

## Cyngor Sir CEREDIGION County Council

<b>REPORT TO:</b>	<b>Governance and Audit Committee</b>
<b>DATE:</b>	<b>24 January 2024</b>
<b>LOCATION:</b>	<b>Remotely via Video-conference</b>
<b>TITLE:</b>	<b>Report on the Annual Governance Statement 2023-24 progress update &amp; Governance Framework Review 2023-24</b>
<b>PURPOSE OF REPORT:</b>	<b>To present an update regarding progress with the Annual Governance Statement 2023-24 &amp; Framework Review 2023-24</b>
<b>For:</b>	<b>Decision</b>

### Introduction and Requirements

The Accounts and Audit (Wales) Regulations 2014 requires local authorities to conduct at least annually a review of the effectiveness of their governance framework including their systems of internal control. This review must be documented in an Annual Governance Statement and published as part of the Council's Annual Statement of Accounts. The Governance & Audit Committee is responsible for monitoring the governance arrangements on behalf of the Council.

The Annual Governance Statement must be prepared in accordance with proper practices, including those set out in the Chartered Institute of Public Finance and Accountancy ('CIPFA') and The Society of Local Authority Chief Executives ('SOLACE') '*Delivering Good Governance in Local Government: Framework*' (2016). The Framework, published in April 2016, is based on the CIPFA/International Federation of Accountants ('IFAC') '*International Framework: Good Governance in the Public Sector*'.

The CIPFA/SOLACE '*Delivering Good Governance in Local Government: Framework*' (2016) sets out a framework of 7 key principles that will enable organisations, public sector partnerships and combined authorities to achieve their outcomes while working in the public interest. The principles are further supported by core-principles of behaviour that demonstrate what good governance should look like in practice. These principles are the basis for the Council's Local Code of Corporate Governance and are considered in the Governance Framework Document.

### **Draft Annual Governance Statement 2023-24- Appendix 1**

The Annual Governance Statement for 2023-24 is attached.

Committee is requested to:

- i) note and consider its contents

### **Governance Framework Review 2023-24**

A workshop was held on 6<sup>th</sup> December 2023 for relevant Officers and committee Members to consider progress on the actions set out in the 2023-24 Governance Framework Review. During this workshop, the Governance Framework Review was reviewed to consider any updated evidence which may be included in the document and to reflect on previously identified actions. It was also agreed to amend the scoring to the document to be out of 5 rather than 10 as previous years.

The Governance Framework Review 2023-24 (**Appendix 2**) has been produced as a result of the aforementioned workshop and contributions from the various responsible Officers set out in the document. This is a working document.

The Governance Framework Review 2023-24 will form the basis for the Annual Governance Statement 2023-24, which will be presented again to Committee in draft form at its 14<sup>th</sup> March 2024.

The final review scoring completed during the workshop is included (see **Appendix 2**). In summary a total of 92 behaviors were reviewed.

Therefore,

92 total behaviors are scored as follows:

- 2 scored at 3,
- 27 scored at 4
- 63 are scored at 5.

#### **RECOMMENDATION(S):**

The Governance and Audit Committee is requested to:

- i) Note the Annual Governance Statement 2023-24 (**Appendix 1**)
- ii) Note the Governance Framework Review (**Appendix 2**);

**REASON FOR RECOMMENDATIONS:** To progress work on the Annual Governance Statement 2023-24 and publication of the Local Code of Corporate Governance 2024-25.

**Appendices:** **Appendix 1 – Draft Annual Governance Statement 2023-24**  
**Appendix 2 – Governance Framework Review 2023-24**

**Head of Service:** Elin Prysor, Corporate Lead Officer – Legal & Governance Services / Monitoring Officer

**Reporting Officer:** Katy Sinnett-Jones, Governance Officer

**Date:** 20.12.2023

# Annual Governance Statement

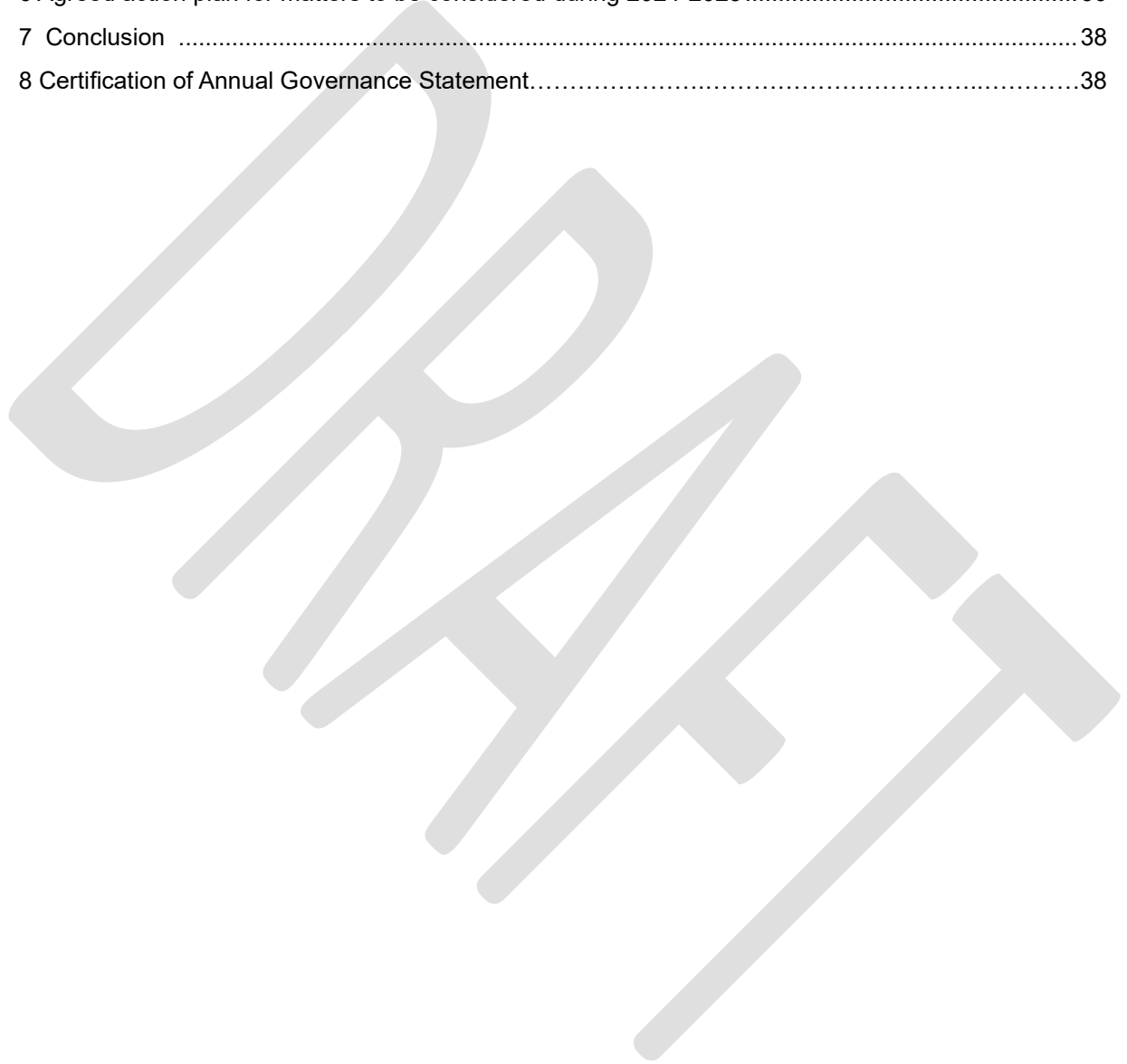
## 2023-2024



DRAFT – To be approved

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## 1 EXECUTIVE SUMMARY

Ceredigion County Council ('the Council') is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

### **Council's Governance Framework**

The Council's Governance Framework serves to review the Council's governance arrangements to ensure that the Council is achieving the intended outcomes for its stakeholders/service users. The Framework is based upon the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016, *International Framework: Good Governance in the Public Sector* (CIPFA/IFAC, 2014) and the following seven principles:

- A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B: Ensuring openness and comprehensive stakeholder engagement
- C: Defining outcomes in terms of sustainable economic, social and environmental benefits.
- D: Determining the interventions necessary to optimise the achievement of the intended outcomes
- E: Developing the entity's capacity, including the capability of its leadership and the individuals within it
- F: Managing the risks and performance through robust internal control and strong public financial management
- G: Implementing good practices in transparency reporting, and audit to deliver effective accountability

The Council is required, each year, to produce an Annual Governance Statement ('AGS') (this document), which explains how the Council has complied with the seven core principles and sub-principles contained in its Governance Framework and the Local Code of Corporate Governance, and also meets the requirement of The Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

### **Annual Governance Statement (AGS)**

This Annual Governance Statement(AGS) sets out the results of the annual review of the Council's Governance Arrangements in delivering its Corporate Priorities and gives assurances on compliance for the year ending 31 March 2024 and up to the date of approval of the Statement of Accounts.

The review confirmed that the Council's governance arrangements are effective and fit for purpose.

The Annual Governance Framework review measured progress against the new CIPFA/SOLACE Delivering Good Governance Framework (2016) and overall governance arrangements were found to be acceptable or good. The review confirmed that the Council's governance arrangements are effective and fit for purpose.

The Council has made good progress during the year with recorded achievements against each of the seven core principles.

The Council's governance arrangements for the year 2023/24 have been reviewed in line with its Local Code of Corporate Governance. This Local Code of Corporate Governance is a public statement that sets out the way the Council will meet that commitment in order to achieve its Corporate Well-being Objectives.

The Governance and Audit Committee concluded that, based upon the evidence presented to it during 2023/24, the Council's governance arrangements and internal controls are considered [satisfactory/good].

In consideration of the evidence presented to it, the Leadership Group has also concluded the Council's governance arrangements and internal controls are considered satisfactory/good.

In addition, it is considered that the Council has made good progress during the year with recorded achievements against each of the seven core principles.

The Council has identified a number of minor issues for resolution during 2023/24 and has set these out in an action plan for completion (as shown below)

The actions taken as a direct result of the pandemic have been recorded, as appropriate and are now deemed historical

### **Local Code of Corporate Governance**

To be successful the Council must have a solid foundation of good governance and sound financial management. The Council's Local Code of Corporate Governance ensures that we are doing the right things, in the right way, in line with our values, enabling the Council to monitor the achievement of its strategic objectives and consider whether they have led to the delivery of appropriate, cost-effective services.

The Code provides guidance to all Members and Officers on the governance agenda and its regular review provides a high level of assurance that the governance arrangements are fit for purpose.

The Code sets out the systems and processes, and cultures and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It is supported by a Governance Assurance Framework that sets out what assurances the Council seeks to obtain, and how this will be done.

The Council's Local Code of Corporate Governance is available on the Council's website at <https://www.ceredigion.gov.uk/your-council/councillors-committees/annual-governance-statement/>.

The Code has been reviewed for 2024-25 and brings together in one document all the governance and accountability arrangements the Council has in place. It is based on best practice guidance set out in the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and CIPFA/SOLACE Delivering Good Governance in Local Government Framework Guidance notes for Welsh authorities (2016 Edition).

The Council also has a duty under the Local Government (Wales) Measure 2009 to arrange to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Council must ensure proper arrangements for the governance of its affairs are in place, facilitating the effective exercise of its functions, and which includes the arrangements for the management of risk. The Council also continues to take steps to ensure compliance with the Local Government and Elections (Wales) Act 2021.

The Well-being of Future Generations (Wales) Act 2015 introduced new governance arrangements for public services in Wales, such as carrying out sustainable development, a well-being duty to set and publish well-being objectives (designed to maximise their contribution to the 7 national well-being goals) and taking all reasonable steps towards achieving their objectives.

### **Corporate Strategy**

The Council's Corporate Strategy sets out the Council's Corporate Well-being Objectives, which aim to improve and enhance the social, economic, environmental and cultural wellbeing of citizens of Ceredigion and into which the Council will direct its resources.

The Council's Corporate Strategy 2022-2027 (available on the Council's website at: <https://www.ceredigion.gov.uk/media/12183/corporate-strategy-2022-2027.pdf> with a document summary available at: <https://www.ceredigion.gov.uk/media/12294/corporate-strategy-summary-2022-2027.pdf>) describes how the Council will meet the challenges ahead and make the most of opportunities.

The Council's vision is to deliver value for money, sustainable bilingual public services, that support a strong economy and healthy environment, while promoting well-being in the people and communities of Ceredigion. This is to be achieved by fulfilling Corporate Well-Being Objectives, which are:

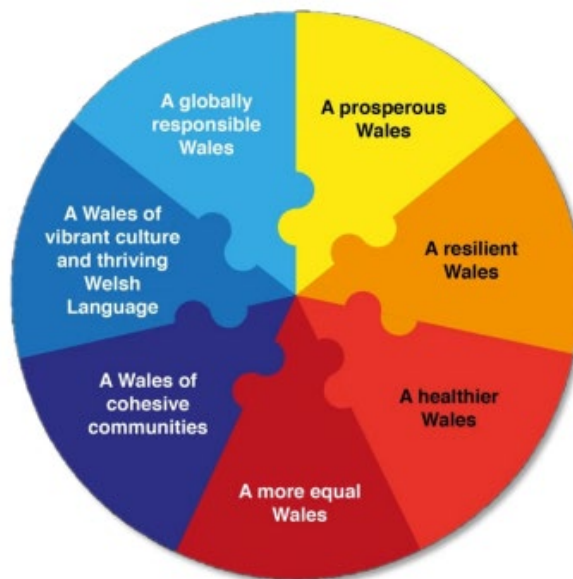
1. Boosting the Economy, Supporting Businesses and Enabling Employment;
2. Creating Caring and Healthy Communities;

3. Providing the Best Start in Life and Enabling Learning at All Ages; and

4. Creating Sustainable, Greener and Well-Connected Communities.

The steps the Council plans to take to achieve its Corporate Well-being Objectives will help improve outcomes for local people and maximise its contribution to the 7 National Well-being Goals (see below):

**THE 7 NATIONAL WELL-BEING GOALS**  
From the Well-being of Future Generations (Wales)  
Act 2015



### **Governance Framework Review**

The current Governance Framework monitors how the Council is fulfilling its Corporate Priorities and adhering to its Corporate Strategy.

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The Governance Framework and local code is being reviewed and a workshop was held on 6.12.2023. It is proposed that the new Governance Framework will be approved by the Governance and Audit Committee and Council and implemented from 01.04.2024

### **Constitution**

The Council's Constitution sets out the governance arrangements (Standing Orders) for the Council and is revised regularly.

[constitution-eng.pdf \(ceredigion.gov.uk\)](https://ceredigion.gov.uk/constitution-eng.pdf)



The Leader of the Council and Chief Executive both recognise the importance of having a solid foundation of good governance and sound financial management. They pledge their commitment to address the matters highlighted in this AGS, and to further enhance the Council's governance arrangements.

The Leader and Chief Executive confirm they have been advised of the implications of the review by Senior Management and the Audit Committee and are satisfied that the steps outlined in this AGS will address the areas for improvement.

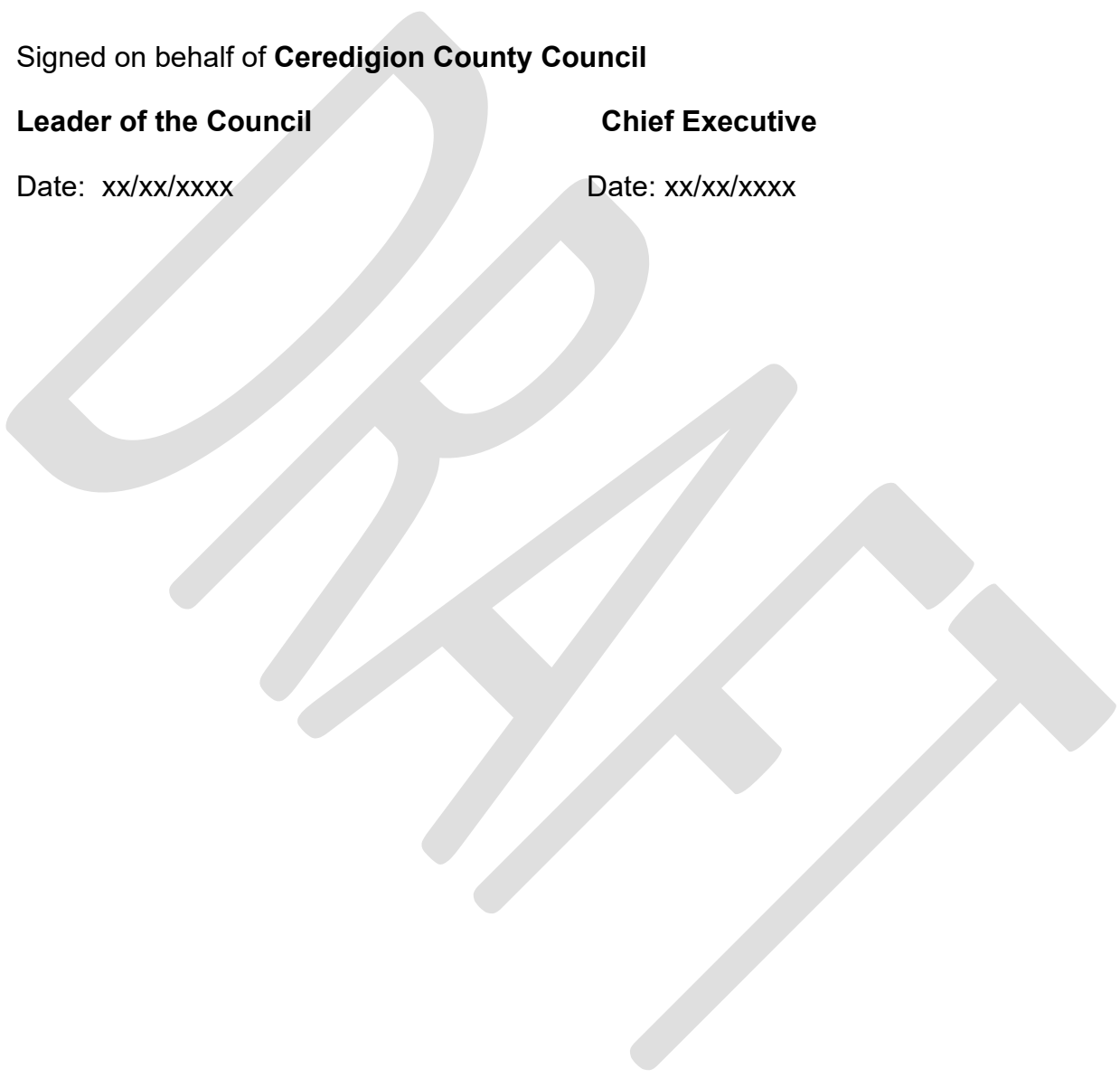
Signed on behalf of **Ceredigion County Council**

**Leader of the Council**

**Chief Executive**

Date: xx/xx/xxxx

Date: xx/xx/xxxx



## 2 Assessment of the effectiveness of key elements of the Governance Framework

The Council is committed to demonstrating that it has the necessary corporate governance arrangements in place to perform effectively.

The Leader of the Council provides clear strategic direction, and the Constitution clearly defines the roles of Councillors and Officers. Internal and External Audit, Ethics and Standards Committee and the Governance and Audit Committee are committed to ensuring the governance arrangements are effective and robust.

The Council has conducted an annual review of the effectiveness of its governance against the CIPFA/SOLACE Delivering Good Governance Framework (2016). The review involved a member/officer workshop in which the Council's Governance Framework Document was analysed and reviewed, with further changes made after the workshop reported to the Governance and Audit Committee. Contributions were made to the review by the following Members: The Chair of the Governance and Audit Committee along with councillor and lay members of the Committee. In addition, the Monitoring Officer, Corporate Manager - Internal Audit, Governance Officer, Corporate Lead Officer - Democratic Services, Corporate Manager – Democratic Services, Corporate Lead Officer – People & Organisation and the Corporate Manager – Partnerships, Performance and Public Protection also took part.

During the workshop each behaviour was introduced and scored against a scoring mechanism, as follows:

- 1 Unacceptable Immediate action required
- 2 Below satisfactory - urgent Action Required (within 3-6 months)
- 3 Satisfactory - Action Required (before end of year 9-12 months)
- 4 Acceptable Minor adjustments may be required
- 5 Good - overall Governance considered to be good and meets best practice no further action required

Each score used in the Governance Framework Review is a score out of 5

The Governance Framework Review is reviewed by officers, who have governance/management responsibilities within the Council, and also by the Council's Leadership Group on xxxxxx

The Leadership Group, which consists of the Chief Executive, Corporate Directors and Corporate Lead Officers, concluded in their review that [\[enter comments/statement from LG\]](#).

The review framework was also reviewed by the Governance and Audit Committee on 24/01/2024 (see Report at [\[enter link\]](#) and meeting minutes at [\[enter link\]](#)).

Based on the evidence presented to the Governance and Audit Committee during 2023/24, including during the annual Workshop, the Governance and Audit Committee concluded that [the Council does have effective governance arrangements in place...].

Actions recommended by the Governance and Audit Committee are included in the Actions and also monitored through the Committee's Actions Log.

The effectiveness of the governance framework draws on evidence and assurances from:

- Internal and External Audit and Inspection;
- Financial Controls;
- Risk and Performance Management;
- Legal and Ethical Standards;
- Corporate Directors and Other Senior Management, including the S.151 Officer and the Monitoring Officer;
- The Governance and Audit Committee; and
- Overview and Scrutiny Committees.

### **Internal Audit**

In addition, the Chief internal Auditor (Corporate Manager - Internal Audit) undertakes an independent review of the Annual Governance Statement and the method of scoring and evidence, on an annual basis. The conclusion of the review was that

The review of the 2023/24 Framework Review was completed in December 2023 and provided 'high' assurance that there was a sound system of scrutiny and robustness in place.

This was reported to the Governance and Audit Committee in January 2024 (report available at [\[enter link\]](#)).

The system of internal control is a significant part of the Local Code of Corporate Governance and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The CIPFA Financial Management Code sets the standards of financial management for local authorities. It is designed to support effective practice in financial management and to assist local authorities in demonstrating their budgetary sustainability. The S.151 Officer has undertaken a self-assessment review and is satisfied that the Council is compliant with the code.

### 3 Corporate Governance Achievements for 2023-24

The Local Code for Corporate Governance sets out the Council's commitment to the principles of good governance. The following paragraphs provide a brief summary of the Council's main Corporate Governance achievements during 2023-24 (consideration of the achievements in full having been considered during the Framework review carried out between relevant Officers and Governance and Audit Committee members as part of the review process).

To avoid unnecessary repetition, included below is a summary of *new* evidence of the Council's work *during 2023-2024 only* relevant to each of the A-G principles. For a full breakdown of evidence, including continuing ways the Council evidences adherence to the principles, see the Governance Framework Review at [\[enter link\]](#).

#### **A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law:**

##### **Behaving with integrity**

All Council Members and Officers must comply with Codes of Conduct, which are set out in the Constitution and set out responsibilities and duties.

Mandatory training is also provided on the Code of Conduct and ethics to Members, as well as training on Ethics/Fraud for Managers.

The Corporate Lead Officer – Legal & Governance is the Monitoring Officer whose duties include ensuring lawfulness and fairness of decision making, and supporting the Ethics and Standards Committee. The Monitoring Officer advises on Member interests (and holds the Register of interests), declarations of interest and Officer/Member relationships. The declaration of interest process [\[enter update on review\]](#).

Members are required to update Register of Interests in accordance with the Code of Conduct, and in addition, annually, which is opportunity to reference any close personal associates/roles etc. Additionally, declarations of interest made by members at meetings. This includes lay/independent members. Regular updates employee declarations of interest and hospitality were published on the Council's CeriNet site.

The Ethics & Standards Committee champions ethical compliance to ensure that public have trust and confidence that Members and Officers work to highest ethical and moral standards. It considers member standards and conduct matters, and the Committee provided its Annual Report to Council on [date]

The Council has several policies and strategies in place to prevent fraud and [any statistics e.g. number of staff who've done training?] and the Governance and Audit Committee presented with Internal Audit's Annual Report on Counter Fraud on [date] in which it was concluded [enter comments]. [insert any relevant work e.g., grant assistance payments and how fraud avoided?]

The Politically Restricted Post Register for Officers is maintained and a review carried out in [enter date], with and the Political Restrictions on Local Government Employees Policy available to employees on CeriNet. The Register of Politically Restricted Posts has been updated and is published on Council website.

The Constitution is subject to regular reviews, with ongoing updates as required, including presenting proposed changes to Cross Party Constitution Working Group, to make recommendations on changes to Constitution to Council. MO/Governance Officer report to Council to update delegations and Constitution. The Constitution Working Group met up three times in 2023. The 25th of April, 26th of September and 14th of November.

The Governance and Audit Committee, which is chaired by a lay person and has a 1/3 Lay Person/Member make-up, formed part of the AGS review process during the Workshop stage 6th December 2023 and reviewed the AGS at its meeting of 24<sup>th</sup> January 2023.

Since the Ethics Audit undertaken during 2019, a follow up Internal Audit of Council's arrangements regarding ethics

During April 2023 the review of the Whistleblowing Policy, which is available to Employees and Contractors, has been completed and published on CeriNet for Staff. The MO keeps a register of referrals and reports 6-monthly to the Overview and Scrutiny Co-ordinating Committee.

## **B. Ensuring openness and comprehensive stakeholder engagement:**

Consulting and engaging with citizens is important to the Council. Consultations are published on the Council's website and promoted on social media. Consultations carried out during 2023-24 included:

- Proposed and recently introduced Traffic Regulation Orders/Experimental Traffic Regulation Orders;
- Welsh Government Consultation to establish Corporate Joint Committees;
- Flooding reduction;
- Ysgol Gymraey Aberystwyth Pre-planning Application Consultation Event;
- Aberaeron Secondary School Footpath;
- Re the Charitable Trust 'New Quay Library and Reading Room';
- Use of trust money of the charity 'Old County School, Tregaron';
- Ceredigion Respite and Day Services;
- 20mph speed limits on Ceredigion country roads
- Application for the Registration of Erw Goch Field;
- Ceredigion Crime and Disorder Strategic Assessment Questionnaire; and
- Ceredigion Local Well-being Plan 2023-28 (Draft)

[Council and Cabinet meetings are broadcasted online

IIA conclusions reported to Council, Cabinet and Overview and Scrutiny.

- Summary reports on consultation and engagement activities are reported back to Members and service users.

- We have worked in partnership with Local Authorities and Public Services across Mid and West Wales on the review of our Strategic Equality Plans. A joint question set and engagement and consultation framework was produced and as a result, feedback was obtained from people with protected characteristics.
- Minutes of engagement groups with people with protected characteristics.
- Effective Community involvement carried out with the well-being assessment work.
- Effective Community involvement carried out with service users from different backgrounds to inform the new Strategic Equality Plan.
- Corporate Communications Strategy 2019-2022 is currently under review and a new Strategy will be developed in 2023.
- Dissemination of consultation results and reports on completed consultations and engagement exercises are posted on the Council's public consultations webpage in order to provide feedback to the public.
- Processes have been introduced to monitor feedback e.g. any consultation/engagement reports are presented to Scrutiny and Cabinet to inform their decision-making.
- Feedback from engagement and how people's views have been taken into account is recorded in the IIAs.
- A Well-being assessment (PSB) has been carried out that will inform the development of the PSB's Local Well-being Plan, which will be published in May 2023.
- An annual report on progress made against the Council's Well-being objectives and Corporate priorities is published on the Council Website.
- UNCRC – United Nations Convention on the Rights of the Child have been adopted by the Council.
- Participation Standards have been adopted by Council.

### **C. Defining outcomes in terms of sustainable, economic, social and environmental benefits:**

#### **Defining outcomes**

- The Council's Corporate Well-being Objectives are included in the Council's Corporate Strategy 2022-2027 and are reviewed each year and reported in the Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report published on the Ceredigion County Council website.
- The purpose and the vision of the Council have been determined by Council and is contained in the Corporate Strategy 2022-2027. This strategy illustrates how the authority will support and promote the well-being of the citizens of Ceredigion.
- All Planning arrangements reflect the Golden Thread and make the links to Corporate plans including;
  - Business Plans;
  - Strategic Plan;
  - Corporate Performance Management Reporting; and
  - Well-being and Improvement Objectives.
- Performance information is outlined in the Council's Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report .
- Business Plans are prepared on an annual basis and are monitored quarterly by a Performance Board, which includes Cabinet members and the Chairs and Vice

Chairs of the Overview and Scrutiny Committees and Chair of the Governance and Audit Committee.

- Budget setting subject to detailed scrutiny by the five Overview and Scrutiny Committees.
- The Medium Term Financial Plan is in place.
- Quarterly performance arrangements provide a challenge protocol to ensure outcomes are delivered.
- Business planning process includes resource allocation.
- Cross-Party Transformation and efficiency Group monitors the budget savings and delivery of services within budgets.
- Corporate performance management arrangements include quarterly assessment of risks to the achievement of outcomes or service delivery.
- Risk management includes risk logs for;
  - Business Plans (Level 1); and
  - Service Plans (Level 2).
- Local performance measures are included in Business and service delivery plans.
- Capital Plans include;
  - Rights of Way;
  - Highways;
  - Annual Budget Plan; and
  - Transformation.
- The Risk Management Policy and Strategy and the Risk Management Framework was approved by Cabinet on 24 September 2019.
- Risk Management training to be rolled out to Members and Senior Managers.
- Risk management e-learning package has been developed for all other Staff and training took place in 2019, with workshop with insurers arranged for senior Managers.
- Publication of service performance, including costs and value for money data is routinely considered within service reports.

### **Sustainable economic, social and environmental benefits**

- The appointed Auditor considers the Council's arrangements to secure economy, efficiency and effectiveness. In his letter he has stated that the Council has complied with its responsibilities to the use of its resources.
- The most recent Audit of the Council's Improvement Plan (2020-2021) was issued in November 2020. The report concluded positively that the Council discharged its duties and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.
- A capital appraisal form is completed for new capital projects, which covers the requirement for the project, and is used to assess value for money and the revenue implications of major projects.
- Capital Investment Strategy is contained within the Medium Term Financial Strategy.
- The Authority has undertaken the following steps towards the implementation of the Well-being of Future Generations (Wales) Act 2015:
  - Prepared well-being objectives and statement;
  - Embedded the Well-being Goals and Sustainable; development principal into the business planning process
  - Developed a new IJA tool and guidance;
  - Established a Well-being of Future Generations Act group and action plan;

- The Constitution is continually monitored and reviewed;
- PSB assessment of Local Well-being published in March 2017;
- Scrutiny arrangements agreed for PSB;
- Cabinet Reports, to include the Social/economic/ environmental impact assessment;
- A mandatory e-learning module on the Act has been developed and promoted to all Council Staff;
- an Equality, community and Welsh language Impact Assessment must be undertaken on all school restructuring proposals as required under the Welsh Government School Organisation Code; and
- Members have contributed to The Future Generations Officer Scrutiny Framework in relation to the WFGA.
- Wales procurement policy statement is aligned to the Council's Procurement Strategy 2018-2022. Task and Finish Group established December 2023 to consider Procurement & Commissioning Strategy 2024
- Procurement training also being rolled
- The Council wide WFGA Group Action Plan.
- Strategic Equality Plan 2020-2024.
- Welsh Language Standards.
- Annual Welsh Language Standards monitoring report.
- A mandatory E-learning training module on Welsh Language Awareness must be completed by all Staff.
- Members provided with Welsh Language Awareness and Equalities Training as part of their Induction Programme.

**D. Determining the interventions necessary to optimise the achievement of the intended outcomes:**

**Determining interventions**

- The IIA tool and guidance is available and training has been rolled out for Officers and Members.
- Corporate project management group has been established to formalise project development and management.
- Standard reporting templates are used in decision making process.
- Organisational Awareness training available as an optional module of the Corporate Manager Programme, which includes information relating to the decision-making process, Wellbeing of Future Generations, Equalities, Welsh Language and the use of the IIAs, Head of Democratic Services and MO (CLO-Legal & Governance) advise as necessary.
- Risk Management Policy, Strategy and Framework with training programme for Members, Senior Management and Managers, published on CeriNet and available to all Members of Staff. Documents amended to reflect additional risks and background information to make informed decisions. Corporate Risk Register reported regularly to Governance and Audit Committee.
- Medium Term Financial Strategy has been regularly updated.
- Consultation decision tree tool includes a guidance section on dissemination of consultation results.
- Finance challenge regarding savings on Council Website.



## Planning interventions

- Corporate Performance Management arrangements include quarterly:
  - Weekly leadership Group meetings;
  - Quarterly reporting of progress against level 1 Business Plans;
  - Quarterly Performance Board meetings; and
  - Quarterly Executive Panel Meetings.
- A calendar is used to report deadlines and Board/Executive Panel dates are published with reports.
- All major collaboration projects have established governance and management arrangements including risk management.
- All projects considered by Corporate Project Management Panel, which is also attended by IA and is an effective forum for advice/challenge and highlighting risks as Service areas develop projects, including collaboration projects.
- The Corporate Project Management Panel helps ensure projects give early consideration to: the Well Being and Future Generations Act; to other guidance; to finance, procurement, governance and legal arrangements; to HR implications; Health & Safety; and Audit. Improve project arrangements prior to reporting to the Development Group and other authorisation processes. This also helps identify capital requirements for inclusion in future capital programmes.
- Ensuring Staff with project management skills are available.
- Account will be taken of legislative changes e.g. work is ongoing in relation to implementing legislative changes such as LGEW 2021 Act changes and considering/monitoring risks facing each partner when working collaboratively, including shared risks. Meetings are being held and preparation being carried out, for example, regarding the 2021 Act's requirement for Corporate Joint Committees, including potential and shared risks (a CJC group has been established, with the first meeting held on 19th April 2021, to consider the requirement to establish the Mid Wales CJC in accordance with the 2021 Act).
- Appropriate Joint Scrutiny arrangements are in place in relation to the Growing Mid Wales Board. Similarly, the Mid Wales Corporate Joint Committee will have Sub appropriate arrangements in place (Joint Scrutiny, Standards and Governance and Audit Committee)- arrangements in compliance with legislation and its Standing Orders.
- Local performance indicators have been established and approved for each service element and included in the service plan and are reported upon regularly.
- The Business Planning process for 2022-23 is being implemented with Level 1 Business Plans shared with the Performance and Research Team.
- Performance measures have been identified within each Level 1 Business Plan that have in turn translate into the reporting Dashboard for each service. These measures have been closely scrutinised and have received final sign-off from senior leadership. Services report against these measures as part of the performance management process for the year.
- Business Plans include budget and finance information and form part of the quarterly Corporate Performance Management arrangements.
- Budget Framework in place.
- Service Accountancy – Budget monitoring takes place.
- Financial Regulations and Financial Procedure Rules (Document F Constitution) along with Budgetary Control Guidance are all up to date. Chief Officer Assurance Statements. The internal controls in place are subject to regular review by Internal Audit, in accordance with the annual risk-based audit plan.

- Changes through the corporate savings plan have been through a robust governance process to ensure that all savings all link to the desired outcome.
- Community Benefits is embedded in our Processes and Policies and has been regularly applied, monitored and reported upon. Well-being of Future Generations (Wales) Act is integrated into our processes.

#### **E. Developing the entity's capacity, including the capability of its leadership and the individuals within it:**

##### **Developing the entity's capacity**

- Corporate and line management induction is now in place. Corporate induction and Corporate Manager Development plans were introduced in April 2018 and revised in October 2022. Corporate induction sessions are part of these requirements, all new Staff must attend an induction session. Senior Managers present within these face-to-face or virtual sessions.
- CeriNet (the HR intranet and resource to Staff and management) is continually reviewed and improved for effectiveness.
- Learning & Development is now managed via the Ceri system offering opportunities to all Staff.
- Ongoing annual Personal Performance scheme – Performance Reviews link to Corporate and strategic objectives.
- The Corporate Performance Management arrangements provide the forum for performance management's needs and thereafter preparing action plans for delivery of corporate improvements in performance review of Staff. These have been further strengthened with the introduction of annual appraisals for all Staff via the Ceri HR system.
- Induction programme is provided for new Members. Ongoing training is arranged for specific issues e.g. Treasury management.
- Members attend various events, seminars and conferences (see above).
- Personal Development Review process in place for Members.
- Utilisation of research and benchmarking exercises.
- The Ceri HR payroll system has ensured that meaningful data on Staff is now available to Managers on a monthly basis in order to monitor costs turnover and absence.
- Effective operation of partnerships which deliver agreed outcomes.
- Effective Partnerships have been developed in a number of areas and services including:
  - School Improvement;
  - Health & Social care; and
  - Waste.
- Additional partnerships are included in the strategic Collaboration Projects List.
- Strategic workforce planning is undertaken utilising the Strategic workforce planning tool kit and is completed by all service areas. The Workforce Plan 2022-2027 is currently being developed and will be published once approved by Cabinet in early 2023. Once in place, annual updates on progress of the workforce plan are reported to scrutiny.

##### **Developing the capability of the entity's leadership and other individuals**

- The Leadership and Senior Officer structure has defined these roles, including how they integrate with each other.
- Joint meeting of senior Managers ensures that roles, responsibilities and accountabilities are clear.
- Job descriptions clearly define the roles and responsibilities required of posts.
- The Constitution sets out the roles and responsibilities of Members (Part 3.4 Table 4) and senior Officers (part 2 Article 2)
- The Strategic Planning Toolkit includes an element of succession planning and talent management.
- Learning and Development opportunities are offered to those within a Leadership role or who are aspiring leaders.
- A Scheme of Delegation (The Constitution Part 3.5) exists and clearly sets out responsibilities for Members and Officers.
- Protocols are in place for working relationships between Members and Officers (e.g. Officer-Member Protocol).
- Codes of Conduct for Officers and Members are in place.
- Member Officer working groups in place and working effectively.
- Contract Procedure Rules ('CPR') (Part 4 Document G Constitution) and Financial Regulations and accompanying financial procedures (Part 4 Document F Constitution) are reviewed on a regular basis e.g. CPR updated March 2019.
- The Council's Constitution sets out the functions and responsibilities of the Leader and Chief Executive.
- The Corporate structure of the Council has been established to ensure that the Statutory Officers are able to perform their roles effectively.
- The CE is responsible for reviewing this structure, as necessary.
- Democratic Services Committee agreed the revised set of Member Role Descriptions, designed to be used alongside Welsh member Development (Competency) Framework, of Welsh Local Government Association ('WLGA') Framework.
- Member Role Descriptions and Person Specifications presented to Council.
- Comprehensive Induction Programme for Members (new and old) undertaken following the Local Elections 2022.
- Access to courses/information briefings on new legislation.
- Provision of opportunities for ongoing skills and refresher training for Officers.
- Members Workshops arranged, as necessary.
- Personal reviews for Officers.
- Provision and ongoing review of opportunities for skills and refresher training for Members (see above), including Personal Development Review Scheme.
- Development/training done as part of person specifications for key finance and legal posts (mandatory qualification, job requirements).
- The Council aims to achieve the standard level for the Wales Charter for Member Support and Development.
- A process for Member Personal Development Reviews has been developed and the information used to develop a Members' Training Plan.
- Induction and Corporate Manager Development plans are in place.
- E-learning packages are regularly being developed and rolled out for mandatory and non-mandatory training for staff and Members.
- Performance Reviews are undertaken by all Staff as part of the Ceri system Performance Management module.

- The Corporate Performance Management arrangements provide the forum for performance management's needs and thereafter preparing action plans for delivery of corporate improvements in performance review of Staff.
- Induction programme is provided for new Members and new comprehensive induction programme has been provided post-election (from May 2022) with additional e-learning modules available. Ongoing training is arranged for specific issues. Members attend various events, seminars and conferences (see above).
- Scrutiny self-assessment undertaken annually.
- Succession planning is undertaken through discussions and actions within service areas and with partners this cannot always be evidenced. This will be further developed through the strategic workforce planning toolkit.
- Ceredigion Manager Programme offers personal development including governance arrangements and organisational knowledge.
- Members are encouraged and supported to complete Annual Reports, which are published on the Council's website.
- Chair of the Democratic Services Committee attends the National Network, facilitated by the WLGA.
- Chair of Governance and Audit Committee attends All Wales Governance and Audit Committee Chair's Networking Meetings to develop and compare role within Local Authorities.
- Staff development plans linked to appraisals have been strengthened with the introduction of the Performance Management module in Ceri.
- Implementing appropriate Human Resource policies and ensuring that they are working effectively.
- Smoke-Free Workplace Policy.
- Alcohol and Drug Misuse Policy.
- The Council has introduced a range of resources and options to enhance the health and well-being of Staff.
- Health and Well-being Strategy 2021-2026 has been introduced to support the improvement in the workforce health and well-being.
- The Council has appointed an Employee Health & Wellbeing Officer to coordinate and promote health and wellbeing within the workforce.
- A Care First employee assistance package has been introduced that offers:
  - Counselling service; and
  - Advice on financial, legal, consumer, eldercare, childcare and employment issues.
- Other support available for Staff includes:
  - Cognitive Behaviour Therapy Interactive health and wellbeing programme;
  - Eyecare scheme;
  - Childcare voucher scheme;
  - Iechyd Da; and
  - Mindfulness training for Staff and Managers.
- Counselling service is also available to Members.

## **F. Managing risks and performance through robust internal control and strong financial management:**

### **Managing risk**

- The Corporate Risk Management Framework and the Risk Management Policy and Strategy were approved by Cabinet on the 24<sup>th</sup> of September 2019 and continue to be updated.
- The Corporate Risk Register is considered at all Leadership Group, Corporate Lead Officers, Corporate Performance Management meetings and by the Governance and Audit Committee as a standing item. The Committee refers matters to Scrutiny Committees, where appropriate. This provides ongoing information and assurance that risks continue to be managed.
- All Risks are allocated to a Corporate Lead Officer (Risk Owner).
- Specific Project Risk Monitoring is undertaken.
- The Cross party Transformation and Efficiency Group regularly monitors Transformation Risks.
- Risk Management is integral to operational business planning Policy and Strategy setting.
- Project and transformation Risks are all logged.
- All Plans included Risk logs including:
  - The Medium term Financial Plan;
  - Business Plans (level 1); and
  - Service Plans (level 2).
- Corporate Risk Management arrangements are audited regularly.
- The management of risks is included in individual Services service/establishment audit programmes.
- 'Risks' form the basis of Internal Audit's audit programmes of work, as required by the Pentana audit management software system. Cabinet report template expanded to include risks and implications arising.

### **Managing performance**

- Corporate performance management is linked to the Well-being and Improvement Objectives, Corporate Strategy 2022-2027 and the PSB's plans. The Council also has many local indicators which helps it determine whether it has achieved the priorities in its Corporate Strategy 2022-2027.
- Council approved the Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report 2021-22.
- Benchmarking information carried out as part of service re-modelling.
- External & internal assessments by:
  - Audit Wales;
  - Estyn;
  - Care Inspectorate Wales ('CSIW'); Investigatory Powers' Commissioner's Office ('IPCO'); and
  - Information Commissioner's Office ('ICO').
- Self-Assessment (Governance and Audit Committee) - self-assessment exercise discussed at 28.11.22 workshop and will be carried out in 2023.
- Individual Services carry out self-assessment through a performance matrix.
- IA undertake an annual self-assessment and have a 5-yearly independent external assessment / peer review as required by the PSIAS. The external assessor concluded that Ceredigion County Council's Internal Audit function generally conforms with the PSIAS. With the function currently conforming to 50 of the best practice areas, partial conformance in six areas and no areas of non-conformance.
- Cost performance (using inputs and outputs).

- A Corporate Performance Management Panel meets quarterly. All Corporate Lead Officers report to this Panel and the Dates for reporting are published in the report. The Chairs and Vice Chairs of the Overview and Scrutiny Committees attend with the principle that they can identify areas that require inclusion on their respective Forward Work Programmes.
- Chief Officers provide support and advice to Members and advice provided by Chief Finance Officer and MO.
- Scrutiny arrangements are in place which provide opportunities to challenge decision making and review the provision of services. The scrutiny function's aim is to provide added value to the continuous improvement agenda in their role as "critical friend". In addition, Overview and Scrutiny Committees also provide opportunities to undertake pre-decision and policy development work, which is a function of scrutiny, which has developed over recent years. The Council's aim is to scrutinise, where possible, before decisions are made.
- Training for Members on the role of Scrutiny and Scrutiny Chair and Vice Chair training provided.
- The Council's Overview and Scrutiny Co-ordinating Committee is responsible for taking an overview of the overall effectiveness of the PSB.
- Work undertaken with the Future Generations Office to develop a Scrutiny Framework in relation to the WFGA.
- A Corporate Performance Management Board meets each quarter, with Chairs of Scrutiny Committees invited to attend.
- Reporting dates are set at beginning of each year.
- Transformation and Risks are all referred to joint Local Government meetings and Panels.
- Financial monitoring is regularly undertaken throughout the Council under a devolved accountancy arrangement and formal reporting is made to Cabinet. Monitoring is also incorporated into the quarterly performance management reports.
- Accounting practices - Codes of Practice are complied with. Prudential Indicators are prepared and reported to Council and monitored throughout the year. Regular budget monitoring takes place throughout the year. IA also reviews controls over income collection and monitoring.
- Business/Service plans are monitored to ensure delivery outcomes are achieved.

### **Robust internal control**

Risk Management Policy and Strategy and the Risk Management Framework were approved by Cabinet on 24 September 2019.

Updates in relation to Business Continuity and Civil Contingencies arrangements submitted on a regular basis in line with the Corporate Risk Register, Risk CORP04.

Business Continuity and Civil Contingencies Group meet quarterly.

Regular meetings of the Emergency and Business Continuity Management Group take place to review Corporate and Service Area Emergency and Business Continuity Arrangements and Plans as well as recommendations arising from past incidents and exercises to evidence risk, identify emerging trends, and document any lessons learnt for follow up.

The annual Internal Audit Plan is risk-assessed and takes account of Council aims and objectives, and corporate policies and procedures; to include a review of the

Risk Management corporate arrangements, and testing the mitigating controls in place for a sample of risks noted in the Corporate Risk Register

Internal Audit Strategy & Annual Plan 2021-2022 approved by Governance and Audit Committee 10 March 2022 & continues to take account of additional risks presented by the pandemic.

IA's annual audit plan can address any necessary re-prioritisation of work, allowing IA to be reactive to any changes in risk within the Council.

Regular Quarterly Internal Audit Progress Reports to Governance and Audit Committee for monitoring (e.g. Internal Audit Progress Report for period 1 July 2022 to 30 September 2022 presented to Governance & Audit Committee on 17 January 2023).

Internal audit reports issued to Managers highlight the risks of not implementing any IA recommended actions. Fundamental & significant recommended actions are followed up and reported to Governance and Audit Committee. If CMIA considers that any fundamental risks have not been addressed by a Manager this is reported to Governance and Audit Committee who has the discretion of requesting that Manager to attend & explain reasoning for non-compliance.

Summary of work and audit opinion on assurance provided annually in Internal Audit Annual Report at year-end. IA Annual Report for 2021/22 approved by Governance & Audit Committee 6 June 2022.

Follow-up IA reviews to monitor implementation of required actions.

Internal controls, risk & governance processes are monitored according to the Internal Audit Charter (last version approved by Governance & Audit Committee 19/1/22) & the Annual Internal Audit Strategy and Plan.

The appointed Auditor considers the Council's arrangements to secure economy, efficiency and effectiveness in his letter he has stated that the Council has complied with its responsibilities to the use of its resources.

Risk evaluation always appears on agendas.

Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption ('CIPFA', 2014).

Internal Auditors have procedures in place if fraud discovered.

An Officer in the IA team is an accredited Counter Fraud Technician, and a second officer is also currently undertaking the qualification.

An officer) in the IA team holds a CIPFA Certificate in Investigative Practices ('CCIP').

'Strategy to Counter Fraud, Corruption and Bribery (to include Anti-Money Laundering)' updated and approved by Council 17 June 2021 (minutes confirmed 23 September 2021) has been written with regard to the Code of Practice & updated to ensure all requirements are included.

IA undertakes counter fraud work where required (as well as dealing with the discovery of fraud as considered earlier).

Council complies with Audit Wales's annual National Fraud Initiative requirements, currently co-ordinated by IA.

IA presents Counter-Fraud Report to Governance and Audit Committee annually (2021/22 Counter-Fraud Report presented to Governance & Audit Committee on 6 June 2022).

Monitoring and response to fraud alerts (NAFN, wider networks, peers, etc);

Membership and active participation in professional networks and groups (Tisonline, KHub, etc);

IA offer advice to services on implementation of new systems and processes to ensure effective internal controls maintained;

Nominated Council Officers undertake various fraud training to maintain knowledge and expertise;

Where appropriate, successful prosecutions publicised on Council website (and in local press)

IA's annual audit plan can address any necessary re-prioritisation of work, allowing IA to be reactive to any changes in risk within the Council.

The AGS contains the CMIA's annual opinion on assurance.

The IA function is headed by a CMIA who is currently studying to gain an IIA qualification, they have considerable local government experience, and are supported by a team with appropriate knowledge and skills. Regular reporting to Governance and Audit Committee on the activity of IA is undertaken. Robust risk-based forward work programme and business planning is in place.

IA evaluates and improves the effectiveness of risk management, control & governance processes in accordance with PSIAS, which is self-assessed and reported to Governance and Audit Committee annually along with any improvements required. A peer review is undertaken every 5 years the most recent having been completed in May 2022. The report and resulting action plan were presented to Governance & Audit Committee on 27 September 2022.

IA provides an individual assurance to Managers after each audit review – these are then used to provide an overall corporate level of assurance annually, which feeds in to the AGS.

A re-structure of IA was implemented in May 2019, and another in November 2020. The service has been fully resourced since 1 December 2020.

Two members of the team are currently pursuing the Institute of Internal Auditors' professional training qualification.

Governance and Audit Committee self-assessment - self-assessment exercise underway

Regular meetings between CMIA and Chair of Governance and Audit Committee.

Meetings as necessary between MO & Chair of Governance and Audit Committee.

Regular meetings between MO & CMIA.

Regular meetings between MO, CMIA & Audit Wales when necessary.

Regular Meetings between Governance and Audit Committee Members and external regulator Audit Wales (with and without Officers).

## Managing data

- ICT and Digital Strategy for 2018-2022 has been approved
- All policies are up to date including; (all approved in February 2019).
  - Data Protection & GDPR Policy (updated in 2023)
  - Information Security Policy; (to be updated 2024) and
  - Records Management Policy. (to be updated 2024)
- A mandatory E-learning training module on Information Security must be completed by all Staff.
- A mandatory E-learning training module on Data Protection must be completed by all Staff.
- Designated Data Protection Officer.
- Corporate Lead Officer Customer Contact is the Senior Information Risk Owner ('SIRO') and has attended appropriate training for that role.
- The following responsible Officers are identified:
  - IT Security Officer ('ITSO'); and
  - Information and Records Management Officer ('IRMO')



- In addition the following groups/committees consider Information security:
  - Corporate Data Protection Group; and
  - Emergency & Business Continuity Meeting.
- External assessments to include compliance with Code of Conduct.
- Regular Internal Audit of data protection Registration requirements.
- Procedures following Audit Wales audit have been implemented.
- Officers are considering the introduction of privacy notices in relation to applications to all Members, including the Development Management Committee.
- Training has been scheduled for Members on their obligations under the GDPR as part of the new Member training and a section on said legislation is now included in the protocol for Members in planning.
- Ceredigion County Council signed Wales Accord on the Sharing of Personal Information ('WASPI') and therefore uses WASPI framework for Information Sharing Agreements.
 

\*\*\*The Accord is a common set of principles and standards under which partner organisations will share personal information. Organisations who adopt the Accord will show their commitment in meeting the agreed conditions, obligations and requirements within the framework.
- In most cases agreements are forwarded to the Data Protection Officer.
- There is also a public register on [WASPI Website](#).
- Regular external Assessments e.g. Compliance with Code of Conduct.
- Internal performance monitoring and evidence.
- Cross matching data happens across the different services.
- Performance Indicator values are validated with evidence.
- Retention Schedule –now [published](#) on intranet.

### **Strong public financial management**

- The latest version of the [Medium Term Financial Strategy](#) ('MTFS') was approved by Full Council on 21/09/23. This reflects the 2023/24 WG Final Settlement and the 2024/25 WG indicative All Wales Settlement and covers the period 2023/24 to 2026/27. This was also considered by Corporate Resources Overview & Scrutiny Committee on 19/07/23 and Cabinet on 05/09/23.
- This now includes a policy framework for setting the budgets annually as well as a three-year plan. The MTFS features as a corporate risk that is updated at least three times a year. The annual budget setting also included a risk assessment. The Council is responding to the proposal in the 2016 Wales Audit Office (now Audit Wales) Annual Improvement Report and considering the report in light of the MTFS through ensuring that the Council's financial management arrangements are sufficiently robust to meet the significant challenges ahead.
- A Strategic Plan has been developed and has improved the programme of work necessary to consider service priorities whilst addressing financial constraints.
- An annual budget project plan/timetable is established to ensure that a balanced budget is approved within the statutory period in accordance with the Councils budget framework.
- Regular budget reports are taken to Cabinet and Leadership Group throughout the year and operational budgets are monitored on a monthly basis.
- Budget monitoring is regular throughout the year, within services, to Cabinet and to Member Officer working groups e.g. Development Group and CMG and

transformation programme savings to the Cross Party Transformation and Efficiency Consultative Group.

- Quarterly Executive Panel meetings take place if required with Corporate Lead Officers together with the Leader of the Council, the CE, Corporate Lead Officer for Finance and Cabinet Member with Finance responsibility.

## **G. Implementing Good Practices in transparency, reporting and audit to deliver effective accountability:**

### **Implementing good practice in transparency**

- Council's Website.
- Council and Cabinet meetings are broadcasted.
- Standard templates for Cabinet, Scrutiny and Council.
- Compliance to the Welsh language Standards.
- Use of Modern.Gov for publishing agendas and Councillor Information.
- Councillors' contact details, attendance records, Committee membership and Declarations of Interests available on the Council's Website.
- Councillors' annual reports available on the Council's Website.
- Overview and Scrutiny Annual Report available on the Council's Website.
- Democratic Services Annual Report available on the Council's Website.
- Equipment has been installed in the Council Chamber to enable hybrid meetings to be held, as per the Local Government and Elections Act 2021. The Council provides alternative ways for citizens to access information if they don't have access to digital services. The Citizen can telephone the Council's Contact Centre or visit its Libraries where public access to computers are available or free 4G Wi-Fi to allow anyone to use their own device.

### **Implementing good practices in reporting**

- The County Council's Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report is published on the Ceredigion County website to inform Ceredigion citizens what activities and actions the Council undertakes in support of its Well-being and Improvement Objectives. This also forms part of the Council's self-assessment. A summary plan is also available in public offices for our citizens.
- Annual financial statements are published on the Council's Website.
- Council's AGS evidences how it complies with the seven core Governance Framework Principles and sub-principles contained in the Framework and in the Local Code of Corporate Governance, including how it puts in place proper arrangements for the governance of its affairs, facilitates the effective exercise of its functions, and makes arrangements for risk management (the Governance Framework was developed in 2010 and has been revised in accordance with the CIFA/SOLACE Delivering Good Governance in Local Government Framework 2016). In compliance also with Local Government (Wales) Measure 2009 and The Well-being of Future Generations (Wales) Act 2015.
- Assessment of the framework for corporate governance carried out to ensure compliance. Decision by Council whether AGS approved alongside Statement of Accounts.

- AGS shared with accounts, reviewed and updated with Members and Officers providing a wider engagement process.
- Council's Local Code of Corporate Governance demonstrates how it has the necessary corporate governance arrangements in place to perform effectively. The Local Code of Governance is a public statement that sets out the way the Council will meet that commitment.
- Financial implications are a requirement for inclusion in all Cabinet Meeting reports. Financial Regulations and Financial Procedure Rules (Document F Constitution), Contract Procedure Rules (Document G Constitution) are all up to date.
- Accounting practices - Codes of Practice are complied with Prudential Indicators are prepared and reported to Council and monitored throughout the year. Regular budget monitoring takes place throughout the year. IA also reviews controls over income collection and monitoring.

### **Assurance and effective accountability**

- A good working relationship exists with Welsh Government and external regulators, including Audit Wales, Estyn, CIW, Financial Services Authority ('FSA') and Food Standards Agency as key regulators.
- Audit Wales Protocol documented and procedures in place to ensure all 'Management Response Forms' from each Audit Wales report addressed and that Service responses are presented to Leadership Group, Governance and Audit Committee and Audit Wales.
- Regarding monitoring of progress of actions/recommendations, Governance Officer is Audit Wales point of contact for ongoing governance related MRFs/governance matters. Corporate Performance and Improvement Officer is point of contact for performance related MRFs/performance matters. This system is set out in a Protocol, approved by Leadership Group and presented to Governance and Audit Committee, with updated version (to reflect that the Corporate Performance and Improvement Officer is in post) presented to Governance and Audit Committee 9.9.2021 Meeting.
- Monthly meetings are also being held between Performance Officers & Audit Wales and can be arranged with other officers as necessary. Regular dialogue is maintained with representatives from Audit Wales.
- Recommendations from Audit Wales are taken forward in the Corporate Performance Management arrangements.
- All Audit Wales reports presented to Leadership group and Governance and Audit Committee, which monitors implementation of corrective actions required.
- Monitoring of progress of Actions process has been developed.
- Chief Internal Auditor (CMIA) is currently studying to gain an IIA qualification, and has considerable local government experience, and is supported by a team with appropriate knowledge and skills.
- The Audit Manager is undergoing an IIA qualification.
- and two auditors are developing ICT auditing skills.
- IA Officers are undergoing audit qualifications to enhance knowledge, skills and competency.
- A re-structure of IA was implemented in May 2019, and another in November 2020 and April 2022. The service has been fully resourced since 1 June 2022.
- A new CMIA has been in place from 1 January 2022, and has considerable experience in IA, and is supported by a knowledgeable & skilled Audit Manager.

- The role of CMIA has free and unfettered access to the Chair of the Governance & Audit Committee and both meet regularly during the year.
- Robust risk-based forward work programme and business planning is in place.
- Regular reporting to Governance & Audit Committee on the activity of IA is undertaken, i.e. quarterly Internal Audit Progress Reports to Governance & Audit Committee for monitoring progress performance and improvement and summary of work and audit opinion on assurance provided annually in Internal Audit Annual Report at year end. Follow-up reviews undertaken to monitor corrective actions are implemented.
- Internal Audit Charter regularly reviewed and approved by Governance & Audit Committee (last version approved by Audit Committee 19/1/22).
- CMIA provides annual objective opinion on assurance placed on Council's risk management, control and governance processes, based on the individual assurances given to Managers after each audit review, & feeds into the AGS.
- The external assessor concluded that Ceredigion County Council's Internal Audit function generally conforms with the PSIAS. With the function currently conforming to 50 of the best practice areas, partial conformance in six areas and no areas of non-conformance.
- IA's mission is to enhance & protect organisational value by providing risk-based & objective assurance, advice & insight. This is detailed in the internal Audit Charter, which also states IA's right of access (as per the Council's Financial Regulations/Constitution).
- Partnership and Accountability agreements are established in collaborative projects.

#### **4 Opinion on the level of assurance that the governance arrangements can provide**

The Corporate Manager - Internal Audit (CMIA) prepares an Annual Internal Audit Report at year-end, which is usually presented to the Governance and Audit Committee at its June meeting. The report sets out the individual and collective outcomes of the audit reviews undertaken during the year, and provides the overall audit opinion of assurance based on this audit work. The assurance provided also takes into account progress in implementing improvements, consideration of the risk register and assurances provided in reports issued by external regulators. The scope of audit work and how the need to constantly reprioritise to ensure sufficient work is undertaken for the assurance is detailed in the report.

The Annual Report at year-end contains the results of the internal audit annual self-assessment of the service, based on CIPFA's LG Application Note's template. This was subject to an external peer review in [enter date].

The external assessor concluded that Ceredigion County Council's Internal Audit function generally conforms with the PSIAS. With the function currently conforming to 50 of the best practice areas, partial conformance in six areas and no areas of non-conformance.

A Report on the Annual Governance Statement 2023-2024 Progress and Current Year Action Plan was provided to the Governance and Audit Committee on [enter date].

The Quarter 1 Internal Audit Progress Report 1/4/2023-30/6/2023 (presented to the Governance and Audit Committee on [enter date] and subsequent periods expected on [enter date], [enter date] and [enter date]) include the actions taken to date to achieve the identified proposed improvements.

The Internal Audit staffing structure has been at full complement during the year 2023-2024.

On [enter date], the CMIA presented to the Governance and Audit Committee the Internal Audit Strategy and Plan for 2023/24. This is designed to ensure a sufficient area of coverage is undertaken to support the annual opinion on the effectiveness of the systems of governance, risk management and internal control across the Council. The Internal Audit Strategy and Plan for 2023/24 summarised the work areas the Internal Audit Section aimed to concentrate their time on during the year, Internal audit work has been assessed on an on-going basis with regular consideration given to the Council's changing needs and priorities. In addition to this reactive work, assurance for 2023/24 is placed on planned reviews either carried forward or undertaken during the year to assess the annual level of assurance for the Council. All actions taken have been consistent with the guidance note issued by the Internal Audit Standards Advisory Board. In addition, more resources have been dedicated to developing the assurance mapping system to provide additional support to the assurance provided at year-end.

The Council has, for example, had an urgent obligation to award various grants to eligible businesses in the County, and due to potential fraudulent claims, Internal Audit has continued to review a sample of applications prior to payment (easier to stop payments than recover after), adding value to the Council's operations due to changing circumstances, as supported by Internal Audit Standards Advisory Board guidance notes.

The CMIA concluded in her 2022/23 Annual Report presented to the Governance and Audit Committee on [enter date] that the Council has a satisfactory framework of governance, risk management and internal controls in place to manage the achievement of the organisation's objectives during the year, based on:

- the number, scope and assurances from internal and external sources during the year to 31 March 2023, and
- the acceptance of actions by management (where available).

The Annual Governance Statement will be the subject of review by Audit Wales to ensure that it is consistent with their knowledge and with legislation. In addition, the Internal Audit section undertakes an annual independent review of the Annual Governance Framework and the method of scoring and evidence, as noted in Point 2 above.

The Council's Corporate Lead Officer - Customer Contact, ICT & Digital acts as the Authority's Senior Information Risk Owner (SIRO) and also has responsibility for Data Protection and ICT Security.

The SIRO Forum traditionally included subject matter experts: E.g. Facilities, Data Protection, IT Security, Head of IT, Legal, HR and some departmental representation. This meets every quarter to discuss information risk and information management issues.

The current key roles and scrutiny of Information Assets are as follows:

- An IT Security Officer ('ITSO') who advises on data security and external advisers and consultants are employed from time to time to test and advise on the Authority's security arrangements;
- An Information and Records Management Officer ('IRMO') advises on legal compliance and ensures that policies and procedures are in place and are being adhered to;
- Corporate Data Protection (known internally as Corporate Data Protection / FOI / EIR Group Meeting) meets quarterly and is chaired by the Head of Service Policy (Deputy HOS ICT&CS); and
- Annual Reports as required to the Council's Governance and Audit Committee.

Additionally:

- ITSO is the Vice-chair of Wales National Public Sector Security Forum (CymruWARP) which meets quarterly.
- IRMO Chairs the Information and Records Management Society Wales/Cymru and arranges events across Wales.
- IRMO is part of the WASPI - Mid and West Wales Quality Assurance Panel.

Following the Governance Framework review, overall governance arrangements are considered to be good on the basis that the majority of scores applied were 4/5.

## 5 Issues identified for last year (2023-2024)

The following table records the actions that have been taken during 2023-24 to resolve the issues identified in the Annual Governance Statement for 2022-2023, the Lead Officer responsible for oversight of the Action and the estimated Completion Date. The Lead Officer has responsibility to ensure the action is also detailed, monitored and updated in their own Service's Business Plans

Note: Any actions not fully completed by the completion date will be carried forward into the 2024-2025 Action Plan

Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
<p>A1.1 Ensuring Members and Officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation</p>	<p>MO to continue to advise Members further on the Code of Conduct.</p> <p>MO to continue to advise Chief Officers further on the need to declare:</p> <ul style="list-style-type: none"> <li>• close personal associations with other Officers or Members, Ongoing review on Chief Officers business declarations</li> </ul> <p>Review Members holding directorships, trusteeships, or memberships.</p> <p>MO to consider member feedback and added value of memberships of outside bodies.</p>	<p>Outcome: Further embedding of behaviour with integrity.</p> <p>Progress:</p> <p>Code of Conduct for Officers revised and approved. MO advice ongoing</p> <p>Not complete</p>	<p>Elin Prysor/ Lowri Edwards</p>	<p>March 2024</p>

Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
	<p>Reviewed Code of Conduct for Officers to be issued once approved.</p> <p>Officers to complete a Mandatory Ethics/Fraud e-training module once completed &amp; approved.</p> <p>Planning/Development Management Committee governance actions/documents established, training to be provided and progress to be reviewed during 2022-2023.</p> <p>Discussions are currently taking place with Audit Wales to support their Planning Service Follow-Up Review. Any recommendations will be responded to.</p>	<p>Fraud &amp; Ethics mandatory eLearning module completed. Will be launched on 12/12/2023 for all Council employees to complete</p> <p><b>Task &amp; Finish Group established October 2023</b></p>		
<p>A1.2 Ensuring Members take the lead in establishing specific standard operating principles or values for the Organisation and its Staff and that they are communicated and understood. These should build on the Seven</p>	<p>Planning/Development Management Committee governance actions/documents established, training to be provided and progress to be reviewed during 2022-2023.</p> <p>Discussions are currently taking place with Audit Wales to support their</p>	<p>Outcome: Further embedment of Standard Operation Principles and values, including their communication.</p>	<p>Elin Prysor/ Lowri Edwards</p>	<p>March 2024</p>



Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
Principles of Public Life (the Nolan Principles)	Planning Service Follow-Up Review. Any recommendations will be responded to.	Progress: Ongoing . Task & Finish group established.		
A1.4 Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	<p>Delegated decision Decisions Register to be published – in progress.</p> <p>Continued monitoring of completion of mandatory Whistleblowing e-learning module.</p> <p>Whistleblowing policy has been reviewed and is awaiting approval by Overview and Scrutiny Co-ordinating Committee and Cabinet.</p> <p>Revised Officer Code of Conduct and Declaration of Interest forms to be presented to Scrutiny Committee</p> <p>Report on generic whistleblowing activity to be presented to Overview and Scrutiny Co-ordinating Committee.</p>	<p>Delegated decision Decisions Register to be published – in progress.</p> <p>TPO Register prepared and to be published January 2024</p> <p>Chief Officer Register of Personal Business Interests to be updated &amp; published</p> <p>Progress: Draft prepared. Consistency exercise required</p> <p>Approved by Scrutiny on Xx</p> <p>Approved by Corporate Resources scrutiny on 4.3.24 and Cabinet on xx</p>	Elin Prysor/ Katy Sinnett-Jones	March 2024

Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
		Due to be done on March 2024		
A3.1 Ensuring members and Staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	Privacy notices for Councillors being developed and to be provided by Data Protection Officer.	<p>Outcome: Demonstrating strong commitment to rule of law. and adherence to relevant laws and regulations</p> <p>Progress: Complete</p> <p>A template privacy notice has been created and is provided and discussed with councillors as part of their DPO training</p>	LowriEdwards /Alan Morris	March 2024
A3.2 Creating the conditions to ensure that the statutory Officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	CMIA to complete professional qualification	<p>Outcome: Ensuring key post holders are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.</p> <p>Progress: (CIA)Certificate of Internal Audit completed November 2023</p>	Elin Prysor/ Alex Jenkins	March 2024 Complete

Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
B1.1 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Review of the FOI Publication Scheme is in progress.	Outcome: Demonstrating commitment to openness. Progress:	Alun Williams /Marie-Neige Hadfield	March 2024
B3.1 Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	A new Engagement and Participation Policy, 'Talking, Listening and Working Together' has been published. Implementation of this policy to be considered before action complete.	Outcome: Improving Community Engagement. Progress:	Alun Williams	March 2024
D2.3 Considering and monitoring risks facing each partner when working collaboratively including shared risks	To continue to take into account legislative changes e.g. Local Government and Elections (Wales) Act 2021.  To implement legislative changes, such as regarding the Local Government and Elections (Wales) Act 2021 and consider/monitor risks facing each	Outcome: Risk management and compliance with legislation to demonstrate commitment to rule of law.  Progress: All complete save approval of Petitions pe-Protocol: Council 14/12/23. Constitution to be revised thereafter.	Alun Williams/ Elin Prysor	March 2024

Issue	Action	Outcome / Progress to Date	Lead Officer	Completion Date
	partner when working collaboratively, including shared risks.			
E2.2 Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Delegated Decision Register to be published.	<p>Outcome: Further clarity on which decisions are delegated through communication by way of publication.</p> <p>TPO Register prepared and to be published January 2024</p> <p>Chief Officer Register of Personal Business Interests to be updated &amp; published</p>	Elin Prysor	March 2024
G3.1 Ensuring that recommendations for corrective action made by external audit are acted upon	Monitor progress of actions/recommendations – ongoing action.	<p>Assurances and managing risk.</p> <p>Progress: ORF's presented to GAC as part of ongoing Action Plan. Updates are revisited at future meetings?</p>	Elin Prysor/ Alun Williams/Alex Jenkins	March 2024

## 6. Agreed action plan for matters to be considered during 2024-2025

Following the implementation and review of the CIPFA/SOLACE Delivering good governance in Local Government Framework (2016) the following issues (see below table) have been identified for resolution during 2024-2025. The Table sets out the issue, action, desired outcome, Lead Officer responsible for oversight of the action and the estimated completion date. The Lead Officer has responsibility to ensure the action is also detailed, monitored and updated in their own Service's business plans.

Issue	Action	Outcome	Lead Officer	Completion Date

## 7. Conclusion

The annual governance framework review measured progress against the new CIPFA/SOLACE Delivering Good Governance Framework (2016) and overall governance arrangements were found to be **acceptable or good**. The Council has made good progress during the year with recorded achievements against each of the seven core principles. The Local Code of Corporate Governance brings together all the local codes and documents together in one document and provides assurance that there are clear governance arrangements in place. The Council set out an action plan for completion for 2024/25 (as above)

