in promoting by its initiative the interests of such communities.

This purpose and rationale is further outlined in legislation, principal of which is the Local Government Act 2001 (as amended). This provides for the establishment, structures, elections, governance, management, procedures and ethical framework of local authorities. It additionally provides for aspects of their functions and financial procedures. Powers and responsibilities of local authorities in respect of particular functional areas and services are set out separately across a range of specific statutes.

The Department of Housing, Planning, Community and Local Government has responsibility at central government for the general local government system. It also has responsibility for certain specific functional or service areas - for example, planning and housing. However, other relevant Central Government Departments have responsibility in relation to policy, funding and legislation at national level in respect of a range of other functions exercised by local authorities - for example, functions in relation to roads, traffic and enterprise support.

While the Minister for Housing, Planning, Community and Local Government has responsibility for policy and legislation in respect of the general local government system, local authorities are entirely independent corporate entities. Councils have full responsibility under law for the performance of their functions and the discharge of their governance and other responsibilities.

Local authority functions are performed by two interacting and mutually supporting elements, the elected council and the executive. The respective responsibilities of each element are defined by law. Key strategic, policy and financial decisions are vested in the elected members. The executive is responsible, subject to policy determined by the council, for matters not specifically reserved to the latter by law and for the general administration of the authority. A range of specific governance powers and responsibilities are assigned to the respective components.

4.2 STRUCTURE OF CORK CITY COUNCIL

4.2.1 Background

The City Council currently employs over 1,200 people and has a Revenue budget of €153m and a Capital budget of €170m for 2017.

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Cork City Council has 31 democratically elected members representing the six wards in the City. Local elections are held every 5 years.

The functions of the Council are split into Reserved Functions and Executive Functions. The former relates to the responsibilities of the elected members; the latter refers to the responsibilities of the Chief Executive and the staff that work in support of the elected members.

4.2.2 Schedule of Local Authority Functions

The work and responsibilities of local government impact many aspects of life across the city.

Service Division	Policy and Operational Areas
Housing and Building	Maintenance and Improvement of Local Authority Houses; Housing Assessment, Allocation and Transfer; Hosing Rent and Tenant Purchase Administration; Housing Community Development Support; Homeless Service; Housing Capital Programme; Rental Accommodation Scheme; Housing Loans; Housing Grants; Housing Assistance Programme.
Road Transport and Safety	National Primary Road Maintenance and Improvement; National Secondary Road Maintenance and Improvement; Regional Road Maintenance and Improvement; Local Road Maintenance and Improvement; Public Lighting; Traffic Management Improvement; Road Safety Engineering Improvements; Roads Safety Promotion and Education; Car Parking; Roads Capital Programme.
Water Services	Service Level Agreement with Irish Water in respect of Water Supply and Waste Water Treatment
Development Management	Forward Planning; Development Management; Enforcement; Tourism, Development and Promotion; Building Control; Economic Development and Promotion Property Management; Heritage and Conservation.
Environmental Services	Landfill Operation and Aftercare; Recovery and Recycling Facilities Operations; Litter Management; Street Cleaning; Enforcement; Waste Management Planning; Maintenance of Burial Grounds, Safety of Structures and Places; Operation of Fire Service; Fire Prevention.
Recreation and Amenity	Leisure Facilities Operations; Operation of Library and Archival Services; Outdoor Leisure Areas; Community Sport and Recreational Development; Operation of Arts Programme.
Agriculture, Education, Health and Welfare	Veterinary Service; Educational Support Services.
Miscellaneous	Administration of Rates; Franchise Costs; Operation of Morgue and Coroner Expenses; Weighbridges; Operation of Markets and Casual Trading; Local Representation and Civic Leadership

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4.2.3 Elected Members of Council

The elected members represent the people of Cork City and are responsible for the formulation of local policies to guide the activities of the City Council. Policy is developed by five Strategic Policy Committees:

- Housing and Community
- Roads and Transportation
- Environment and Recreation
- Strategic Planning, Economic Development and Enterprise
- Tourism, Arts and Culture

Each Strategic Policy Committee has nine members: six elected members of Council and three members from designated external interests.

The Corporate Policy Group consists of the Lord Mayor, the Chief Executive and the Chairpersons of the Strategic Policy Committees (all of whom are elected members) and provides a forum for policy issues which transcend the remit of individual Strategic Policy Committees.

The elected members of Cork City Council also monitor the operations of the City Council through the following Functional Committees:

- Housing and Community;
- Roads and Transportation;
- Environment and Recreation;
- Strategic Planning, Economic Development and Enterprise;
- Tourism, Arts and Culture;
- Finance.

Each Functional Committee has 15 elected members.

Other Committees are formed by decision of the City Council to address particular areas of interest. These committees report to a relevant Functional Committees.

Cork City Council is conscious of the need to operate in partnership with community and voluntary organisations, other public agencies, non-governmental organisations (NGO's) and business interests on both a local and national level, in order to ensure optimum delivery of its services.

Local Community Development Committees (LCDC's) are designed to enhance long-term planning by bringing together key agencies and bodies that operate within the local authority area. The aim of the LCDC's is to develop, co-ordinate and implement a coherent and integrated approach to local and community development.

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4.2.4 Executive Management and Staff

Policies formulated by the elected members of Cork City Council are implemented by the staff of the City Council under the direction of the Chief Executive.

The operations of the City Council are organised into the following Directorates and Departments:

- Housing and Community;
- Roads and Transportation;
- Environment and Recreation;
- Strategic Planning and Economic Development;
- Corporate and External Affairs;
- Human Resource Management and Organisational Reform;
- Finance;
- ICT and Business Services;
- Law;
- City Architects.

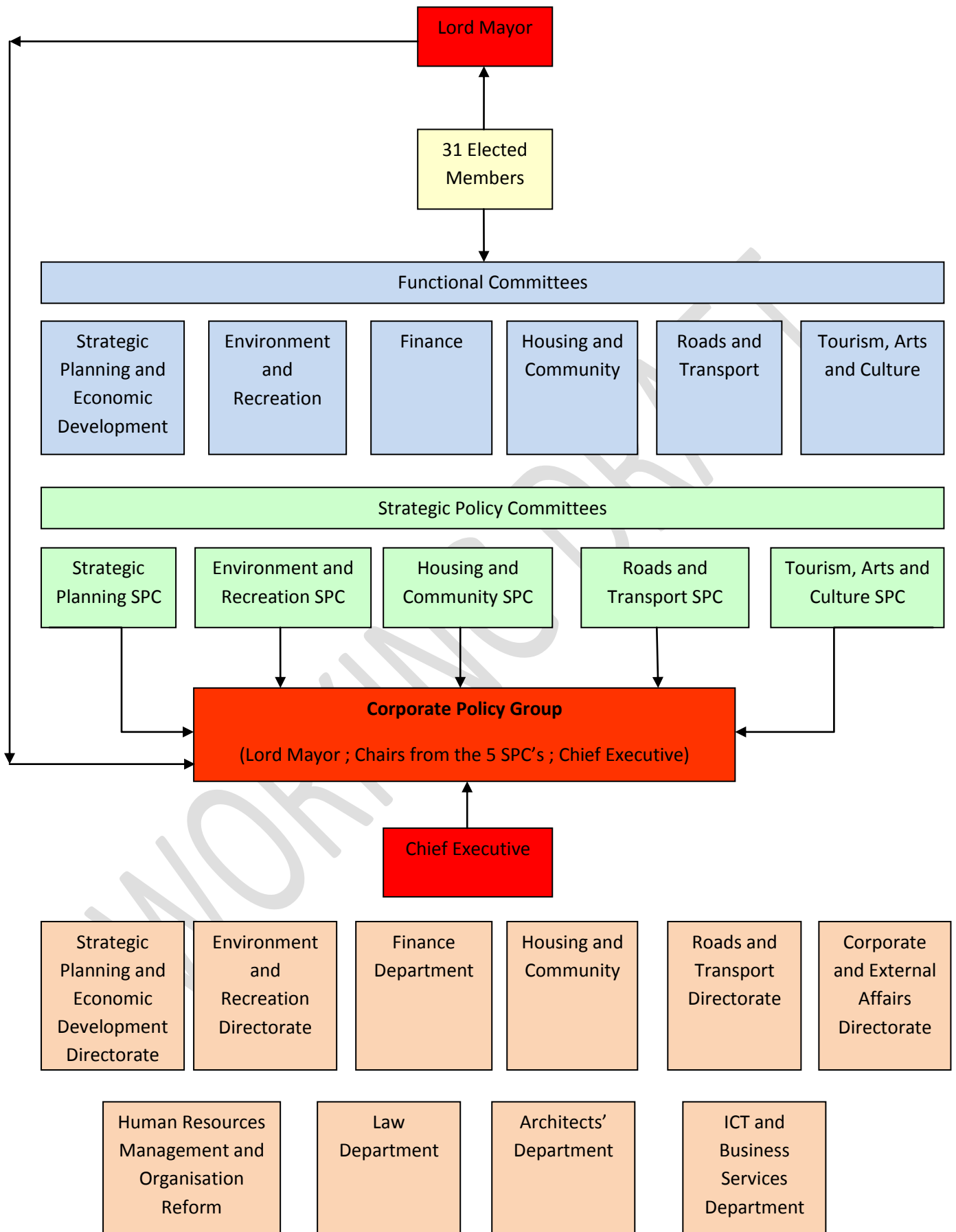
Senior Management Team (SMT) comprises the Chief Executive and heads of the ten directorates or departments. SMT is responsible for the strategic, corporate and operational management of the organisation to ensure that Corporate Plan objectives, decisions of Council, Governmental priorities and statutory obligations are delivered in accordance with all relevant legislative and procedural requirements.

Each SMT member has a responsibility to provide leadership and strategic direction, to contribute to the corporate management of the Council as a whole and to actively support colleagues in meeting objectives. Members are expected to attend meetings and to engage in an open and participative discussion on issues. Discussions of a confidential or sensitive nature may occur from time to time and members treat these as such. Members have a responsibility to notify the Chief Executive of any matters that may threaten the propriety or value for money with which the City Council carries out its business or that may impact on its capacity to meet objectives.

4.2.5 Organisational Chart

While the organisation chart below represents the current structures that constitute Cork City Council, these arrangements are not (especially in the context of the Directorates and Departments) fixed or static. The Executive arm of the Council is a dynamic structure, constantly evolving to reflect the needs of the City Council's customers, both business interests and citizens.

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5 PART 2 – PURPOSE, PLANNING AND PERFORMANCE

5.1 INTRODUCTION

Good governance means focusing on the purpose of the authority, on outcomes that deliver sustainable economic and societal benefits and on implementing a vision for the local authority.

This is achieved through:

1. Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision through the corporate plan and ensuring that service users receive a high quality service.
2. Ensuring that the authority, through its service delivery plan priorities, makes best use of resources to ensure achievement of outcomes is optimised.

5.2 CORPORATE PLAN

5.2.1 General

Section 134 of the Local Government Act 2001 (as amended) provides the statutory background to the development of the corporate plan which serves as the local authority's strategic framework for action over the period of the elected Council.

The corporate plan is prepared in consultation with the elected members and the Corporate Policy Group (CPG). Adoption of the corporate plan is a reserved function of the council and this must be done in a local election year, within six months from the date of the annual meeting.

The plan may be reviewed by the local authority at any time or at the Minister's request, in which case the review must take place within six months of the date of the resolution or review request, respectively.

Whilst legislation and various circulars may require a Council to prepare a strategic plan for a particular functional area, the Corporate Plan is the master document and at the apex of these. It articulates the Council's vision, mission and objectives and guides the direction of all subsidiary planning.

5.2.2 Cork City Council Corporate Plan

The City Council's Vision, as expressed in its [Corporate Plan 2015-2019](#) is that:

- Cork City Council strives to be a dynamic, responsive and inclusive organisation that leads a prosperous and sustainable city.

The Vision Statement articulates the organization's purpose and values. It also gives direction for employee behaviour and helps provide inspiration.

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Cork City Council’s Mission Statement provides a high level overview of its raison d’être. It seeks to summarise what the Council is and what does. Over the period 2015 – 2019 the mission of the Council is to:

- Empower communities to enable them to create an inclusive, sustainable, healthy, equitable and culturally diverse city.
- Work in partnership with the various government organisations and other stakeholders to deliver a SMART and successful city and organisation
- Assist the economic development of the city, facilitating investment and a competitive robust city economy
- Ensure, in conjunction with our stakeholders, that Cork continues to be an attractive place to live and work, with an outstanding quality of life and is a welcoming place for visitors
- Provide efficient, effective and customer focused service delivery
- Communicate effectively with the public, businesses and other stakeholders

Cork City Council’s Corporate Plan identifies the following five High Level Goals for the 2015-2019 period:

Goal	Description	Detail
1	Enabled Communities	Enable communities to actively participate in the social, cultural and economic life of their own localities and the wider city
2	Create a thriving City Economy	Increase employment in the City by optimising the capacity and attractiveness of the City to support economic activity.
3	City Identity, Culture And Heritage	Promote and celebrate the identity, culture and heritage of Cork City
4	Quality Urban Environment	Deliver a high quality environment, cityscape and improved public realm.
5	Corporate Development	Align the structure and resources of the City Council to meet the needs of citizens and business in the City. Develop an organisation that is effective, efficient and accountable to citizens.

Under each of these goals the plan articulates key objectives and supporting strategies proposed to achieve those service delivery goals. In addition, for each strategy, the following information was produced:

1. 2019 Target Level of Service
2. Measurement Methodology
3. Key Performance Indicator (KPI)

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4. Lead Directorate
5. Support Directorate/External Organisation
6. Supporting Policies

The plan additionally details the methodologies for oversight and review of progress. These include the documents such as the Annual Service Delivery Plan, Chief Executive’s monthly performance review and the Annual Report. The Corporate Plan further details the baseline metrics used to underpin the current service delivery goals and the performance indicators the Council intends to use to measure performance against the baseline.

The vision, mission and high level goals as articulated in the Corporate Plan serve to inform and guide development of the myriad of subsidiary strategies that are adopted by Council.



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5.3 SERVICE DELIVERY PLANS

5.3.1 General

Section 134A of the Local Government Act 2001 (as amended) requires all local authorities to produce service delivery plans. Adoption of the service delivery plan is a reserved function of the Council.

In essence a Service Delivery Plan sets out which elements of the Council's strategic objectives will be delivered and progressed in a particular year.

5.3.2 Cork City Council Annual Service Delivery Plan

The City Council's Annual Service Delivery Plan aims to provide detailed information on the specific services to be provided as well as the level of service to be achieved during the relevant year.

In preparing the Service Delivery Plan the executive and the council take cognisance of the Corporate Plan, other strategic documents and budgetary provisions estimated to be necessary for the authority to carry out its functions. This ensures that the service plan is an integral part of a coherent and robust corporate planning framework.

The Annual Service Delivery Plan contains specific actions linked to strategic objectives and provides measurable Key Performance Indicators together with associated targets. This allows for the ongoing monitoring and verification of service delivery and a full and meaningful examination of the City Council's performance against its published strategic targets. The document also identifies improvement actions which are scheduled to be undertaken during the relevant year in order to enhance service delivery.

Although the Service Delivery Plan is based around the same Goals, Objectives and Strategies as detailed in the Corporate Plan, this annual document is structured differently by necessity.

The Service Delivery Plan is inherently linked to the annual Budget process and operational plans for each of the Council's directorates. It will be consistent with the budgetary provisions estimated to be necessary for the authority to carry out its functions during the financial year to which that plan relates. Irish local government has adopted a common and nationally defined Service Division structure for the purpose of financial planning and reporting. This document is therefore aligned to the following structure through which budgetary resources are formally allocated over the relevant year:

- A. Housing and Building
- B. Road Transport and Safety
- C. Water Services
- D. Development Management
- E. Environmental Services

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- F. Recreation and Amenity
- G. Agriculture, Education, Health and Welfare
- H. Miscellaneous Services
- J. Operational Support (Central Management Charge)

The Service Delivery Plan provides the following information for each Service Division:

- An introduction to each group of services in order to give context to each service division;
- Details of the Financial and Human Resources available to the Service Division;
- Table stating the Principal Services/Service Priorities for the given year. These are linked to the Corporate Plan and other documents which comprise the City Council's Corporate Planning Framework. Actions are also aligned to activities referenced in the Local Economic and Community Plan.

Council formally adopts the Service Delivery Plan early in the relevant year and as soon as may be following the adoption of the budget.

An assessment of how actual delivery of services during the year compared with the targets in the Annual Service Delivery Plan is recorded in the local authority's Annual Report. This will include reference to each of the objectives and details of the performance standards and performance indicators.

5.4 ONGOING PERFORMANCE REPORTING - MONTHLY MANAGEMENT REPORTS

5.4.1 General

Section 136 of the Local Government Act 2001 (as amended) requires the chief executive to produce monthly management reports for the council.

Departmental guidelines recommend that management reports should include, inter alia: major expenditure and income lines for each service division; performance of local authority revenue collection; recourse to overdraft facility; emergency capital works; operation /progress of the Local Community and Development Committee; performance of Local Enterprise Offices; and progress in preparing reports/material requested by the council.

In summary, the monthly management report sets out details of services provided, policy implementation and other performance details. The report is a key element in facilitating communication between the elected members and the chief executive.

5.4.2 Cork City Council Monthly Management Reports

The purpose of the monthly report as presented by the Chief Executive to Council is to inform the Members on progress that has been made with respect to the delivery of both the annual targets contained in the City Council's "Annual Service Delivery Plan" and the "Adopted Budget". In doing so it assists with the process of monitoring the ongoing progress

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with respect to the delivery of the City Council's strategic objectives contained in the City Council's 2015-2019 Corporate Plan.

This monthly report is a tool to be used by the members to assist them to carry out their governance responsibilities, aid in the evaluation of the outcomes of their policy decisions and facilitate the oversight of the operations of the City Council.

The report is presented across the following eight chapters:

1. Monthly Messages
2. Housing and Community Update
3. Roads and Transportation Update
4. Environment and Recreation Update
5. Strategic Planning and Economic Development Update
6. Corporate Services Update
7. Human Resources and Organization Reform Update
8. Finance Update

It contains facts and figures, graphs and charts with detailed explanatory commentary supporting interpretation of the document.

Many of the Key Performance Indicators presented in this report represent information used by the executive to manage the organisation on an on-going basis. These indicators are used as a tool to measure the achievement of the targets set out in the City Council's Annual Service Delivery Plan.

The document further contains monthly data related to the NOAC National Performance Indicators. This data is used to as a management tool to evaluate the performance of Cork City Council with respect to the targets identified for each of these NOAC indicators.

It is recognised that circumstances will inevitably alter during the period of the corporate plan. It is important that local authorities respond to changing environments, and the monthly management report are the appropriate vehicles to signal changes in the direction and objectives of the organisation.

5.5 ANNUAL PROGRESS REPORT

5.5.1 General

Section 134 (11) of The Local Government Act 2001 (as amended) requires the chief executive to prepare an annual progress report in respect of the corporate plan. This must be submitted to the elected council at the same time as the authority's draft budget or at any other time as the elected council may decide by resolution.

The annual progress report should be a brief and concise document and should also be included in the local authority's Annual Report.

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5.5.2 Cork City Council Annual Progress Report

Following year-end Cork City Council receives a report that reviews the proposed performance standards for the most significant elements of the Annual Service Delivery Plan against the outcomes achieved in the previous year.

5.6 ANNUAL REPORT

5.6.1 General

Section 221 of The Local Government Act 2001 (as amended) requires the City Council to prepare and adopt an annual report by 30th June. The adoption of the annual report is a reserved function. A draft of the report must be provided to the Elected Members by 30th April each year. It is also provided to other interested parties.

Section 221(2) requires the City Council's annual report to include the following:

(a) particulars of the policies, programmes, services and other activities undertaken by the county council or city council;

(b) such particulars as are required by sections 48, 66, 75, 76, 134 and 228;

- s48 SPC's - An annual report of a local authority shall include an outline of the activities of strategic policy committees during the period to which the annual report relates.
- s66 Promotion of interests of local community (a measure, activity or thing is deemed to promote the interests of the local community if it promotes, directly or indirectly, social inclusion or the social, economic, environmental, recreational, cultural, community or general development of the administrative area of the local authority concerned or of the local community) - There shall be recorded in the annual report of a local authority for every year expenditure and other particulars in relation to the performance of its functions under this section.
- s75 Twinning of local authority areas - There shall be recorded in the annual report of a local authority expenditure and other particulars in relation to the performance of its functions under this section.
- s76 Entertainment and associated expenses of local authorities - There shall be recorded in the annual report of a local authority, for every year, expenditure and other particulars in relation to the performance of its functions under this section.
- s134 Corporate Plan - The manager shall prepare an annual progress report in respect of the local authority's corporate plan and such details shall be recorded in the local authority's annual report.
- s228 Acceptance of gifts by a local authority - A local authority shall, as appropriate, publish in its annual report details of all gifts accepted by it during the period of the report.

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- (c) such particulars as may be required by a provision of any other enactment;
- (d) particulars in relation to any acts adopted or orders, byelaws, rules or other instruments made under statute by resolution of the members of the county council or city council during the year to which the annual report relates; and
- (e) such other particulars (including financial statements) as the county council or city council may determine or as may be directed by the Minister.

In summary, the annual report details the performance by the Council of its functions during the preceding year.

5.6.2 Cork City Council Annual Report

The Annual Report as prepared by Cork City Council contains the following information:

- Details of the key policies, programmes, services and other activities undertaken by the council during the year. This is presented on a directorate basis;
- Summary Financial Statements (unaudited);
- Recruitment Information;
- The Chief Executive's annual progress report in respect of the Council's Corporate Plan;
- NOAC and local Performance Indicators for the year;
- Details of Members of Cork City Council and the Senior Management Team;
- Information detailing number of meetings during the year of Council, Corporate Policy Group, Strategic Policy Groups, Functional Committees, Other named committees;
- Details of Councillors serving on Committees or Boards on account of being Members of Council;
- Overview of Conferences and Seminars attended by Members during the Year.

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6 PART 3 – LEADERSHIP, ROLES AND RELATIONSHIPS

6.1 INTRODUCTION

Good governance means members and officials working together to achieve a common purpose within a framework of clearly defined functions and roles.

This is achieved through:

1. Exercising effective leadership throughout the authority, being clear about reserved and executive functions and the respective roles and responsibilities of members and officials.
2. Creating a constructive and respectful working relationship between members and officials and ensuring that the functions of the authority are performed to a high standard.

6.2 LEADERSHIP

The leadership team within the local authority comprises the Cathaoirleach, elected members, chief executive and senior managers. This collective has primary responsibility for ensuring that an effective and properly functioning governance system operates within the organisation.

The Local Government Act 2001 (as amended) gives the Corporate Policy Group (CPG) a key leadership role. It is supported in this by the Strategic Policy Committees (SPC's). The CPG comprises the Cathaoirleach of the authority as its chairperson together with the chairs from each of the SPC's.

The CPG responsibilities include

- supporting the Council in the discharge of specific reserved functions;
- co-ordinating the work of the SPC's and monitoring their work programmes;
- requesting SPC's to consider particular policy issues where appropriate and
- providing feedback to the SPC and monitoring overall performance of the local authority.

The CPG, like the SPC, is a committee of the council and is supported in its work by the Chief Executive. The Cathaoirleach reports to the full council on the work of the CPG.

Leading by example is vital and is evidenced by elected members and senior management conducting themselves in accordance with codes of conduct and behaviour standards and norms expected of those in leadership and governance positions.

The leadership team establishes the organisational vision, generates clarity about strategy and objectives, roles and responsibilities, maintains a focus on good performance, ensures

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robust accountability and fosters productive and professional relationships with internal and external stakeholders.

6.3 RESERVED AND EXECUTIVE FUNCTIONS

The Local Government Act 2001 as amended by the Local Government Reform Act 2014 is the prime legislation governing local government structures, operations and functions in Ireland today. Although this act provides the framework for the local government system, the operation of local authorities is affected by a range of other legislation, very often dealing with specific services.

Parts 1, 2 and 3 of schedule 3 of the 2014 Local Government Reform Act prescribes 182 reserved functions that may only be performed at plenary council level. These reserved functions are performed by the elected members by resolution adopted at a meeting of Council.

Key aspects of reserved and executive functions are outlined in the following table.

RESERVED FUNCTIONS	EXECUTIVE FUNCTIONS
Performed by the elected Council;	Performed by the chief executive and/or staff to whom functions are delegated;
Defined by law;	Involve day-to-day operation of the authority within the policy parameters determined by the elected members;
Specified across a range of enactments;	Any function of a local authority that is not specified in law as a reserved function is deemed to be an executive function;
Comprise mainly decisions on matters of policy and finance;	The chief executive operates within a framework of policy laid down by the elected members, within the context of regional, national and European policy frameworks, decisions and instructions;
The Minister for the Environment is empowered by order to add to the list of reserved functions;	The chief executive operates within a framework of policy laid down by the elected members, within the context of regional, national and European policy frameworks, decisions and instructions;
The exercise of the policy remit is a fundamental role of the elected council and brings with it a responsibility for necessary preparatory work and proper consideration.	Duty of the chief executive to advise and assist the elected council in respect of the performance by them of their reserved functions;
	The chief executive must carry into effect all lawful directions given by the council in relation to the performance of the reserved functions;
	Performed by means of chief executive's order - written, signed and dated orders setting out decisions made and available for review.

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6.4 CONSTRUCTIVE RELATIONSHIPS

Reserved functions are those that can only be exercised by resolution of the Council. All other functions are deemed to be executive functions and the responsibility of the Chief Executive. However, the Chief Executive does not have unfettered authority and must operate within a formal framework.

- Subject to legal and statutory obligations, the functions of the chief executive shall be performed in accordance with the policy of the local authority as determined by the council.
- Section 149 of the Local Government Act 2001 (as amended) provides that the chief executive, in performing his or her functions, shall have regard to the views of the elected members of the council, expressed in any of the following ways:
 - (a) at a meeting of the council;
 - (b) at a meeting of any committee of the council;
 - (c) in written responses to any request for input to the development by the local authority of a new policy or an amendment of an existing policy.
- The Chief Executive shall, when requested by the elected council, report on the actions already taken and planned to be taken in exercise of his/her executive functions.

The law provides a precise division of functions so that responsibility for their exercise is clearly defined. Within the council, the policy and executive roles complement each other with councillors and the Chief Executive working in cooperation in order to achieve mutual goals, within an environment and relationship based on mutual respect.

6.5 CHIEF EXECUTIVE

The overall role of the local authority is that of a multi-functional organisation acting as a development corporation which operates in the best interests of the citizens being served. This involves delivering a wide range of services including infrastructural, social, economic, cultural, recreation/amenity, social inclusion and many others.

The role of the chief executive is to ensure that arrangements to achieve the objectives and to implement the policies determined by the elected representatives are in place while also ensuring compliance with all statutory obligations. To this end, resources in terms of personnel, finance, technology and information generally are assembled and assigned in a manner appropriate to fulfil the role of the executive.

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7 PART 4 – VALUES, ETHICS AND BEHAVIOUR

7.1 INTRODUCTION

Good governance means promoting and demonstrating public service values through upholding high standards of conduct and behaviour.

This is achieved through:

1. Ensuring members and officials, in exercising leadership, behave in ways that exemplify high standards of conduct, ethical behaviour and effective governance.
2. Fostering a culture and ensuring mechanisms that encourage and enforce adherence to ethical values and to the organisational values as espoused in the corporate plan.

7.2 PUBLIC SERVICE VALUES

While legislation, policies and procedures are important in ensuring that standards of behaviour are maintained, the role of values and their impact on organizational culture is profound in that they are instrumental in determining, guiding and informing behaviour.

Common public service values include impartiality, integrity, honesty, respect and fairness. Striking the right balance between the values of efficiency and fairness, accountability and innovation, and confidentiality and transparency requires understanding and skill. The following seven principles¹ should guide the conduct of those in public life and form the basis for the codes of conduct for councillors, management and staff.

SELFLESSNESS	Holders of public office should act solely in terms of the public interest. They should not act in order to gain financial or other material benefits for themselves, their family, or their friends.
INTEGRITY	Holders of public office should not place themselves under any financial or other obligations to outside individuals or organisations that might seek to influence them in the performance of their official duties.
OBJECTIVITY	In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
ACCOUNTABILITY	Public office holders are publically accountable for their decisions and actions and must submit to whatever scrutiny is appropriate to their office.
OPENNESS	Holders of public office should be as open as possible about all the decisions and actions that they take. Public office holders should give reasons for their decisions and restrict information only when the wider public interest clearly demands or is legally necessary.
HONESTY	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
LEADERSHIP	Holders of public office should promote and support these principles by leadership and example.

¹ Principles of Public Life (known as the Nolan Principles)

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7.3 ORGANISATION CULTURE

Local government operates within an ethical legislative framework and staff and councillors benefit from codes of conduct that make explicit local government values, that guide and direct decision-making, and that define the ground rules of behaviour. Legislation, policies and procedures have been developed to guide behaviour with regard to specific activities and processes within the local government sector.

Councillors, the chief executive and senior management are roles models and set the “tone at the top” through ensuring that the values of the local authority guide behaviour and decision making.

7.4 ETHICS FRAMEWORK

Part 15 of The Local Government Act 2001 (as amended) and the related Local Government Regulations set out the ethics framework for the local government sector. An effective and transparent ethics framework is necessary to ensure public confidence in the local government system in the conduct of local affairs.

To this end the framework:

- Sets out clearly for members and employees the standard of conduct expected of them.
- Facilitates demonstration of compliance with those standards through annual declarations of interest and the withdrawal from proceedings/decision-making where a member or employee has an interest.

7.5 CODES OF CONDUCT FOR COUNCILLORS AND EMPLOYEES

Having an effective code of conduct is one of the basic requirements of good governance. Councillors are guided by a 2004 Codes of Conduct with a revised 2007 code being applicable for employees. The codes are statute-based in accordance with Section 169 of the Local Government Act 2001. The purpose of the codes is to set out principles and standards of conduct and integrity for councillors and local authority employees, to inform members of the public of the conduct the public is entitled to expect and to uphold public confidence in local government.

The codes represent a standard against which the conduct of all those involved in local government can be judged in the performance of their duties. They add to and supplement the specific requirements under the Local Government Act 2001, forming an integral part of the ethics framework to which both the Courts and the Standards in Public Office Commission may have regard in carrying out their duties.

The codes require all Councillors and Staff to:

- treat their colleagues, one another and the public with courtesy and respect;
- act in a way which enhances public trust and confidence;

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- avoid conflicts of interest and never seek to use improper influence;
- make decisions based solely on consideration of the public interest and the common good;
- serve their local authority and its people conscientiously, honestly and impartially;
- promote equality and avoid bias;
- perform their functions in a responsible and diligent manner.

7.6 ANNUAL DECLARATION OF INTERESTS

Sections 172 to 174 of The Local Government Act 2001 (as amended) require the chief executive to assign a staff member to carry out the duties of ethics registrar. An individual staff member cannot perform these functions for a continuous period exceeding two years.

The ethics registrar is required, before every Annual Meeting, to issue a signed and dated notice in writing to each council member informing them of their requirements under the legislation to prepare and furnish an annual declaration of interests, and to bring the issue of the notice to the attention of the members at the next meeting of the authority following the notice's issue.

The legislation also requires the ethics registrar to keep, on behalf of the local authority concerned, a public register with two parts:

- i. containing members' interests and
- ii. containing employees' interests, for those employees to which the legislation and guidance applies.

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8 PART 5 – RISK AND CONTROL

8.1 INTRODUCTION

Good governance means managing risks and performance.

This is achieved through:

- Ensuring that effective risk, financial and performance management systems are in place which address uncertainties and exposures, enforce financial discipline, and emphasise strategic resource allocation and the efficient and effective delivery of services.

8.2 RISK MANAGEMENT

8.2.1 General

Part Two (Chapter Five) discussed how the City Council's vision, mission statement, high level goals and strategies are articulated in its Corporate Plan. Various events and developments, arising from both internal and external factors, threaten the achievement of the corporate objectives. The existence of financial, administrative and commercial threats that alone, or in combination, affect the certainty of achieving these objectives is what constitutes risk.

All organisations face risk. Successful organisations manage risk successfully.

Risk Management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the Council.

While local authorities traditionally incorporate risk assessment, implicitly or explicitly, as part of the strategic and operational decision-making process, the development of a Risk Management Framework and Policy commits the organisation to identifying, assessing and mitigating risk and to ensuring the ongoing review and improvement of risk management approaches in a changing operational environment.

Risk management involves the identification, analysis, treatment and possible toleration of those risks that might prevent the authority from achieving its objectives. It enables a consideration of the potential impact of all types of risks on functions, services and activities.

Risk management must be integrated and integral to policy, planning and operational management and embedded into the culture and management arrangements and processes within the authority. The outputs from successful risk management include compliance, assurance and enhanced decision-making.

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8.2.2 Cork City Council Risk Management

The Chief Executive and senior management team are responsible for creating a risk management framework that provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the City Council. The risk management framework incorporates the risk management statement, policy and guidelines and a strong commitment to promoting good risk management practices throughout the authority.

Senior management team members are responsible for:

- a) identification and management of risk within their service, and having in place monitoring processes for reviewing regularly the effectiveness of risk management strategies;
- b) contributing to management of corporate risk.

The corporate and directorate risk registers are periodically reviewed at management team meetings.

8.3 INTERNAL CONTROLS

8.3.1 General

The Cathaoirleach, elected members, chief executive and senior managers must exercise leadership within a framework of prudent and effective controls which enables risks to be assessed and then managed. Internal Control forms the third component of the stool that also comprises corporate governance principles and risk management. The use of risk management to ensure that objectives are achieved does not mean that controls, as a fundamental aspect of risk management, are any less important. Good governance is dependent on a management that understands the risks it faces and is able to keep control of the business. A good understanding of internal control is an important element of achieving sound corporate governance.

The "internal control system" comprises the control environment and control procedures.

The control environment refers to the overall attitude, awareness and actions of management and staff regarding internal controls and the importance of those controls in the organisation. Internal control must run across an organisation as opposed to merely being a series of basic procedures. The control environment encompasses the management style, corporate culture and values shared by all employees. It provides the background against which the various other controls are operated.

Control procedures encompass the policies, processes and tasks that are adopted by management to assist in achieving the objective of ensuring, as far as practicable, the

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orderly and efficient conduct of the organisation's activities. Taken together these control procedures:

- Ensure the authority's objectives are achieved in a manner which promotes economical, efficient and effective use of resources;
- Safeguard assets from inappropriate use or loss;
- Contribute towards the accuracy and completeness of the accounting records and ensuring that liabilities are identified and managed;
- Help ensure the quality and timely preparation of internal and external financial reports;
- Contribute towards the prevention and detection of fraud and error;
- Help ensure compliance with applicable laws and regulations;
- Help ensure compliance with internal policies with respect to the conduct of business.

8.3.2 Cork City Council Internal Control

Senior management has responsibility for implementing an adequate, appropriate and robust internal control system and for ensuring that it is fit for purpose.

In this regard, Cork City Council's Internal Control Policy is that:

Cork City Council management will establish and implement controls to provide a reasonable assurance of the following:

- Managed activities achieve their intended results;
- Resources are used consistent with Cork City Council's mission;
- Services are delivered in an orderly, ethical, economical, efficient and effective manner;
- Management activities are protected from waste, fraud, unauthorised use, misappropriation and mismanagement;
- Laws, regulations and corporate policy are followed;
- Reliable and timely information is obtained, maintained, reported and used for decision making.
- The accounting records are complete and accurate and ensure that liabilities are identified and managed.

All Cork City Council managers will periodically evaluate the effectiveness of their management controls.

In the context of good governance and the assurance processes, the effectiveness or otherwise of the internal control system, control environment and control procedures will be subject to regular assessment by the senior management team, internal audit, the audit committee and the local government audit service.

Senior Management Team members are responsible for establishing and operating sound

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arrangements within these systems to manage and mitigate risk and for notifying the Head of Finance and Chief Executive of any suspected non-compliance.

Individual management team members are responsible for:

- a)** Establishing sound arrangements for planning, appraising, authorising, monitoring and controlling the operations within their directorates in order to achieve
 - continuous improvement,
 - economy, efficiency and effectiveness and,
 - for achieving their financial performance targets;
- b)** Promoting compliance with Council Policy, Standing Orders, Financial Procedure Rules, Codes of Conduct and any statutory requirements.
- c)** Promoting an overall effective internal control system that is documented and regularly reviewed. Individual control techniques incorporated into this system include the following:
 - i.** Organisation
 - ii.** Authorisation
 - iii.** Physical Access Restrictions
 - iv.** Supervision
 - v.** Compliance Checks
 - vi.** Procedure Manuals
 - vii.** Recruitment and staff development practices
 - viii.** Segregation of Duties
 - ix.** Sequential numbering of documentation and controlled stationery
 - x.** Reconciliations
 - xi.** Project Management
 - xii.** Procurement Management
 - xiii.** Financial systems controls
 - xiv.** IT security
 - xv.** Performance Management
- d)** Providing assurances for the annual Governance Statement, that financial and operational control processes are in place to enable their directorate to achieve their objectives and manage significant risks.

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9 PART 6 – DECISION MAKING

9.1 INTRODUCTION

Good governance means taking well Informed and transparent decisions.

This is achieved through:

- Being rigorous and transparent about the decision making process and having good-quality Information advice and support available to decision makers.

9.2 DECISION-MAKING

Key criteria in assessing good governance are the quality of decision-making, both strategic and operational, in addition to the quality of the process that informs democratic decision making within the authority.

The distinctive nature of executive and reserved functions is considered in Part 3 of this Governance Framework (Chapter 6). The majority of day-to-day operational decisions are taken by officials to whom authority has been delegated by the chief executive or who act based on the level of advice and information provided. Decision-making arrangements and the nature and extent of delegations within the executive require similar levels of clarity to those needed in relation to reserved and executive functions.

The quality of the information, the nature of the advice available, the level of support, the key decision criteria, the option appraisals, the legal considerations, the serving of the public interest and the business case are normative expectations for those charged with making strategic and significant operational decisions within the authority. The Public Spending Code, as developed by the Department of Public Expenditure and Reform, emphasises the importance of robust decision-making, appraisal, review and evaluation, efficiency, effectiveness and value for money considerations.

9.3 FINANCIAL MANAGEMENT

9.3.1 General

Financial management is the system by which the financial aspects of the council are directed and controlled to support the delivery of key priorities and objectives.

The key governance criterion in relation to financial management is that the local authority establishes, implements and ensures, on an ongoing basis, robust financial management systems and an effective system of internal control over the use of its financial resources. As detailed in the last chapter (8.3.1), effective internal financial control also encompasses the safeguarding of Council assets from losses of all kinds and ensuring that value for money is achieved in the use of financial resources.

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The main objectives of financial management include:

- Ensuring that the council demonstrates probity and propriety, including sound financial administration and the stewardship of public funds;
- Ensuring compliance with legal and regulatory obligations and internal control systems;
- Providing clarity of financial accountability and responsibility throughout the organisation.
- Supporting the achievement of value for money in organisation activities;
- Supporting operational and strategic decision making;
- Facilitating budgetary forecasting and financial planning;
- Providing quality Information in the financial aspects of performance;
- Delivering on financial reporting, public audit and accountability requirements;
- Providing and supporting the analysis of key performance indicators;
- Providing instruction, appropriate training and support for managers and employees to develop and enhance knowledge, skills and experience.

Cork City Council Financial Management

The Council's Financial Procedure Rules detail the financial governance arrangements for the Council, setting the control framework for the following five key areas of activity:

- Financial Planning;
- Financial Management;
- Risk Management and Control of Resources;
- Systems and Procedures; and
- External Arrangements.

9.3.2 Financial Planning

This constitutes performance planning, capital strategy, treasury strategy, medium term and annual financial strategy, revenue budgeting, capital programme and budgeting, project appraisal, business plans, and reserves.

The full Council is responsible for receiving, considering and formally agreeing the annual budget, in line with statutory guidance and consistent with the Corporate Plan.

Senior Management Team members are responsible for contributing to the development of these plans, while the Chief Executive is responsible for preparing and presenting them to the Council for consideration.

9.3.3 Financial Management

This comprises revenue budget monitoring and control, virement, treatment of year-end balances, capital budget monitoring, accounting policies, accounting records and returns, annual statement of accounts and financial reporting, setting of charges, value for money, compliance with Public Spending Code, contingent liabilities and financial implications of reports.

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The Chief Executive and Head of Finance are responsible for developing, maintaining and monitoring compliance with an effective corporate financial framework. This will encompass detailed financial procedures, professional standards, key controls, internal audit and good financial information.

Senior Management Team members will operate and manage resources within this framework, alerting the Head of Finance and Chief Executive to any risk of non-compliance. They are also expected to manage resources so as to deliver and improve value for money and reduce waste, fraud, loss and poor value.

9.3.4 Risk Management and Control of Resources

Covers risk management and insurance, internal control, audit requirements, preventing fraud and corruption, assets, treasury management, investments and borrowing, trust funds and funds held for third parties, banking, imprest accounts and staffing costs.

The Chief Executive and Senior Management Team are responsible for agreeing the City Council's risk management framework. They are also responsible for developing, maintaining and advising upon robust systems for the control of resources.

Senior Management Team members are responsible for establishing and operating sound arrangements within these corporate systems and for notifying the Head of Finance and/or Chief Executive as appropriate of any suspected non-compliance.

9.3.4.1 Risk Management and Internal Control

The City Council's practices in this regard are as detailed in Part 5 (Chapter 8). This will be monitored through an effective internal audit function.

9.3.4.2 Insurance Management

The Head of Finance is responsible for

- a) undertaking a review of requirements to support the annual renewal of insurance contracts;
- b) determining adequate insurance cover where appropriate and effecting corporate cover for all material risks, through external insurance and internal funding;
- c) establishing arrangements for the handling of all insurance claims, in consultation with other officers where necessary;
- d) ensuring that internal insurance provisions are adequate to meet anticipated claims.

Senior Management Team members are responsible for

- a) ensuring that they are aware of the extent of insurance cover and complying with procedures agreed regarding the instigation, renewal, maintenance and amendment of the authority's insurance arrangements;

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- b) informing the Insurance Claims Manager of any changes in assets that impact on insurance arrangements;
- c) informing the Insurance Claims Manager of any loss or damage to property, whether insured or not, and providing details of all claims made or incidents that may give rise to a claim against the Council.

9.3.4.3 Procurement

Cork City Council policies, procedures, standard templates, forms and guidance and are designed to ensure that the Council applies the highest standards of integrity, fairness, legality, confidentiality, and disclosure of interest to all procurement related transactions.

The primary objectives of the City Council's corporate procurement policy are to ensure that all transactions:

- Meet the requirements of customers;
- Give best value for money;
- Utilise the Council's significant purchasing power;
- Fully comply with Government Guidelines and EU Directives as applicable to state bodies;
- Are totally transparent and proportional;
- Ensure equality of access to qualified suppliers;
- Are formally contracted;
- Are undertaken in a professional manner.

9.3.4.4 Information and Communications Technology

The provision of local authority services is driven to a large extent by the quality of the data that is available and the quality of the information used to make decisions that impact upon people and society. Required outcomes are directly related to the quality, reliability, access, security, confidentiality, safety, cost-effectiveness and effective use of information and information technology.

Cork City Council has in place a comprehensive set of information security policies which outline the correct and proper use of the organisation's data and Information Technology (IT) resources. Compliance with these policies is mandatory for all Council staff and others that use its resources, data or information.

9.3.4.5 Property

The City Council's policies and procedures ensure the effective management and maintenance of its property estate. Infrastructure and facilities are managed to create and sustain a first class physical environment that enables and encourages staff in service delivery and facilitates easy access by citizens to our sites.

Central management of the Council's Property Portfolio is required to develop

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efficiencies and ensure better VFM with regard to purchases, disposals and the negotiation of leases. All property transactions, both disposals and purchase are as a direct response to service needs. The Property Department works closely with directorates to ensure that the Property Capital Plan aligns with service needs and priorities.

9.3.4.6 Communications

The key objective for the City Council's Communications Officer is to progress the integration and enhancement of all inter-related communications functions within the Council. These communications functions encompass press and media engagement, internal communications, public communications, advertising, social marketing, branding, launches, media monitoring, web-development, publications and digital media.

The role of the Communications Officer is to provide guidance, oversight, and set quality standards to be met by all City Council communications projects. This process will standardise and integrate all of the communications activities of the organisation. This will ensure strategic focus and purpose, increase economies of scale, prevent duplication and waste of valuable resources and allow integration of messages with service provision.

9.3.4.7 Human Resources

The City Council has in place a wide range of written policies, circulars and guidelines that are applicable to all employees. These are essential to support administrative personnel functions, performance management and employee relations.

The Council's Code of Conduct for Employees defines the overall framework within which all employees are expected to work. It sets out the principles which should govern the behaviour of employees and the values which the City Council espouses. Induction processes include instructions on the provisions of the Code and all new employees receive a copy.

The City Council has Fraud Prevention and Response policies. These detail employees' responsibilities with regard to fraud prevention, what to do if fraud is suspected and the action that will be taken by management.

9.3.4.8 Quality Customer Service

The City Council's most recent Quality Customer Service Charter outlines our commitment to providing high quality, courteous and timely services to all our customers and service users in accordance with the Guiding Principles for Quality Customer Service. Quality Customer Service Charter acknowledges the diversity of our customers, and sets out the aim to meet their needs by:

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- Giving customers the best possible service and providing helpful advice;
- Treating customers properly, fairly, impartially and with courtesy;
- Aiming to ensure that customer rights to equal treatment established by equality legislation are upheld in the delivery of the Council's services; and
- Aiming to meet any special needs customers may have.

The Customer Action Plan contains a number of commitments in relation to how we treat internal and external customers, including:

- Endeavouring to respond to letters and emails within 15 working days;
- Having a contact name, telephone number and email address included in all email correspondence;
- Specific commitments in relation to contact with customers by telephone, visits to the Council's offices by customers, the provision of services in Irish, and the provision of services to people with disabilities.

The Official Languages Act 2003 provides for the preparation by public bodies of a statutory scheme detailing the services which they will provide through the medium of Irish, through the medium of English, and through the medium of both languages.

9.3.5 Systems and Procedures

This incorporates general processes and procedures, income, procurement, ordering and paying for works, goods and services, payments to employees and members, taxation, and trading accounts/business units.

The Chief Executive and Head of Finance are responsible for the Council's accounting control systems, the financial accounts, supporting information and all financial processes or procedures.

Senior Management Team members are responsible for the proper operation of all systems, processes and procedures. All exceptions to the corporately agreed standards will be agreed with Head of Finance and Chief Executive.

9.3.6 External Arrangements

This addresses partnerships, external funding and work for third parties and relationships with trading companies and voluntary organisations.

The Chief Executive and Head of Finance are responsible for promoting the same high standards of conduct in the management of external arrangements as within the Council.

Senior Management Team members Directors are responsible for ensuring that the Council's interests are protected in such arrangements and that appropriate advice is taken at all stages.

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9.4 PERFORMANCE MANAGEMENT

9.4.1 General

The corporate plan and the service delivery plan set out the objectives, priorities, functions and activities. A key component of demonstrating and evidencing implementation of those plans is the use of performance management and measurement systems including performance indicators.

The setting of and reporting on indicators allows those in a governance and leadership role to monitor performance on an ongoing basis linked to the service delivery plan targets. The indicators also facilitate performance evaluation of policy, projects and initiatives over a longer term basis. Performance management is facilitated by capturing and reporting information relating to resource inputs, activities, results, and outputs and outcomes.

The management report and other performance information collated locally or nationally through the national service indicator process facilitate the assessment of organisational and sectoral performance and inform decisions on local authorities that are performing effectively and those that could improve organisational performance.

9.4.2 Cork City Council Performance Management

Chapter 5 highlighted how both the Chief Executive's Monthly Management Report and the year end Annual Progress Report review performance standards identified in the Annual Service Delivery Plan and by NOAC against the outcomes achieved during the year.

Good governance arrangements within the local authority also address compliance obligations. In essence, a high performing local authority must be aware of and fulfil its statutory and policy obligations while ensuring that strategic priorities and objectives are achieved. The success or failure of governance implementation is reflected in both the service delivery outcomes and impacts on the reputation of the authority.

The role of the compliance function is to assist the Senior Management Team in identifying, assessing and monitoring compliance obligations. Periodic reports will be furnished to give independent assurance to them that management across the organisation are adhering to legal, regulatory and governance obligations and implementing required remediation.

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10 PART 7 – EVALUATION AND CAPACITY DEVELOPMENT

10.1 INTRODUCTION

Good governance means developing the organisational capacity and the leadership capability and competencies of members and officials to operate effectively and fulfil the purpose of the organisation.

This is achieved through:

- Enduring that members and officials have the supports and appropriate structures they need to perform effectively in their roles;
- Developing the capability of those with governance and leadership responsibilities to ensure outcomes achieved are consistent with good governance obligations.

10.2 PERFORMING EFFECTIVELY

Councillors and officials need knowledge, skills, expertise and supports to do their jobs well. Skills need to be developed continually to improve performance. Councillors must be enabled to regularly update their knowledge levels to meet the challenges of the changing environment in which local government operates.

Councillors

All elected councillors should receive a thorough induction that is tailored to their role in the organisation. All councillors should have opportunities to develop further skills, to update their knowledge throughout their period of membership of the council, and to identify and address their development needs.

The Association of Irish Local Government (AILG) has been given the mandate for training and development for all councillors.

The role of the AILG includes:

- Organising induction training for newly elected and re-elected councillors in all aspects of the council including identifying their roles and responsibilities; financial management; key services
- Ongoing training and development (for the term of the council) from an accredited and non-accredited perspective and ongoing skills based training and development.

Staff

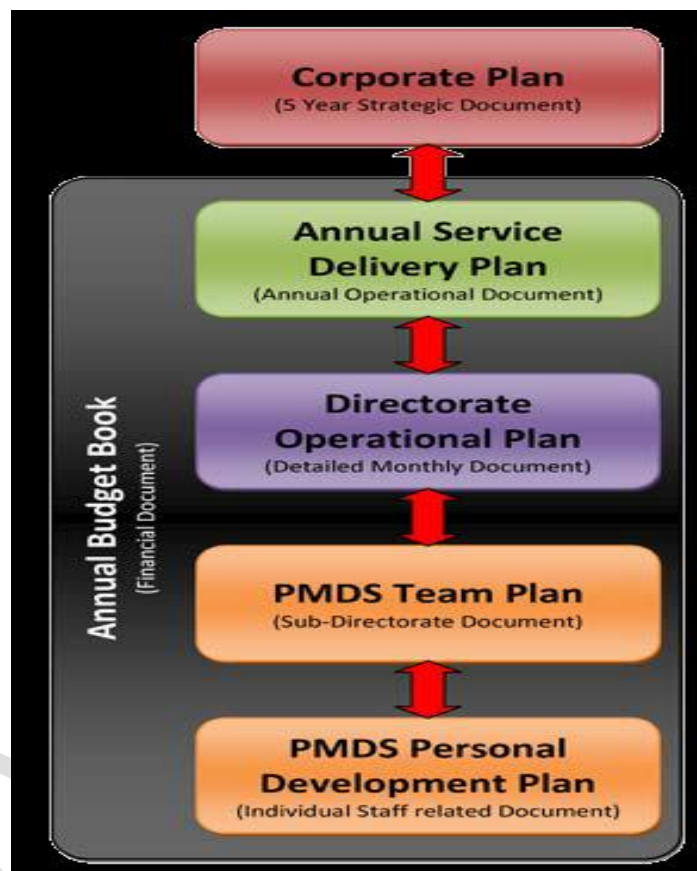
In the context of local authority staff, an effective Performance Management and Development System (PMDS) has been developed to facilitate staff to perform effectively in their roles and duties. PMDS encompasses the following core principles:

- Creating a clear understanding of what is expected of staff and managers through effective planning and goal setting;

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- Enhancing understanding of the strategic objectives of the organisation and individual contribution to achieving these;
- Regular reviews to ensure common understanding of and to manage progress towards achieving goals; and
- Fostering career progression through continuous learning and development.

PMDS is directly linked to the Strategic and Operational Plans outlined within the Purpose, Planning and Performance element of the Governance Framework as articulated in Part 2 (Chapter 5).



PMDS is a two-way collaborative process which encourages staff and their managers to think about, discuss and agree on what needs to be done to strengthen individual performance, the performance of the City Council and the service we deliver to the public.

The Council is committed to a continuous process of supporting and improving the performance of its staff. To a very considerable degree, better organisational performance is dependent on a motivated, skilled and agile workforce.

Cork City Council will continually monitor and update its Workforce Plan to ensure it is aligned with a changing operating environment and business priorities. The Council will also actively support staff in availing of the training, learning and development necessary to do

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their work well and will continue to work to implement the productivity changes enabled by the implementation of the Public Service Agreements.

In overall terms, developing the capacity and capability of the leadership team and employees will ensure that local authorities will be equipped to respond effectively to changing legal, regulatory and government policy obligations and to evolving economic, environmental and societal demands.

10.3 PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

Developing the skill sets of the local authority work force assists in ensuring that it is better managed, more motivated, more involved and systematically trained to deliver cost-effective and quality services to the public. To achieve this, it is critical that all grades of local authority staff receive ongoing training and development so that they can respond effectively to factors that are driving the changes in the local government sector, including changing customer expectations and a constantly evolving legislative framework, both national and European.

Staff training and development are important factors in influencing performance in the workplace and in assisting staff members to meet personal and organisational needs through their work. Personal needs include promotion, job satisfaction, motivation, etc., while organisational needs include greater output, efficiency, loyalty, etc. The aim of training and development is to provide the workforce with the knowledge, skills and information that they require in order to achieve the organisational goals set out in the Corporate and other plans.

10.4 EVALUATION OF THE ELECTED COUNCIL AND COMMITTEES

The Good Governance in the Public Sector Framework (2014) asserts that the purpose of good governance is to achieve the organisations objectives which should be consistent with legal, regulatory and policy obligations while acting in the public interest.

The Corporate Plan implementation, monitoring and review framework involves, on an annual basis, both the management team and the strategic policy committees identifying annual and multi annual priorities. The effectiveness of the council in achieving the corporate plan objectives will be monitored on an ongoing monthly basis by management and staff. In addition, external reporting on achievement of objectives is undertaken through a number of mechanisms such as: monthly management report to council; annual progress report to council; the council's annual report; National service indicators report and annual financial statement and audit reports.

An annual review and evaluation of the corporate plan will be undertaken by the corporate policy group. In the context of changes within the operating environment of the council, the annual review will determine the continued validity of strategies, with a view to making any

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necessary adjustments. The content of the annual review and evaluation will be incorporated into the council's annual report for publication each year.

In the case of audit committees, the 2014 regulations require each committee to undertake an annual evaluation of its performance and report the findings to the plenary council. Other committees for example SPC's could also implement this requirement as good governance practice.

WORKING DRAFT

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11 PART 8 – STAKEHOLDERS AND PUBLIC ACCOUNTABILITY

11.1 INTRODUCTION

Good governance means engaging openly and comprehensively with local people, citizens and other stakeholders to ensure robust public accountability.

This is achieved through:

- Providing clarity in relation to accountability relationships and organisational assurance, audit and scrutiny functions.
- Ensuring there is a process and mechanisms that deliver clear communication, effective stewardship and accountability to stakeholders.

11.2 RANGE OF STAKEHOLDERS

A local authority operates in a complex environment, one in which it influences, and is influenced by, a wide range of internal and external stakeholders. The nature of these relationships and the level of required cooperation or communication will vary according to the underlying department, service or activity.

The types of bodies influencing and/or with which local authorities must engage include those at local (development agencies, community groups, advisory bodies, inter agency committees), regional (regional assemblies, state agencies, advisory bodies), national (government departments, national agencies, advisory bodies) and European (European Commission, European Parliament) levels.

At the national level, many different government departments interact with local authorities. The Department of Housing, Planning, Community and Local Government oversees the operation of the local government system and implements policy in relation to local government structures, functions, human resources and financing. However, the work of local authorities is also influenced by the policy decisions implemented by, and activities of, other government departments. Principal amongst these are the Department of Finance, Department of Public Expenditure and Reform, Department of Communication, Climate Action and Environment and also the Department of Transport, Tourism and Sport. The work of several national agencies such as the Environmental Protection Agency and Transport Infrastructure Ireland also impact significantly on the local authority.

At a local level, special purpose companies are often key stakeholders. Councillors, management and staff represent local authorities on a number of these company boards which operate in functional areas such as economic development, tourism, heritage, sports, the arts and community development.

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11.3 REPRESENTATION ON STAKEHOLDER BODIES

In addition to the leadership and governance roles of councillors, management and staff within the local authority, there is also a requirement for the authority to be represented on external stakeholder bodies; for example, company boards. Elected members, management and staff are nominated to these entities and there is a requirement to ensure that these roles are performed effectively and appropriately. As nominated Board members, elected members and staff have primary responsibilities to undertake their fiduciary duties on behalf of the company including acting in the best interests of that company.

Many authorities operate companies, joint ventures or alternative corporate structures in areas such as economic development, tourism, heritage, sports, the arts and community development. The company information maintained must include details of Directors, Constitution (Memorandum of Association and Articles of Association) and most recently audited financial statements and Annual Accounts. Relevant data for filing returns and details must be submitted to the Companies Registration Office and Revenue Commissioners as required by compliance legislation.

11.4 STAKEHOLDER ENGAGEMENT

Notwithstanding statutory consultation requirements, elected representatives should ensure active engagement with and participation by stakeholders and the wider public through the implementation of government guidelines on engagement. Effective arrangements for public participation include the following elements:

- the process should be user-friendly and perceived as fair, just and respectful;
- the avenues for public participation should be accessible to all;
- the public participation process should provide participants with the information they need to participate in a meaningful and accessible manner;
- the public's role in decision-making and the limits of their influence should be clear from the outset; and
- the public should have the opportunity to be involved and/or monitor the implementation of the decision or outcomes.

11.5 PUBLIC PARTICIPATION NETWORK

Section 127 of the Local Government Act 2001 (as amended) requires the City Council to implement a framework for public engagement.

The Public Participation Network (PPN) was established in 2015 and is comprised of groups and organisations from the community, voluntary, social inclusion and environment sectors operating across the City. It allows such groups to actively participate in relevant policy making and oversight committees of the City Council. The PPN ensures that Cork City communities have a say in how local government works.

The role of the Cork City PPN is to:

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- provide a mechanism for the Council to consult with the public on new plans, strategies, policies, services and other community supports;
- facilitate the representation and participation of the public on Council committees (ie: Strategic Policy Committees, Local Community Development Committee, and Joint Policing Committee);
- act as a platform for groups/organisations to develop policies and positions on issues of common interest and to advocate for these with the Council;
- strengthen the capacity of groups /organisations to contribute positively to their local community and the wider City;
- provide networking opportunities and act as a hub around which information and ideas is shared.

The PPN is structured into three broad sectors and participating groups self-select into one of these pillars:

- Community & Voluntary;
- Social Inclusion;
- Environment.

Plenary sessions of the PPN bring together groups and organisations from across all three sectors. This is the decision-making body of the PPN and meets regularly to make decisions on PPN's direction and policies and ensure that members are kept abreast of PPN activities.

Decisions of the Plenary are implemented by the Secretariat which is the organising body of the PPN. There are six seats on the Secretariat, comprising two representatives from each of the three sectors.

Linkage Groups are thematic sub-groups of the PPN. They mirror and correspond directly with the City Council's Service Divisions. They bring together PPN members that have either a remit or an interest in these services, regardless of which Electoral College the member belongs to. The PPN elects a number of representatives to sit on the various decision making bodies in Cork City Council. These representatives liaise with the elected members on the various council committees and articulate the objectives and opinions agreed upon by the linkage groups. They thereby provide a mechanism through which the PPN influences policies and decisions made by the Council's decision-making bodies. Linkage groups meet regularly as necessary and serve to keep members abreast of developments and facilitate civic participation.

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11.6 LOCAL COMMUNITY DEVELOPMENT COMMITTEES

11.6.1 General

A key government goal is the alignment of local development functions with local government.

Local Community Development Committees (LCDC's) aim to bring together key agencies and bodies within the area in order to engage in long-term planning. The aim of the LCDC is to develop, co-ordinate and implement a coherent and integrated approach to local and community development.

Membership includes:

- elected Council members;
- local authority officials;
- representatives of public bodies which provide services in the area;
- representatives of local community interests;
- local community representatives;
- representatives of publicly funded or supported local development bodies.

The Cork City LCDC includes representatives elected from the Public Participation Network (PPN).

LCDC's operate under the local authority structure as a committee of Council. However, the majority of the LCDC's membership must come from the non statutory sector. The committee has its own Chief Officer and Chair and is therefore independent of the City Council. Nonetheless, this structure places the democratically elected members at the centre of a process that allows them to have a real say on how funds are expended in the city and to ensure that there is appropriate oversight to ensure that spending happens in the agreed targeted areas.

The main function of an LCDC is to prepare, implement and monitor the community elements of the six-year Local Economic and Community Plan (LECP). This plan is a unified economic and community vision that seeks to embrace the objectives and work of local business, community and public service providers in the city. Whilst the LCDC is required to consider the economic elements of the plan in order to enhance coordination with the community elements and ultimately integrate the two elements, it does not have a role in deciding on the economic elements. The LCDC has a general role in seeking to ensure effectiveness, consistency, co-ordination and avoidance of duplication between the various elements of local authority activities in the community.

The Local Economic and Community Plan must be consistent with the local development plans made by the elected members and with the regional spatial and economic strategies. The plan must be considered and approved by the Council.

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11.6.2 Cork City Council’s Local Economic and Community Plan 2016 - 2021

Cork city’s LECP, “Pure Cork: An Action Plan for the City” was adopted by Council in October 2016.

A comprehensive programme of collaboration and synergy was followed in order to ensure that the LECP would support and build upon the wide range of existing stakeholder strategies and actions plans already at work across the city.

The LECP is underpinned by the following guiding principles:

1. Sustainability – promoting a more resource efficient, green and more inclusive society and economy;
2. Maximising returns by co-operation, collaboration and avoiding duplication;
3. Participative “bottom-up” approach – ensuring meaningful community participation and consultation in the planning process;
4. The promotion and mainstreaming of equality;
5. Harnessing existing local and community development infrastructure to make best use of resources;
6. Community development principles – addressing social exclusion and providing supports for the most marginalised;
7. Accessibility and ownership – written in a straight forward style.

The plan seeks to integrate these guiding principles by focusing on the following action types:

- Stakeholder Driven Actions: Actions that guide and inform the work of plans that operate at a more strategic level (national, regional, metropolitan, and gateway)
- Local Level Actions: Actions that support the implementation of existing and future stakeholder strategies influencing the development of Cork City at local level
- GAP Actions: Actions that identify inter-agency gaps in the economic and community development of the city.

Corks City’s LECP is structured around 15 High Level Goals (HLG's). They represent a collective and holistic roadmap for Cork City in line with the overriding vision that:

- Cork will have vibrant, resilient, inclusive, sustainable communities where people have a good quality of life and access to quality public services;
- Cork will achieve balanced and sustainable economic development and employment;
- Cork will enhance social inclusion and equality by ensuring that all residents of the city have equal opportunities to access, participate and engage in the social, economic and lifelong learning opportunities in the city.

A wide variety of multi-agency structures exist within Cork City. Some of these have both a strategic vision and local action plans in operation. Other stakeholders make a valuable contribution to the city but are at a less advanced stage in terms of strategy and operational

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structure. Through addressing and incorporating these strategic plans and inputs, the city’s LECP recognises their central role in realising many of the stated High level Goals. The focus of the HLG’s is not on the core business of any one agency but on cross cutting areas of work in order to avoid duplication and enhance collaboration.

The LECP High Level Goals are:

No.	Theme	Detail
1	Housing	Clearly identify and plan responses to a range of housing issues experienced in Cork City to strengthen the economic and community development of the city.
2	Healthy City	Ensure Cork is a healthy city that connects to improve the health and well-being of all its people and reduce health inequalities.
3	Community Participation	Integrate communities and community and voluntary groups into decision making and to promote civic participation and community engagement.
4	Safe and Green City	Ensure Cork is a safe and green city with a secure and sustainable environment in which to live, work and play
5	Social Economy	Ensure the vibrant social economy sector is supported and enhanced.
6	Education and Learning	Support the culture of learning in Cork and enhance educational levels across the city.
7	Social Inclusion and Equality	Reduce the marginalisation of specific communities within the city, taking into account the nine grounds and socio economic status.
8	Children and Young People	Develop integrated responses to the needs of children and young people and improve outcomes through local inter-agency working.
9	Older People	Develop integrated responses to the needs of older people, promoting their inclusion and contribution in all areas of life.
10	Economic Diversity	Support the maintenance of a diverse economic base within the city.
11	Innovation	Support innovation in the local economy.
12	Skills and Human Capital	Develop skills within the Cork area to match the needs of existing and future businesses. Provide support services for the unemployed and help maintain and expand businesses in areas of high unemployment.
13	Transport and Communications	Support measures to improve transport and telecommunications networks into and around Cork City and region.

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No.	Theme	Detail
14	Quality of Place	Build on Cork’s strong place quality assets and improve the attractiveness of the city for residents and visitors.
15	Competitiveness Through Strategic Governance	Co-operate with other stakeholders to deliver the strategic governance that ensures the Cork Gateway remains a competitive location for economic activity and also to maintain the excellent quality of life available in Cork which underpins the Gateway’s competitiveness.

The 15 High Level Goals (Hog’s) that initiated the plan making process form the framework for the detailed action plan. Each of the HLG’s is realised through a series of supporting strategic objectives that are themselves driven by local actions. The Action Plan for Cork City sets out 98 Strategic Objectives and 239 Local Actions.

Given the wide variety of actions within the plan, the implementation, monitoring, evaluation and review will be critical in determining its success. Implementation will be tracked through a three staged approach, with objectives and actions fully reviewed every two years. Each objective and action will be reviewed to monitor progress, assess relevance and establish the need for additions and amendments. This will allow for a more realistic and flexible plan that remains current to the economic and community needs of Cork City over the next six years.

A key objective of the plan is to create the right conditions that allow existing structures to function at their best whilst enabling the growth and enhancement of the city’s richness in a dynamic, co-ordinated and confident manner. By achieving this unified approach at local level, the ideal of “One City, Many Communities” can be realised even stronger.

11.7 CITIZENS AND SERVICE USERS

Citizens and service users are key stakeholders. An effective democracy demands that citizens can and do participate in public life; this is achieved and facilitated through effective consultation. Consultation supports greater transparency, which is an important principle of good governance. It helps to ensure that the operations of public sector bodies are conducted with greater clarity and openness. It recognises that public policy-making can be enhanced through the active involvement and contribution of all stakeholders with an interest in particular policy developments. By ensuring that interested parties can express their views about a particular proposal, the decision-making process becomes better informed, more rigorous and more accountable.

Many of the functions of a typical local authority require statutory consultation with members of the public. However, the relationship between the local authority and citizens and service users extends beyond the formal consultation structures.

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A significant influence on how the local authority is perceived is through the quality of service provided, actual and perceived, in the daily interaction with citizens and service users. Formal and informal communications, whether through staff, elected members or the media, is another key element to this interaction.

11.8 STAKEHOLDER AGREEMENTS

All bodies in receipt of public funds must serve the interests of the taxpayer, pursue value for money in their endeavours and act in a transparent manner.

11.8.1 Bodies under the Aegis – Subsidiary and Associated Undertakings

Responsibility for delivery on the mandate and functions of a body under the aegis of the City Council rests in the first instance with that entity's directors and the Chairman of its Board. However, the City Council has an obligation to exercise external governance and oversight over such bodies.

Line Directorates / Departments within the City Council are the main points of contact with bodies under its aegis. They therefore have the frontline role and responsibility, insofar as the City Council is concerned, for ensuring effective corporate governance of any subsidiary or associated undertaking. Such oversight and liaison functions include:

- Regular liaison and communication concerning resources and operational matters;
- Monitoring spend, performance and compliance with Performance Delivery Agreements / Service Level Agreement targets;
- Consulting with the body regarding policy and / or legislative developments;
- Oversee the body's adoption and implementation of Core Governance Standards as specified by the City Council; and,
- Ensure submission of a formal Annual Governance Statement in a format required by the City Council.

The Governance Standards that Cork City Council apply will:-

- set out those arrangements for liaison and oversight of Bodies under the Aegis;
- provide an overview and reference of the periodic measures taken to provide ongoing governance assurance.

Performance Delivery Agreements and similar instruments are an important element of the Council's approach to ensuring effective corporate governance within the bodies under its aegis. The City Council will put in place Performance Delivery Agreements with each body under its aegis. These serve as a contract in which an agreed level of performance / service is formalised and which ultimately result in the improved effectiveness and efficiency of public services. The agreements allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators, including milestones to measure performance against targets.

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Performance Delivery Agreement will include:

1. Introduction
2. Corporate Governance
3. High Level Goals and Objectives of the Agreement
4. Mutual Commitments
5. Inputs
6. Performance/Service Levels and Performance Measurement
7. Potential Risk Factors
8. Performance Measurement
9. Flexibility & Amendment of Targets
10. Monitoring Arrangements
11. Duration and Signatories to the Agreement

11.8.2 Funding and Relationships with Other Bodies

Given the complexity and diversity of the stakeholder interaction ranging from informal public consultation through to quasi-legal and contractual obligations with peer organisations, there has been a significant increase in the use and prevalence of performance management agreements (PMA) service level agreements (SLA), memorandums of understanding (MOU), memorandums of agreement (MOA), and compact or agreement letters. Such instruments have increased relevance where they are used to underpin funding provided by the City Council.

A service level agreement is an agreement between a service provider and a user of the service, which sets out the services to be provided and the minimum quality of service required, and specifies what is to occur if the quality of service fails to meet minimum service levels. Examples of SLA's for local authorities include those relating to the transition of responsibility for water services from local authorities to Irish Water and the establishment of Local Enterprise Offices requiring SLA's between local authorities and Enterprise Ireland and Local Government Shared Services.

Typical contents of an SLA include:

1. introduction and purpose of agreement;
2. mutual commitments and values;
3. principal roles and statutory responsibilities;
4. financing and resourcing systems;
5. performance and evaluation arrangements;
6. communications arrangements; and
7. mediation and arbitration processes.

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11.9 PUBLIC ACCOUNTABILITY

Accountability is a key public service value. Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Through the legislative and governance arrangements in place for local government:

- members are accountable to the public for the making of appropriate policy.
- the chief executive and management are accountable to Council for implementation of policy decisions, and,
- staff are accountable for the proper and effective discharge of business and the use of public resources.

Elected representatives are a key element of the scrutiny, oversight and assurance framework within local authorities to ensure robust public accountability. The other elements of the framework include external audit, public financial management and stewardship obligations, external agency reviews, audit committee charter and work programmes, the risk management system, internal audit, internal control systems, performance monitoring and reporting obligations, chief executive and management assurances and the approval of the annual financial statements. Councillors should ensure that public accountability is demonstrated in relation to the activities of the council and should provide assurance to stakeholders that scrutiny and oversight are being exercised.

Clarity about roles and responsibilities assists stakeholders to understand better how the local authority governance system works and who is accountable to whom and for what.

11.10 INTERNAL AUDIT PROCESS

11.10.1 Internal Audit Unit

Cork City Council is committed to promoting the highest standards of corporate governance throughout the organisation. This objective is incorporated into the Council's Corporate Plan. Internal Audit is an important element in facilitating the achievement of this goal. It is the policy of Cork City Council to maintain and support a quality internal audit function that operates to professional standards.

The role of the internal audit function is to provide a critical and independent opinion on the adequacy and effectiveness of the control framework across the organisation. As part of the overall governance and control environment in the council, it provides assurance that all significant operating risks are identified, managed and controlled effectively.

Cork City Council's internal audit unit operates under a formal written charter that defines the purpose, role and responsibility of the function within the local authority. It establishes Internal Audit's position within the organisation in addition to authorising access to records, personnel, systems and assets for the purpose of audit work. The charter commits to the

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internal audit function being independent in the performance of its duties and in its reporting arrangements.

The charter sets out the unit's audit approach and methodology and is further supported by a more comprehensive internal audit engagement process. This supplementary document details the respective responsibilities of management and internal audit. It acknowledges that the process works best when there is a professional working relationship based on clear and ongoing communication and interaction, and which also respects the differing roles of management and internal audit.

Internal auditors shall be independent of the activities they audit and shall not have any operational responsibilities outside audit. However, the Internal Audit Unit may, if deemed appropriate by the Head of Internal Audit and/or the Audit Committee, or if requested by management, review systems under development and advise on appropriate controls without prejudicing its right to subsequently audit such systems.

The Head of Internal Audit has full right of access to the Chief Executive and the Audit Committee Chair.

11.10.2 Audit Committee

As part of the governance arrangements operating within Cork City Council, the audit committee has an independent role in advising the Council on financial reporting processes, risk management, internal control and audit matters.

The Audit Committee has a role in promoting good accounting practices, ensuring better and more informed decision-making and improved focus on value for money throughout the Council. The Committee provides objective advice and recommendations on the work of the Internal Audit Unit and supports it in the execution of its work. It also advises the Chief Executive on the operation and development of the internal audit function in the Council.

Section 122(2) of the Local Government Act 2001 (as amended) sets out the statutory functions of the audit committee as being:

- to review financial and budgetary reporting practices and procedures within the local authority that has established it;
- to foster the development of best practice in the performance by the local authority of its internal audit function;
- to review any audited financial statement, auditor's report or auditor's special report in relation to the local authority and assess any actions taken within that authority by its chief executive in response to such a statement or report, and to report to that authority on its findings;
- to assess and promote efficiency and value for money with respect to the local authority's performance of its functions; and
- to review systems that are operated by the local authority for the management of risks.

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The legislation also confers specific responsibilities in relation to the audited financial statements and related Local Government Auditor's report.

Cork City Council's Audit Committee operates in accordance with a Charter setting out its roles and responsibilities. The charter is based on the statutory obligations within relevant Local Government legislation, Audit Committee Regulations detailed in Statutory Instrument 244 of 2014, central government guidance issued in June 2014 as well as good practice outlined in various professional and authoritative codes and reports. This charter is reviewed and formally approved by Council each year.

The Committee is comprised of seven members, four of whom are external appointments. The Chairman is selected from the external members. The term of the committee is concurrent with that of Council. The Head of Internal Audit provides secretarial support to the Committee.

The Audit Committee has adopted its own working procedures. It meets on at least four occasions each year. It develops a detailed annual work programme and this is provided to Council at the outset of each year. The committee has access to documents or other data and information as it reasonably requires in order to discharge its functions. The Chief Executive ensures that staff facilitate the committee in relation to briefings required by them in a timely and efficient manner.

The Audit Committee is independent in the performance of its functions and responsibilities and is not subject to direction or control from any other party. It is accountable to Council and in this regard it prepares and presents an annual report within three months of the expiration of each calendar year of operation.

11.11 LOCAL GOVERNMENT AUDIT SERVICE

The Local Government Audit Service (LGAS) is the statutory independent external audit service for local government. Its statutory remit, as set out in the Code of Audit Practice for Local Government, under Section 116 of the Local Government Act 2001, is to provide independent scrutiny of the financial stewardship of local authorities and other bodies.

The role of the LGAS is to:

- Carry out the audit of local government bodies in accordance with its statutory Code of Audit Practice, thereby fostering the highest standards of financial stewardship and public accountability;
- Undertake Value for Money audits, publish reports thereon and thereby assist local authorities in achieving better value for money;
- Support the work and further development of the National Oversight and Audit Commission (NOAC) through the preparation of Value for Money studies and of other reports at the request of NOAC on matters within the Commission's statutory remit;

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- Support the wider Department of Local Government in its efforts to address systemic issues raised in local government audits and Value for Money reports, in the context of Government policy for local government “*Putting People First – Action Programme for Effective Local Government*”; and,
- Carry out such other functions as the Minister may from time to time direct.

Audits are carried out in accordance with a statutory Code of Audit Practice, which provides the following:

- The responsibility of the auditor to form an independent audit opinion on the financial statements;
- The discharge of audit responsibilities with integrity, objectivity and independence;
- The exercise of due professional care and impartiality; and
- The audit approach, which prescribes the way in which auditors should perform their functions in the light of statutory and other responsibilities imposed on them.

The Local Government Auditor undertakes an independent external financial audit of the City Council and provides an audit opinion on the annual financial statements. In addition to the audit opinion, the auditor issues statutory audit reports to the elected members on the major audits, covering any matter or matters which the auditor feels should be reported. The Chief Executive is required to respond to this report and such responses may be included as part of the final report, which is an important part of public accountability.

Auditors also assist local authorities in improving their accounting and internal control systems by issuing management letters as part of the external audit process.

Local government auditors are independent of the Department when discharging their professional functions.

11.12 NATIONAL OVERSIGHT AND AUDIT COMMISSION

The National Oversight and Audit Commission (NOAC) is an independent statutory body that provides oversight of the local government sector.

NOAC's functions include:

- Monitor and evaluate adherence to service level agreements entered into by any local government body;
- Oversee how national local government policy is implemented by local government bodies;
- Monitor and evaluate public service reform implementation by any local government body or generally;
- Scrutinise performance of any local government body against relevant indicators as selected by NOAC (to include customer service) or as prescribed in Ministerial regulations;

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- Scrutinise financial performance, including value for money, of any local government body in respect of its financial resources;
- Support best practice (development and enhancement) in the performance of their functions by local government bodies; and
- Monitor adequacy of corporate plans prepared by Regional Assemblies and councils and evaluate implementation of the plans by any local government body or generally.

Although NOAC is a statutory body, it does not retain a staffing complement of its own and its secretariat is provided by the Local Government Division of the Department. To fulfil its functions, NOAC relies significantly on the expertise of its membership and on the co-operation of agencies that can offer input into its activities (e.g. the Local Government Management Agency, the Local Government Audit Service and the Housing and Sustainable Communities Agency). The Assistant Secretary General in the Local Government Division of the Department is a member of NOAC. Reports prepared by NOAC are published and sent to the chief executives of the local authorities; they are also considered by the Management Board and taken into account as appropriate in the management of relevant programmes involving both the Department and local authorities.

The Chief Executive's monthly management report is also required to comment on recommendations contained in any relevant report of the National Oversight and Audit Commission (NOAC).