

**DIMENSION FOUR: TAKING INFORMED AND TRANSPARENT DECISIONS WHICH ARE SUBJECT TO EFFECTIVE SCRUTINY AND MANAGING RISK**

The local code should reflect the requirements to:	Source documents/processes/other means that may be used to demonstrate compliance	Self Assess. Score	Action plan for improvement
a)	Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible	<ul style="list-style-type: none"> <li>Scrutiny is supported by robust evidence and data analysis</li> </ul>	
b)	Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	<ul style="list-style-type: none"> <li>Decision-making protocols record of decisions and supporting materials</li> </ul>	
c)	Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	<ul style="list-style-type: none"> <li>Members' code of conduct</li> </ul>	

d)	Develop and maintain an effective audit committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee	<ul style="list-style-type: none"> <li>• Terms of reference</li> <li>• Membership</li> <li>• Training for committee members</li> </ul>		
e)	Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints	<ul style="list-style-type: none"> <li>• Complaints procedure</li> </ul>		
f)	Ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose - relevant, timely and gives clear explanations of technical issues and their implications	<ul style="list-style-type: none"> <li>• Members' induction scheme</li> <li>• Training for committee chairs</li> </ul>		
g)	Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	<ul style="list-style-type: none"> <li>• Record of decision making and supporting materials</li> </ul>		

h)	Ensure that risk management is embedded into the culture of the authority, with members and managers at all levels recognising that risk management is part of their jobs	<ul style="list-style-type: none"> <li>• Risk management protocol</li> <li>• Financial standards and regulations</li> </ul>		
i)	Ensure that arrangements are in place for whistle-blowing to which staff and all those contracting with the authority have access	<ul style="list-style-type: none"> <li>• Whistle-blowing policy</li> </ul>		
j)	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Monitoring officer provisions</li> <li>• Statutory provision</li> </ul>		
k)	Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law			

l)	<b>Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law - rationality, legality and natural justice - into their procedures and decision-making processes.</b>	<ul style="list-style-type: none"><li>• <b>Monitoring officer provisions</b></li><li>• <b>Job description/ specification</b></li><li>• <b>Statutory provision</b></li></ul>		
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Reference documents	Tools to assist local authorities for self-assessment purposes		
<p><i>Worth the Risk: Improving Risk Management in Local Government</i>, Audit Commission (2001)</p> <p><i>Risk Management in Public Services</i>, CIPFA/ALARM (2001)</p> <p><i>The Orange Book - Management of Risk Principles and Concepts</i>, HM Treasury (October 2004)</p> <p><i>Audit Committees: Practical Guidance for Local Authorities</i>, CIPFA (2005)</p> <p><i>The Good Scrutiny Guide: A Pocket Guide for Public Scrutineers</i>, Centre for Public Scrutiny (2006)</p> <p><i>Overview and Scrutiny of Local Government: A Handbook for Elected Members</i>, Centre for Public Scrutiny (2006)</p> <p><i>A Wider Conversation: Effective Scrutiny of Local Strategic Partnerships</i>, IDeA (February 2007)</p>	<p><i>A Toolkit for Local Authority Audit Committees</i>, The CIPFA Better Governance Forum (2006)</p>		