



The Golden Triangle: Governance Roles and Responsibilities

This document is a quick guide to the role of the three statutory officers in local authorities that focus on governance.

It brings together material from existing published sources, including the [Code of Practice on Good Governance for Statutory Officers](#) published in 2024 by CIPFA, Solace and LLG

Introduction: What is the ‘Golden Triangle’?

As outlined in the [Code of Practice on Good Governance for Statutory Officers](#), the three roles of Head of Paid Service, Chief Finance Officer and Monitoring Officer work together to ensure good administrative, financial, and ethical governance of a local authority in the exercise of its functions. The statutory officers are expected to advise clearly with impartiality and integrity. This can mean delivering challenging messages, which makes it more important that these three key officers work closely together to connect properly with key stakeholders across the authority. For this reason, they are often referred to collectively as the governance ‘Golden Triangle’.

In addition, there are other key leadership roles within the council which also play an important governance role and sometimes have their own statutory responsibilities. So, while this document focuses on the three roles that make up the Golden Triangle, the wider leadership team of any council could also be referred to as a ‘Golden Star’ and has a vital role in governance.

Crucially, all of these officers work on behalf of, and under the authority of, the *whole* council – not just the administration – and operate within various legal and assurance frameworks as set out in legislation and by regulators.

The Golden Triangle explained

Chief Executive/Head of Paid Service

The Chief Executive is expected to act as lead council adviser, managerial leader and discharge the statutory Head of Paid Service role.

Role Summary:

- The Head of Paid Service holds the power to formally report to the full authority on their preferred design for the delivery, co-ordination, and integration of the authority's functions.
- In addition to the responsibilities entrusted to them by the elected members, the Head of Paid Service is statutorily responsible for the numbers, grades, roles, appointment, and discipline of all staff other than those roles where the individual council's constitution and terms of reference specify elected member decision making.
- They are also chief advisor to the authority and responsible for ensuring the best advice is available to it at all tiers and ensuring the efficient and effective implementation of the council's programmes and policies across all services and the effective deployment of the authority's resources to those ends.

Key areas of responsibility

According to the [Local Government Chief Executive Development Framework, created by the Local Government Association and Solace through extensive engagement with current chief executives and other key stakeholders, including councillors](#), the core role of a Chief Executive includes the following seven key areas of responsibility:

➤ The core chief executive role

- **Coordination:** design, delivery, coordination and integration of council functions
- **Management:** management arrangements including accountability of functions and staff
- **Staffing:** the numbers, grades, roles, appointment and discipline of staff
- **Advising the council:** ensuring best advice is available to the council at all tiers
- **Elections:** acting independently as electoral risk manager (ERM) and returning officer (RO) for local and national elections, although in some cases councils appoint officers other than chief executives to act as returning officer
- **Emergencies:** preparing and leading response and recovery from civil emergencies

➤ **Managerial Leadership**

- **Leadership:** accountable for overall service delivery and managerial effectiveness
- **Direction:** clarity of direction, and continuous improvement of functions
- **Culture:** building an open, inclusive, learning and public service focus
- **Risk, control and safeguarding:** effective internal control systems and (where appropriate) oversight of children's and adults' safeguarding
- **Teamwork:** effective working in teams, across the organisation and its partners
- **Collaboration:** co-design and delivery with service users, communities and partners

➤ **Good Governance**

- **Unified powers:** distributed decision-making in one corporate entity
- **Reasoned and reasonable:** basis of all decisions; sound ideas and good evidence
- **Open:** meetings held in public, transparency and disclosure, whistleblowing
- **Advice:** objective, impartial and open to formal scrutiny and public question
- **Independent:** use of independent people to assure proper and due process
- **Citizenship:** practice of governance links to everyday dialogue with residents

➤ **Resource management**

- **Budgeting:** prioritisation, resource allocation, revenues and controlled spending
- **Savings:** producing and delivering agreed savings to time and target
- **Investment** in infrastructure through borrowing / capital receipts, and so on
- **Asset management:** well-maintained assets (including information and data), managed corporately
- **Financial risk:** exposure to risk through mismatch of debts and obligations
- **Prudence:** investing and spending for long-term value as well as near-term cost / benefit

➤ **Politics and the political interface**

- **Impartiality** while ensuring that the council's agenda is progressed
- **Guiding** others to work effectively in a democratically accountable organisation
- **Politics:** values, basic beliefs and differing political perspectives
- **Political parties:** individuals, coalitions, factions, consensus and dissent
- **Tiers of government:** national, regional, combined authorities, local, parish
- **Interface and overlaps:** of officers with councillors, codes, protocols, respect

➤ **Public ethics**

- **Ethical principles:** rights and liberty of individuals, community and the public good
- **Ethical cultures:** cultural variety and dynamism about values
- **Fairness:** equal treatment, equal opportunity, relational equality, equity
- **Services:** ethics in service design, delivery, resource allocation and staffing
- **Practices:** planning, environment, housing and transport compared with people-focused services
- **Violations:** investigation and sanctions for ethical breaches and integrity violations

➤ **Continuous improvement**

- **Learning and curiosity:** collaborative, continuous and curious style of learning
- **Innovation:** creative experimentation, trial and error, transform where feasible
- **Service re-design:** customer centred service design
- **Digital and artificial intelligence:** technology-powered, new media enabled, but human-led
- **Performance:** reported metrics of relative cost effectiveness to comparators
- **Impact and results:** making a positive difference through impact and results

Monitoring Officer

The Local Government and Housing Act 1989 states that it is the role of the Monitoring Officer to report on matters they believe to be illegal or amount to maladministration, to be responsible for matters relating to the conduct of councillors and officers and, to be responsible for the operation of the council's constitution and fulfilment of statutory obligations. They are often, but not always, the head of legal services in a local authority.

Role Summary:

- Responsible for ensuring lawfulness and fairness in the operation of the local authority's decision-making process.
- They are responsible for the maintenance and interpretation of the authority's constitution, have a key role in promoting and maintaining high standards of conduct and should (according to the statutory Guidance) also be the 'proper officer' for the purposes of publication of decisions and access to information.
- The Monitoring Officer maintains a register of members' interests and makes determinations on members' sensitive interests.
- They have a duty to act when it appears to them that any proposal, decision, or omission by the authority has given rise to or is likely to or would give rise to a contravention of any enactment or rule of law or amounts to maladministration.

Key Areas of responsibility

According to LLG, the role of the monitoring officer includes:

- **Ensure legality:** Report any actions by the authority that may be unlawful or constitute maladministration.
- **Investigate misconduct:** Examine breaches of the council's code of conduct and prepare statutory reports if needed.
- **Maintain registers:** Oversee registers of members' interests and hospitality.
- **Advise on conduct:** Act as the principal adviser to the standards committee and provide guidance on ethical standards.
- **Oversight of the constitution:** Responsible for maintaining and interpreting the council's constitution.
- **Advice:** Provide advice to councillors and officers on governance, propriety, and legality.
- **Training and culture:** Develop training programmes on ethical standards and foster a culture of integrity.

- **Liaison role:** Collaborate with the Chief Executive and Chief Finance Officer on governance issues.
- **Political awareness:** Navigate complex political environments while remaining impartial and trusted.
- **Crisis management:** Act swiftly when issues arise, often mediating informally before formal investigations.

Section 151/Chief Finance Officer

The chief financial officer is an executive senior leadership role with overall responsibility for the organisation's financial affairs, activities and operations. The role of the CFO is not just a financial one; the CFO also has leadership responsibilities in respect of the organisation as a whole. For more information see [CIPFA's guidance on the role of the CFO in local government](#).

Role Summary:

- Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs, and to secure that one of its officers has responsibility for those affairs.
- They are responsible for managing the budget and must report to the authority on the robustness of the estimates for expenditure and income within the budget, and the adequacy of the proposed financial reserves.
- They have a duty to act in respect of unlawful expenditure or when it appears to them that the authority's expenditure incurred in a financial year is likely to exceed the resources available to meet it.
- S151 officers are available to provide professional advice to members to assist with their decision making. This is impartial advice. This advice does not have to be followed but councillors have to be aware of the implications if they decide to go against an officer recommendation.
- The Local Government and Finance Act 1988 section 114(7) requires all councils to provide their S151 officers with such staff, accommodation and other resources as are in their opinion sufficient to allow their duties section 114 to be performed.

Further information on processes for removal or constraints being applied to discharging duties can be found in CIPFA's guidance (link to follow).

Key Areas of responsibility

According to guidance published by CIPFA the role of the Chief Finance Officer includes:

- **Skilled professional:** Being a skilled, experienced, trusted and respected finance professional.
- **Finance function leader:** Leading an efficient and effective finance function that supports the organisation and helps people to grow, both as individuals and as professionals.

- **Financial health and stewardship:** Ensuring the financial health of the organisation and maintaining stewardship of public resources.
- **Driving organisational performance:** Creating an enabling culture, driving organisational performance and helping to bring about positive change.
- **Looking outwards:** Looking beyond the organisation to explore the wider context, to respond proactively to change and to build strong relationships with others.
- **Professional Leadership:** ensure the authority complies with the statutory and good practice financial management codes and frameworks that apply to all local authorities, including [The Prudential Code for Capital Finance in Local Authorities](#); the [Treasury Management Code of Practice](#); CIPFA's [Financial Management Code](#); and the [Code of Practice on Local Authority Accounting](#).

General overview of the three roles

Duties and Responsibilities

Below is a short summary and outline of the duties of the three Golden Triangle officers. However, this should be read in conjunction with the [Code of Practice on Good Governance for Statutory Officers](#) published in 2024 by CIPFA, Solace and LLG where full details about the responsibilities of each officer can be found.

Lead Ethically

- The Head of Paid Service, Chief Finance Officer, and Monitoring Officer (the statutory officers) have a particular responsibility for actively fulfilling and embedding the [Nolan Principles](#) across the work of their organisation – including elected members – and the wider public service system.

Act Wisely

- The statutory officers should be seen as playing an important role in key decisions and policy making – especially in relation to matters which have potential significant financial, legal, or ethical implications – and in ensuring the proper functioning and good management of the local authority and its strategic leadership through attending meetings, having access to documents, and producing reports for the consideration of their authority's decision-making bodies.
- The three statutory officers must also have access to support services, networks, and whistleblowing allegations and complaints (unless about them and it leads to a conflict of personal interests) relevant to their functions and seek to resolve issues swiftly.

Act Effectively

- Each of the statutory officers must have the autonomy to fulfil their statutory role and ensure that everyone is kept up to date on relevant changes to professional and legal practices.
- There must be a constructive working relationship between the three statutory officers and they should have regular meetings (with minutes), which should often include the Head of Internal Audit, to review current and likely future issues

that will raise political, financial, legal, staffing or other issues that may impact on their statutory duties.

- The statutory officers must have access to brief the Leader (or directly elected Mayor), other leading members of the authority and political group leaders, to discuss options, potential policies, decisions, and the required steps to deliver good governance.
- The three statutory officers have a positive duty to report illegality, fraud, or corruption to the relevant authorities. If a statutory officer believes another statutory officer to be guilty of a misdemeanour, relevant governance routes should be followed.
- The authority is required to provide the statutory officers with sufficient staff, accommodation, and resources to fulfil their duties.

Understand Governance

- The statutory officers should prepare and give their advice comprehensively, professionally, and impartially and encourage other officers to do the same.
- They must provide mutual trusted support wherever possible but also recognise the separation of powers and duties between the three roles, so that each is able to demonstrate independence, challenge, and balance across the golden triangle.

Build Resilience

- The statutory officers, or the authority, should make arrangements for the formal deputisation of their role. The role of civil contingencies leadership requires co-ordination of cover twenty-four hours a day.
- The statutory officers should seek to embed strong and sustainable governance awareness across the authority.

Deliver sound decision making

- The statutory officers must be satisfied that the authority has appropriate procedures in place to make lawful decisions, including ensuring all draft reports for decision contain the correct content on legal and financial matters as well as statutory considerations such as equality duties, and ensuring attention has been paid to relevant resident and stakeholder consultation.
- The statutory officers must be aware of the local authority's interests in external companies or bodies and the decisions of those bodies that are to be reserved to

the authority as a member or investor. They must ensure that there are reporting mechanisms in place for any issues.

- The statutory officers should keep up to date with performance against the business plan, including social and financial returns on investments and take appropriate action where concerns arise.
- The statutory officers should seek to have a regular and independent review of the governance and existence of the authority's companies and partnership bodies undertaken. (For more information on this, please see the LLG's example [Code of Governance for Local Authority Interests in Companies](#) and the Local Partnerships' [Local Authority Company Review Guidance](#))
- The statutory officers must assist those involved in the authority and the authority's organisations, including shared service arrangements, to understand conflicts of interest, and seek to provide support and resolve those conflicts where they arise.
- The statutory officers should ensure that an appropriate review of the effectiveness of the authority's governance, controls and risk management takes place across its partnership and other delivery bodies.

Resource the Roles

- The statutory officers must make clear (and satisfy themselves) as to what staff, accommodation and other resources are necessary to perform their duty and ensure that they have ready access to these resources.
- The statutory officers must ensure their authority understand and can apply the regulatory, developmental, and ethical requirements that are associated with their roles.
- The statutory officers should be supported to undertake continuous professional development with access to developmental resources.

The [Local Government and Housing Act 1989](#) requires that:

- The Head of Paid Service or Chief Finance Officer may not also be the Monitoring Officer, to provide balance and independence, and avoid any conflicts of interest

Due to the specific advisory duties of the Chief Executive, please also see the guidance from the [National Salary Framework & Conditions of Service Handbook](#) from the Joint Negotiating Committee for Local Authority Chief Executives. For example, the handbook states that the Chief Executive shall not be required to advise any political group of the council, either as to the work of the group or as to the work of the council, neither shall he or she be required to attend any meetings of any political group.

Summary

Within local government, the Head of Paid Service, Chief Financial Officer, and Monitoring Officer all play critical parts in its functioning, as this document starts to set out. Embodying both neutrality and expertise, the officers fulfil critical advisory, managerial, and decision-making capacities, with the best interests of their local authority and long-term outlooks at the heart of their role.

Beyond these formal functions, these statutory officers contribute to a local authority's effective organisational culture through their managerial and leadership roles. They are a crucial element in managing internal relationships and cross-departmental working, all of which are key to supporting effective governance and, in turn, operation of the organisation.

Due to their unique position within local authorities, particularly in the governance of the organisation, they have 'statutory protection' to ensure they have the necessary authority to perform their roles. This ensures that they are able to advise the whole council and discharge their full duties to the best of their abilities. In order to provide the neutrality, adaptability, and expertise required of their roles, this protection is a necessity.