

**ANNUAL  
GOVERNANCE  
STATEMENT  
2021/22**



# Annual Governance Statement 2021 – 2022

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## Scope of Responsibility

Blaenau Gwent County Borough Council ('the Authority') 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. The Authority also has a general duty under the Local Government Measure (Wales) 2009 and the Local Government and Elections (Wales) Act 2021 to make arrangements 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 Authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Authority has approved and adopted a Code of Governance, which is consistent with the principles of the CIPFA/SOLACE Framework "Delivering Good Governance in Local Government". A copy of the code is available from the Governance and Partnerships Section.

This statement explains how the Authority has complied with the code and also meets the requirements of regulation 5 of the Accounts and Audit (Wales) Regulations 2014 in relation to the publication of a statement on internal control to accompany the Statement of Accounts.

## The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of the framework and is designed to manage risk at a reasonable level. It cannot eliminate all risk and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the key risks of the Authority, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. These will include achievement or not of the Council's policies, aims and objectives.

The governance framework has been in place at the Authority for the year ended 31 March 2022.

In January 2022 Audit Wales published their Annual Audit Summary for 2021. The report included a synopsis of each review undertaken by Audit Wales over the year.

Details of the Proposals for Improvement issued by regulators during 2021/22 are available from the Corporate Performance Team, and progress against their achievement is included in the Joint Finance and Performance Report. These proposals are attached at Appendix A.

## The Governance Framework

The governance framework includes the key elements of the systems and processes that comprise the Authority's governance arrangements, along with an assessment of their effectiveness. The ways in which the Authority demonstrates this are discussed below. Each core principle set out in the Authority's Code of Governance is identified, along with the self-assessment of how well it is applied and how we propose to improve in future. The review of effectiveness is informed by the work of the Senior Managers, who have responsibility for the development and maintenance of the governance environment, the Audit and Risk Manager's annual report, and by the commentary from the external auditors and other regulators.

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

### *How we do this:*

A Governance Framework exists that sets out the standards and processes to be adopted by both Members and Officers. Codes of Conduct, detailing Member / Officer relations, are contained within the Constitution and all are required to make declarations of any interests that impact on their positions / functions. These documents are periodically reviewed and updated, and are influenced by best practice and recommendations from both internal and external regulators.

Members' declarations are retained by the Monitoring Officer and Officers' declarations are held by Service Managers. All Council meetings are conducted in accordance with the agreed democratic process and have declarations of interest as part of the agenda, with any declarations noted in the minutes and Members withdrawing or not taking part in the debate as appropriate.

A Policy Framework exists to guide both Members and Officers in fulfilment of their roles. This includes a Whistle-Blowing policy enabling Members, Officers and the public to report any concerns regarding the integrity and operations of the Authority. In addition, policies such as

disciplinary or grievance procedures have been formulated for dealing with breaches to the codes.

Both Officers and Members are advised through the induction process of the standards of behaviour required by the Council throughout their term of office or employment. Continued adherence to the ethical values of the Authority is confirmed through a performance review protocol for all Officers and a Personal Development Review (PDR) / Competency Framework (CF) in place for Members. The PDR / CF is a mandatory process for senior salary holders, and non-senior salary holders are also offered the opportunity to undertake a PDR / CF.

The Authority's constitution has a published Scheme of Delegation of Functions, which is agreed and published annually. This scheme details subject areas, and identifies the bodies or individuals responsible for decision making. It sets out the terms of reference for the various committees in operation. In addition, both the Monitoring Officer and the Section 151 Officer have oversight of the decisions made by the Authority to ensure their lawfulness and financial probity.

### ***Review of Effectiveness:***

Each Committee conforms to legislative requirements including compliance with the Local Government (Wales) Measure 2009, Social Services and Well-being (Wales) Act 2014, the Well-being of Future Generations (Wales) Act 2015 and the Local Government and Elections (Wales) Act 2021. The decision making process is documented and the Authority's Scrutiny Committees can 'call in' a decision which has been made by the Executive Committee (now Cabinet) but not yet implemented. No decisions were called in during 2021/22.

Work has continued to strengthen Blaenau Gwent's Scrutiny and Democratic Committee arrangements. Throughout the response to the Covid-19 pandemic, all members were provided with laptops to assist them with remote access. Support arrangements and guidance were put in place to support members through this unprecedented time. This support continued into 2021/22 and arrangements were put in place to support all members elected as part of the Local Elections in May 2022.

Mandatory sessions on the Constitution including roles and responsibilities are held for all new Members.

In 2021/22 four complaints against Members were made to the Ombudsman, but none were investigated due to no evidence of a breach or being too minor to pursue. There were no whistle-blowing incidents reported to the Authority during the year, however two whistle-blowing complaints were ongoing from the previous year.

### ***Recommendations for Development:***

- Continued adherence to the Authority's policies and procedures which exist to guide Members and Officers to comply with the Council's expectations in terms of acting with integrity.
- To evidence the robust application of the Authority's Code of Conduct, an Internal Audit review of the declarations of interest process will be concluded.

- In line with good practice, an Annual review (as a minimum) of the Constitution and Scheme of Delegation to ensure the Authority's governance and decision making processes remain fit for purpose.
- Review of and continued application of the Members Performance Development Review Scheme and competency framework.
- Continued application of the Officers Performance Review Scheme.
- Audit plans for future years will include testing a range of policies and procedures.

**Core Principle B**  
**Ensuring openness and comprehensive stakeholder engagement.**

***How we do this:***

The Council continues to develop the way in which it engages with the community and new processes for engagement with the Town and Community Council have been developed.

During 2020/21, the Council reduced its engagement as a consequence of the Covid-19 pandemic but this year has seen a move towards usual practice. The Council has developed an Engagement Strategy which outlines the approach to engagement which includes: the community, stakeholders, staff and members. This Strategy will be reviewed to ensure that it captures the participation aspects of the Local Government and Elections (Wales) Act 2021.

The Citizens Panel is in operation alongside various other groups such as the 50+ Forum, Youth Forum and Children's Grand Council. The Council also engages with the business community through a number of channels, including the 'Business Hub', the Enterprise Board and through various town centre business forums.

In order to understand the engagement activity across the Council, and to map the type and level of activity being delivered across the organisation, an Engagement Calendar has been developed and is updated quarterly with all of the activity that is planned for the coming quarter.

The following engagement activities have taken place:

- Pen-y-Cwm School capacity consultation;
- Social Services department survey; and
- Section 19 Flood Investigation Survey

The Council also worked with the Public Services Board (PSB) partners to deliver a participatory budgeting, Community Choice, Community Voice Programme. This resulted in £252,393 funding being awarded to 40 community groups delivering local projects.

The Blaenau Gwent Local Well-being Plan 2018 to 2023 sets out the main priorities for strategic partnership working. To support the Plan for its implementation the PSB has

developed a Strategic Work Programme which was signed off in January 2020. This Work Programme has identified five high level actions to be taken forward:

- First 1,000 days and Early Years Pathfinder;
- Building a healthier Gwent / Integrated Well-being Networks;
- Climate Change;
- Blaenau Gwent Sustainable Food Programme; and
- Foundational Economy.

Each of the high level actions has an identified PSB sponsor.

During 2018/19, the Council developed a Corporate Plan 2018/22 which included revised Well-being Objectives (which also act as Improvement Objectives). In summer 2020, the Council undertook a review of the Corporate Plan linked to the response and learning to date from Covid-19 and what the Council is aiming to achieve by the end of the Plan in 2022. This resulted in some amendments being made to the Well-being Objectives in order to better demonstrate the contribution different areas across the Council will contribute to achieving them, enhancing our One Council approach. The overall emphasis of each Well-being Objective did not change:

- **Protect and enhance our environment and infrastructure to benefit our communities**
- **Support a fairer sustainable economy and community**
- **To enable people to maximise their independence, develop solutions and take an active role in their communities**
- **An ambitious and innovative council delivering the quality services we know matter to communities.**

The Council has worked with the newly elected members to undertake a review of the priorities, using learning from the Council's Corporate Self-Assessment, to develop a new Corporate Plan to cover a 5 year period 2022 – 2027.

Blaenau Gwent continues to work with a wide range of partners where partnership opportunities provide better outcomes for local residents than the Council could achieve if working on its own. We work in partnership with a variety of stakeholders including staff, residents and businesses. Examples of collaborations and partnerships include:

- Education Achievement Service (EAS)
- Shared Resource Service (SRS)
- Regional Public Service Board (PSB)
- Cardiff Capital Region City Deal
- Local Nature Partnership Blaenau Gwent and Torfaen
- Tech Valleys
- Valley Task Force
- Gwent Wide Adult Safeguarding Board (GWASB)
- South East Wales Safeguarding Children Board (SEWSCB)
- Greater Gwent Health, Social Care and Well-being Partnership;

The Council has an established engagement framework for staff and the Council's Trade Union and Consultation Framework has been reviewed and updated. The Partnership and Engagement Team has developed an overarching Council Engagement Framework which includes engagement with staff.

A Corporate Communications Strategy has been established and an organisational review of the communications function was undertaken in March 2022 with an agreed programme of activity developed.

### ***Review of Effectiveness:***

To ensure relevant stakeholders are engaged throughout the Council's policy development and decision making processes, comprehensive engagement events have been held throughout the year.

The Policy, Partnership and Engagement Team supported a number of engagement and participation activities and events. The Council continues to hold a number of key engagement and participation activities and events including: Youth Forums; School Grand Council; quarterly Over 50's Network and Forum; and equality focused Access for all Forums. The Council also continues to develop its use of social media channels such as Twitter, Facebook and Flickr.

Engagement with staff regarding the process for staff supervision has been undertaken which has led to improvements to the process in order to encourage discussion in identified areas.

Engagement arrangements with Audit Wales are in place with regular meetings with the Head of Governance and Partnerships, the Section 151 Officer and separate monthly meetings with the Chief Executive. Quarterly meetings are also undertaken with the Leadership.

The Authority's Education Services have regular Local Authority Link Inspector (LALI) meetings convened with Estyn in line with inspectorate requirements. The Education Directorate reports progress against the Local Government Education Services (LGES) framework to Scrutiny and Executive (now Cabinet) Committees. The Authority has update meetings between the Corporate Director Education, Members and the Welsh Government officials as and when required and the Education Achievement Service (EAS) also provides updates on the school improvement agenda.

The Regional Partnership Board has submitted a 'Transformational Offer' to Welsh Government setting out proposals of how the Gwent region would support the continued development of a 'seamless system' of care, support and well-being, in response to the Welsh Government's new long term plan for health and social care, 'A Healthier Wales'. The offer in total for Gwent amounted to £13.4 million of new limited funding over a two-year period. Four areas were selected, derived from the priority areas within the Area Plan and the considered directions of the Regional Partnership Board. These include:

- The development of early intervention and prevention services (Integrated Well-being Networks)
- The development of primary and community care services (Compassionate Communities);



- The redesign of child and adolescent emotional and mental health services (Iceberg model);
- The development of an integrated 'Home First' discharge model.

The programme was awarded £8,313,131 for 2021/22. Sustainability being the primary focus in this final year, bringing together successful elements alongside successful ICF programmes, to create a framework of services within a model of '@Place Based Care'.

All four programmes, have embedded well and the evaluation reports demonstrate both financial efficiencies and improved wellbeing outcomes for citizens have been achieved.

### *Recommendations for Development:*

- Monitor progress of the Local Well-being Plan.
- Supporting development of the Regional Well-being Plan
- Review of the Engagement Strategy and continued implementation of the Council's Engagement Programme.
- Development of the new Corporate Plan 2022 – 2027 (completed)

**Core Principle C**  
**Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

### *How we do this:*

The Authority has reviewed its priorities, vision and values. The Corporate Plan acts as the Council's business plan and is directly linked to the priorities in the Well-being Plan. The Corporate Plan was approved by Council on 26<sup>th</sup> April 2018 and covered the four-year period to 2022, in line with the timeframes until the 2022 local elections. In 2020 a review of the plan was undertaken to consider the learning from the COVID 19 pandemic. This resulted in some amendments being made to the Outcome Statements in order to better demonstrate the contribution different areas across the Council contribute to achieving them, enhancing our one Council approach. The overall emphasis of each Outcome Statement (Well-being Objective) did not change.

The priority areas identified in the Corporate Plan also act as our Well-being Objectives as part of the Well-being of Future Generations (Wales) Act.

In September 2021, the Council published its Assessment of Performance for 2020/21, detailing progress made throughout the year against the priorities identified within the Plan. It also included an assessment of the work undertaken as part of the response to the global pandemic, Covid-19.

The Wellbeing of Future Generations (Wales) Act 2015 established statutory Public Service Boards (PSBs) to improve the economic, social, environmental and cultural wellbeing across Wales by strengthening joint working across all public services. There is a statutory requirement for all PSBs to develop a Well-being Assessment and a Well-being Plan.

The current Well-being Plan will remain in place until 2023, when a new plan will be developed, linked to the findings of the Well-being Assessment. Arrangements have been made to establish a Joint Public Service Board merging, under Section 47 (1) of the Well-being of Future Generations (Wales) Act 2015, the former five local PSB Boards. This will replace the individual Public Service Boards in each of the five Local Authority areas of Gwent. As part of this, a Joint Public Service Board Scrutiny Committee is to be established. Local Public Service Board Scrutiny Committees will remain in place in each local authority until the end of the local Well-being Plans 2023.

The Authority has a Strategic Equality Plan 2020/24 that was subject to comprehensive engagement of people with different protected characteristics, including through the Access for all Forum and the Older Peoples Network, as well as holding a Member Equalities Task and Finish Group

The Authority is committed to the principles of the Wales Procurement Policy that identifies Procurement as a strategic enabler, delivering key policy objectives to support the Council's economic, social and environmental priorities.

Extensive engagement was undertaken on the development of the 10-year Blaenau Gwent Welsh in Education Strategic Plan (WESP). The WESP has recently been approved by Welsh Government. The WESP is monitored via the Blaenau Gwent Education Forum (WEF) on a termly basis and presented to Scrutiny / Executive prior to the annual return to Welsh Government.

The Authority receives a capital allocation from Welsh Government that is used along with the capital receipt reserve to form a capital programme providing a range of sustainable benefits for the Authority. The funding is allocated based on departmental bids for projects. The bids are analysed and scored in line with a set of criteria that consider, amongst other things, the projects alignment with corporate and national priorities.

### ***Review of Effectiveness:***

Equality Impact Assessments are undertaken against all relevant proposals, and included within the Council's reporting template and strategic business reviews. The Annual Report to the Equality and Human Rights Commission was published and submitted within the appropriate timescales.

The Council has in place a Welsh Language Promotion Strategy and on an annual basis, prepares an Annual Welsh Language Monitoring Report, which is produced in accordance with the requirements of the Welsh Language (Wales) Measure 2011. The 2020/21 report was provided to the Corporate Overview Scrutiny Committee in September 2021. The statutory deadline for publishing the report is June each year and this deadline was achieved.

It is a statutory responsibility for the Corporate Director of Social Services to assess the effectiveness of the delivery of Social Services and produce an Annual Report. The Annual Report contributes to and forms part of the Annual Council Reporting Framework (ACRF). The report of the Corporate Director of Social Services 2019/20 was presented to the Social Services Scrutiny Committee in July 2021 and the 2020/21 report in October 2021. As part of legislative amendments made as part of the response to the global pandemic and due to the unprecedented challenges facing everyone at this time there was no requirement to submit performance data by the Corporate Director of Social Services until September 2021. The Council has now submitted all of its required performance reporting for Social Services to Welsh Government.

The Transformation Programme to support the continued development of a 'seamless system' of care, support and wellbeing in Gwent, in response to the Welsh Government's new long term plan for health and social care, 'A Healthier Wales', has seen progress across the four identified programmes with evaluation reports demonstrating both financial efficiencies and improved wellbeing outcomes for citizens have been achieved.

Strong progress continues to be made on the Council's Welsh Education Strategic Plan (WESP), including approval to establish a new 210 place Welsh medium primary school and associated childcare facility in the Tredegar area.

Compassionate Communities is also part of the Transformation Programme that aims to improve the well-being of people across Gwent. Work includes the development of IAA outreach across the Compassionate Communities within 11 GP practices and also at community and acute hospital sites, where initial positive outcomes have been reported. Compassionate Communities also include Community Connectors actively participating in Multi-Disciplinary Team Discussions and Hospital discharge follow up phone calls.

### ***Recommendations for Development:***

- Continued implementation and mainstreaming of the Welsh Language Standards across all areas of Blaenau Gwent.
- Development of a new Corporate Plan 2022 to 2027.(Completed)
- Review of the business planning framework and priorities linked to the development of the Corporate Plan
- Continue to support the collective and individual body duties under the Well-being of Future Generations Act.
- Implementation of requirements under the Local Government and Elections (Wales) Act 2021
- To implement the new code of practice in relation to the performance and improvement framework of Social Services in Wales.

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

***How we do this:***

The Authority has strengthened its Performance Management Framework to ensure a consistent approach and accountability for performance improvement. This process has been aligned to the Risk Management Framework to provide one approach for data collection and monitoring.

A Strategic Commercial and Commissioning Board as well as an Operational Officer Group has been established to provide oversight and scrutiny of the Council's commercial activities, primarily commissioning, procurement, investments and trading. The board provides challenge with regards to the merits of each spending proposal and contracts over £75k and ensures a consistent approach to spending in line with the objectives of the Authority. The Operational Group reviews contracts below £75k. The Board has an agreed Terms of Reference and has implemented a quarterly market intelligence report since April 2022.

The corporate reporting format has been designed to guide officers and members to consider the key implications of any proposals put forward. The report has defined areas for considering options appraisal, risk, staffing and financial impact, along with the contribution to the Sustainable Development Principles. An addition to the template is an integrated assessment section which combines the Equalities Impact Assessment with the Socio Economic Impact Duty. This assists in the process for making informed and transparent decisions and ensures the links between budget and planning are considered as well as legislative requirements.

***Review of Effectiveness:***

The Authority presents the Joint Report to the Corporate Overview Scrutiny Committee (from 2022 onwards the Corporate Overview and Performance Scrutiny Committee) and Executive (now Cabinet) on a six monthly basis. This report highlights key messages, performance information, workforce information, financial analysis, Strategic Business Reviews progress, Audit Wales proposals for improvement and directorate and corporate risks. Throughout the Covid-19 pandemic the reporting of the Joint Report was put on hold, although the Council did produce its annual assessment of performance within the required timescales. Corporate Leadership Team agreed for business plans to be completed to provide an end of year position statement as part of the Joint Report which was presented to Members in July 2021.

Self-evaluation arrangements are in place and continue to be refined, requiring each service area to consider how its activities contributed to the achievement of its intended outcomes and support the Council to achieve its goals. The process enables us to gather and use good

quality information to better understand how we are performing. Following the introduction of the Local Government and Elections (Wales) Act 2021, the Council is required to undertake a corporate self-assessment at least once on an annual basis. The Council has used its current business planning process to gather evidence as well as identifying a number of key documents to reference. This will be the first iteration of the new self-assessment process and it is expected that amendments to the process will be made following the first year of completion.

The remit of the Strategic Commercial and Commission Board focuses on the strategic direction of the Council's commercial activities including the commissioning and procurement of the organisations third party spend.

### ***Recommendations for Development:***

- Undertake a Corporate Self-Assessment as part of the Local Government and Elections (Wales) Act 2021
- Review of the business planning process and review of business plans aligned to the new Corporate Plan.

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

### ***How we do this:***

Blaenau Gwent had 42 elected members who collectively make up the decision making body for the Authority. From May 2022 the number of elected members reduced to 33. This is complemented by an officer structure of trained and experienced people.

Most policy decisions are developed by the Executive Committee (now Cabinet), which comprises the Leader and four Members with individual portfolio responsibilities. The portfolios were agreed at the Annual General Meeting (AGM) of the Council in May 2022.

In addition to the Executive / Cabinet, the Authority's Committee structure also comprises three decision making Committees (1 x Planning and 2 x Licensing), four Scrutiny Committees, a Standards Committee, a Democratic Services Committee and a Governance and Audit Committee.

Members are appointed to these Committees, each of which is supported by relevant officers. Payments to Members who are in positions which attract a senior salary are in line with the determinations of the Independent Remuneration Panel for Wales.

There are four statutory posts in place namely the Head of Paid Service, the Monitoring Officer, the Head of Democratic Services and the Section 151 Officer. These are satisfied by the appointments of the Chief Executive, the Head of Legal and Compliance, the Head of

Governance and Partnerships and the Chief Officer - Resources, respectively. These post holders are charged with ensuring elected Members receive appropriate advice.

There are two further officer roles, namely, the Corporate Director of Education and the Corporate Director of Social Services who undertake statutory functions for Education and Social Services respectively. Two more officer roles are taken up by the position of Corporate Director of Regeneration and Community Services and the Chief Officer – Commercial and Customer. During 2021 there were changes to the CLT with the appointment of a new Corporate Director of Education and a new Chief Officer –Commercial and Customer. Recruitment to the position of Corporate Director of Regeneration and Community Services took place in 2022..

The Authority has a clear set of strategic outcomes, supporting actions and competencies which relate to service delivery. Both Members and Officers receive appropriate training to enable them to develop / enhance the necessary skills to fulfil their roles.

A Performance Coaching Scheme exists for Officers and a Personal Development Review Scheme (PDRs) and Competency Framework for Members to ensure an appropriate level of competency and to identify any further training needs or continuous professional development requirements that are required for the job role, or to prepare them for future roles. Most officer posts have a detailed job description and person specification, and selection is made through a robust recruitment process to meet the specific skills and competencies of the post.

Role descriptions for Members are established and include specific role descriptions for senior member roles. These are included within the Constitution.

### ***Review of Effectiveness:***

In November 2018 the Council received its Level 1 Wales Charter for Member Support and Development awarded by the Welsh Local Government Association, recognising the Authority's good practice in this area. The Member Development Strategy was updated as part of this process. A Member Induction Programme was implemented following the local election in May 2022 and training is ongoing in line with the programme. Procedures for Member Personal Development Reviews (PDR) are in place. The PDR process has been enhanced with the development of a Members Competency Framework which was considered and approved at the AGM in May 2018. This process is mandatory for all senior salary holders and offered to all members.

A Corporate Leadership Team (CLT) operates within the Authority, consisting of the Chief Executive, supported by departmental Directors and Chief Officers. These meetings are minuted and key information is disseminated to all officers through an established reporting structure.

The Authority monitors performance reviews through the management structure, feeding concerns up to CLT as appropriate. There is an established Engagement and Consultation Framework agreed with and in place for Trade Union involvement which has been reviewed and updated with them in 2020. An Engagement Strategy 2018/22 was introduced during 2018 which includes community, stakeholder, staff and member engagement. This Strategy is to be updated to reflect the participation aspects of the Local Government and Elections (Wales) Act 2021.

In house, on the job training continues and essential external training is undertaken. Managers and staff have the ability to discuss capability and capacity issues as part of the performance review process.

Two members of staff were the subject of the capability process during the period April 2021 – March 2022, both cases were resolved during the period.

Six internal grievance procedures were instigated between April 2021 and March 2022. Five of these were closed by the end of the year, with one case ongoing. A collective grievance was raised concerning 55 employees, this remained open as at 31 March 2022.

A new Leadership Development Programme was planned for the end of 2020, but progress was delayed due to the pandemic.

### ***Recommendations for Development:***

- Develop and implement a new Leadership Development Programme.
- Undertake a review of the PDR / CR for members
- Undertake a review of the mentoring scheme for members
- Development of a new Engagement Strategy

**Core Principle F**  
**Managing risks and performance through robust internal control and strong public financial management.**

### ***How we do this:***

The Authority has in place a Risk Management Framework that includes a Risk Management Strategy and a Risk Management Handbook. The risk management arrangements are set out in the Performance Management Framework and are aligned to the corporate business planning process. These set out the risk appetite of the Council and provide a methodology to ensure the consistent assessment / prioritisation of the risks the Authority faces and any mitigating actions.

The Authority continues to produce the Joint Report which highlights progress in relation to finance, performance and risk.

The Council has an adopted corporate policy in place to deal with complaints. A review of monitoring complaints has been undertaken and new processes and nominated officers have been identified.

A Governance and Audit Committee has been established in line with the requirements of the Local Government (Wales) Measure and the Local Government and Elections Act, receiving reports from internal and external regulators on the internal control environment, risk and governance. The Committee provides appropriate challenge and seeks assurance in line with its terms of reference that are laid in the constitution.

As a Local Authority it is vital in the work that we undertake that we collect and process personal information in order to fulfil our obligations and perform many of our day-to-day operations. In May 2018 the GDPR came into force and made significant changes to how the Authority handles personal information and placed many additional obligations on organisations. A project team was created at the time to manage the work needed to ensure the Authority was compliant with this new legislation which has since been disbanded but the work to ensure continued compliance is ongoing through the work of the Information Governance Forum (IGF) that is chaired by the Senior Information Risk Owner (SIRO) and supported by the Authority's Data Protection and Governance Officer which is a mandatory role within the legislation. Following Brexit the GDPR legislation has since become known as UK GDPR and currently remains identical to the EU GDPR although some changes are currently proposed and out for consultation.

Whilst implementing GDPR in 2018 the Council implemented an Information Asset Owner structure in order to be compliant with the legislation and ensure that there are clear defined lines of responsibility towards information assets owned by the Council. Information Asset Registers are in place for each area of the Council and regularly reviewed to ensure that there is corporate oversight of all key information systems and to risk assess these in terms of the confidentiality, integrity and availability.

In addition to the Information Asset Registers the Council also adhered to an additional obligation under GDPR to create a Record of Processing Activities for all departments. This document provides the ability to drill down to the necessary level of detail required under GDPR to identify when the Council collects and processes personal information, why it is doing this, what legally permits it to do this etc.

The Council also has a suite of Information Governance and Security policies and procedures that are regularly reviewed to manage and ensure compliance with its statutory duties.

A Digital and Service Design Board has been established with a corporate programme for digital projects, and an ICT Road Map has been developed.

### ***Review of Effectiveness:***

The Authority's key governance systems continue to be risk assessed and included in the annual audit plan. One key governance system was subject to an internal audit during 2021/22, namely Corporate Safeguarding, the findings of this audit has been reported to the Governance and Audit Committee during 2022/23. Seven follow-up audits were completed during 2021/21 with 90% of agreed actions found to be completed after six months. A review and update of the Anti-Bribery, Fraud and Corruption Policy is ongoing.

During 2022 and 23 the Council is reviewing its governance and oversight arrangements in respect of other companies in which it has an interest to ensure the arrangements are adequate and effective.

The Risk Management Strategy and Handbook were reviewed and adopted by Council in February 2018. The Professional Lead – Risk and Insurance advises Departmental



Management Teams and CLT to facilitate challenge / discussions on directorate risks. This has resulted in a more consistent approach to risk evaluation and reporting becoming embedded across the Council.

The highest level risks faced by the Authority are recorded on the Corporate Risk Register. The main risks facing the Authority during the period were:

Risk Description	Potential Impact
Failure to deliver and sustain the changes required to ensure that vital services are prioritised within the financial constraints faced by the Council.	Vital services will not be protected if the Council fails to find more efficient ways of working and improvements to social, economic and environmental well-being of the areas will not be achieved.
Failure to ensure adequate safeguarding arrangements are in place for vulnerable people in Blaenau Gwent.	Potential significant harm or loss of life. Long term reputational damage and confidence in the Council undermined.
The school currently in receipt of Council Intervention fails to make appropriate progress against the Statutory Warning Notice to Improve and their Post Inspection Action Plans.	Potential impact is on the learning progress made by children at the school. Implementation of statutory interventions available under the provisions set out in the School Standards and Organisation Act Wales 2013 i.e. implementation of additional grounds.
There is a risk that exiting the EU will have an adverse impact at a national and local level.	Impact on the community and on the Council and its ability to deliver public services.
Failure to improve staff attendance rates within the Council.	Unacceptable impact on the ability of the Council to deliver services effectively and financially support the cost of sickness absence.
Failure of the Council to manage its information assets in accordance with requirements set down within legislation.	Financial penalties and possible sanctions that hinder service delivery.
Increasingly complex needs and demand for services provided by Social Services and Education, in particular for Looked After Children.	Further significant pressure on the Council's budget.
The Financial resilience of the council could be at risk if the council does not ensure that financial planning and management decisions support long term stability and sustainability.	Inability to deliver effective services/ lower quality services provided. Unplanned reduction of services provided.
The on-going COVID 19 pandemic presents a continued risk to service delivery.	Potential for disruption to be on a medium / long term basis as a result of pandemic.
Identified staffing pressures in Social Services.	Inability to deliver services particularly in Provider Services and Domiciliary Care.

A copy of the full Corporate Risk Register can be obtained from the Risk Management and Insurance Section.

All Strategic Business Review projects are risk assessed using the Corporate Risk Management Framework. Decisions on managing those risks are agreed and monitored as part of the project management arrangements that are in place.

All Data Protection Impact Assessments are approved by the Data Protection & Governance Officer to ensure that there are effective controls in place to mitigate the risk of a Data Protection Breach. Where a Data Protection Incident is reported, the Data Protection & Governance Officer will investigate the cause and review the responsible service area controls to ensure they are effective. The Data Protection & Governance Officer, Information Governance Forum and the Council's Senior Information Risk Officer (SIRO) review the Council's information governance arrangements to ensure they are fit for purpose.

### ***Recommendations for Development:***

- To assess and demonstrate its compliance with the Local Government Measure and the aims and objectives of the Council, the annual report of the Governance & Audit Committee will be produced summarising the year's activity and evidencing their responsibilities as part of the governance arrangements.
- Regular review of Risk Management arrangements to ensure they remain fit for purpose and are implemented consistently.
- Conclude the review of the Anti-Fraud, Anti-Corruption and Anti-Bribery Policy and update as appropriate
- Continued inclusion of key governance systems in the internal audit plan to ensure key elements of the governance framework are prioritised and examined annually.
- A working group has been established to review governance and oversight arrangements in respect of companies in which the Council has an interest. The results of the review will be reported accordingly.

**Core Principle G**  
**Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.**

### ***How we do this:***

Decision making processes for both Officers and Members are set out in the Constitution. Boundaries are clearly defined and the Committee structure includes decision making, scrutiny and regulatory functions. A set of Financial Procedure Rules and Contract Procedure Rules have been adopted to ensure consistency, transparency and value for money in financial management and procurement. The Chief Officer Resources ensures the Authority's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). An annual

Statement of Accounts is produced and presented to Members for scrutiny. A period of public consultation is held where members of the public can inspect the accounts.

A Governance and Audit Committee is established that has the primary functions of reviewing financial reports and challenging governance arrangements. The Committee aims to seek assurance that the governance framework operating within the Authority is robust, effective and efficient. This is achieved in part through the Committee receiving this Annual Governance Statement. The role and scope of the Governance and Audit Committee are set out in the Constitution and align to the requirements of the Local Government and Elections (Wales) Act 2021.

The Internal Audit Service works on a risk based approach, to an annual audit plan, in order to assess the internal control environment of the Authority. The work of the section is prioritised in line with the Authority's objectives. The results of all audit work are reported to the Governance & Audit Committee who can, if necessary, call Officers to account where weak control is identified. Policies are maintained for Anti-Fraud, Anti-Corruption and Anti-Bribery, and Anti-Money-Laundering. Adherence to these is considered as part of the work of the Internal Audit function.

The Social Services Directorate is subject to audit, inspection and review by the Care Inspectorate for Wales (CIW). On a quarterly basis the Corporate Director of Social Services and Heads of Adult and Children's Services meet with CIW to discuss achievements, performance and key challenges. The Directorate is scrutinised by the Social Services Scrutiny Committee (People Scrutiny Committee from 2022). Regular liaison meetings are held with the Directorate, the Cabinet Member and the Chair and Vice Chair of the Scrutiny Committee.

The Social Services and Well-Being (Wales) Act 2014 places a statutory duty on all local authorities to produce an annual report on the discharge of its social services functions. The Council's arrangements to meet their safeguarding responsibilities are scrutinised by the Joint Education & Learning and Social Services (Safeguarding) Scrutiny Committee (People Scrutiny Committee from 2022). The Committee exists to monitor and challenge, in order to make improvements and ensure the Council's safeguarding processes are effective. In early 2022 Audit Wales informed the Council that they would be undertaking a review of the Council's Safeguarding Arrangements, the result of which have been presented to the Council.

Council meetings are held open to the public and minutes are published on the Authority's website. Since the global pandemic, arrangements for holding democratic meetings have been considered to ensure that the arrangements remain fit for purpose. As part of this, the Council introduced Microsoft Teams to support virtual meetings. All Elected Members were issued with laptops, enabling virtual meetings to be held. Each democratic meeting is recorded live and then uploaded onto the website. In future, 'Teams Live' will be used to livestream Council meetings, with consideration of other meetings also. As part of the closure of the Civic Centre in Ebbw Vale, the General Offices have been identified as the new democratic hub for the Council. A hybrid delegate system has been implemented, this system is functional with Microsoft Teams and provides a hybrid meeting function to adhere to the remote meeting requirements as part of the Local Government and Election Act. All democratic meetings are now offered on a hybrid basis, with a Multi-Location Meeting Policy

developed to formally establish these arrangements moving forward. The Council continues to fulfil its obligations under the Freedom of Information Act and provide information to requestors wherever possible in the interests of transparency. In addition, requests under GDPR legislation for access to information held on a person are also fulfilled in line with the legislation. Response rates for fulfilling the requirements here are reported regularly to CLT.

### ***Review of Effectiveness:***

The Council strives to ensure continuous improvement in the delivery of its services through its improvement planning process and the Performance Management Framework. It has strengthened these arrangements to align them with risk management and the Well-being of Future Generations (Wales) Act 2015 as well as identifying levels of accountability.

The remit of the Wider Corporate Leadership Team (WCLT) is to effectively support the CLT in its role of providing strategic direction to the organisation. It is a forum to disseminate information and communicate messages ensuring a one council approach as well as networking with colleagues and peers and providing personal development opportunities.

A performance management system, utilised by the whole Council is in place which incorporates the majority of the Councils business planning and performance arrangements, so that we have one place for information management and monitoring. The system works to avoid duplication and to provide a consistent approach across the Council. The system includes statutory monitoring as well as business plans, self-evaluations, risk, business continuity, performance indicators and sustainable development. A review of this system is to be undertaken linked to the development of the new Corporate Plan.

The Authority's assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit. The service underwent an external quality assessment during 2016/17 and 2022/23, both reviews found the service to conform to the Public Sector Internal Audit Standards.

Internal Audit Services issued 45 audit opinions during the year.

<b>Audit Grading</b>	<b>No of audits</b>
Full Assurance	12
Reasonable Assurance	13
Limited Assurance	6
No Assurance	1
Non-graded	13

The number of audits undertaken and the proportions of grades for the period align to pre-pandemic trends. For 2021/22 there were no patterns / trends to the audit outcomes that indicated particular areas of concern and no individual findings of such significance to cause concern regarding the integrity of the Statement of Accounts. The overall audit opinion on the adequacy of the internal control environment continued to reflect Reasonable Assurance across the council. Members of WCLT continue to receive periodic reviews of Internal Audit findings to ensure appropriate corrective action is taken to maintain and / or improve internal controls.

The Authority received and processed 863 Freedom of Information requests between 1<sup>st</sup> April 2021 and 31<sup>st</sup> March 2022. Services responded to 93.9% within the 20 working day requirement. This is an improvement on the level attained the previous year increasing from 86.59%.

### **Recommendations for Development:**

- Managers to implement the actions identified to address weaknesses highlighted by Internal Audit. Meetings are undertaken with members of the Wider Corporate Leadership Team, in addition to responsible Officers, and timescales are set for implementation. Managers to ensure systems for which they have responsibility have robust internal controls to further improve the integrity of the Authority's processes.
- Conclude the review of the Anti-Fraud, Anti-Corruption and Anti-Bribery Policy to ensure it remains fit for purpose.
- Internal Audit to undergo an external peer review (completed)
- Development of a Multi-Location Meeting policy (completed)

### **Significant Governance Issues**

We have been advised on the implications of the results of the review of the effectiveness of the governance framework, and that the arrangements continue to be regarded as fit for purpose subject to the significant governance issues to be specifically addressed as outlined below:

<b>Issue</b>	<b>Action</b>	<b>Responsible Officer</b>
<p>The uncertainty around the current and future economic impact of:</p> <ul style="list-style-type: none"> <li>• Cost of Living Crisis</li> <li>• Covid-19</li> <li>• the exit from the European Union</li> <li>• WG future financial settlements</li> </ul> <p>Ongoing uncertainty around the medium to long term impact of these may pose significant challenges for the Council and it will be critical for the Council to demonstrate that it has appropriate governance arrangements</p>	<p>Financial monitoring will continue to be undertaken and reported regularly into Scrutiny and Executive Committee via the quarterly portfolio budget forecast reports.</p> <p>To ensure the Council's financial resilience the Council intends to continue with its bridging the gap programme which will identify a number of strategic business reviews which will focus on its core functions including:</p> <ul style="list-style-type: none"> <li>• Maximising income</li> <li>• Maximising resources</li> </ul>	Chief Officer Resources

<p>in place to manage its financial position.</p>	<ul style="list-style-type: none"> <li>• Demand management</li> <li>• Maximising technology and data</li> </ul> <p>Within this framework the Authority will be looking at ways to achieve savings whilst mitigating the impact on services.</p>	
<p>The Statement of Accounts for the 2021/2022 financial year have not been completed and are not expected to meet statutory deadlines.</p> <p>Delays have occurred due to the need for correction of historic cost records of assets alongside the implementation of a new asset register.</p>	<p>The implementation of the new asset register is ongoing and historic cost records will be accurately recorded in the new system. Completion of this exercise will impact positively on the production of future statements of accounts.</p>	<p>Chief Officer Resources</p>

Whilst there remain some areas that require development or further improvement, in considering the governance framework and its application as detailed in this statement, we are of the opinion that the governance arrangements in place for Blaenau Gwent County Borough Council are effective and remain fit for purpose, providing an adequate level of assurance for the Council.

This statement was approved in draft by the Governance and Audit Committee in September 2022 and would routinely be updated for final presentation to the Committee alongside the final Statement of Accounts. However, as detailed above under significant issues, the 2021/22 Statement of Accounts has been delayed and consequently the timing of this statement overlaps with the statement for 2022/23. Given there has been no significant changes to the Council's governance framework in the interim the decision has been taken not to update fully to prevent duplication with the AGS for 2022/23.

(signed).....

(signed).....

**Councillor Steve Thomas**

**Rhian Hayden**

**Leader of the Council**

**Chief Officer Resources**

**July 2023**

**July 2023**

(signed).....

**Damien McCann**

**Interim Chief Executive Officer**

**July 2023**

## Appendix A

### Audit, regulatory and inspection work reported during 2021/22

#### Audit Wales Local Reports: -

<b>Audit of Blaenau Gwent County Borough Council's assessment of 2020-21 performance ( Local Report) ( Issued November 2021)</b>	
<b><i>Report findings:</i></b>	
Ref 134	Certificate of Compliance
<b>Blaenau Gwent County Borough Council Annual Audit Summary 2021 ( Local Report) ( Issued January 2022)</b>	
<b><i>Recommendations for Improvement</i></b>	
Ref 136	Summary of the audit work undertaken throughout the year.
<b>Procurement related to Motor Resort Wales ( Local Report) ( Issued February 2022)</b>	
<b><i>Report findings:</i></b>	
Ref 140	The Council needs to assure both itself and the Auditor General for Wales, as the Council's external auditor, that it will tighten up its internal control procedures and can demonstrate appropriate record keeping and compliance with the CPR. We understand that Internal Audit have been engaged with these issues and suggest that they take these concerns forward, through some focused work in this area, to determine how widespread these issues are.
<b>Deficiencies in Blaenau Gwent County Borough Council's governance and oversight arrangements in respect of a Council-owned company, Silent Valley Waste Services Limited (Local Report) (Issued January 2022)</b>	
<b><i>Recommendations for Improvement</i></b>	
Ref 138	The Council should commission a review to seek assurance that its governance and oversight arrangements in respect of other companies in which it has an interest are adequate and effective, and that the deficiencies identified in this report are not more widespread.



**National Reports: -**

<b>At Your Discretion - Local Government Discretionary Services (National Report) (Issued April 2021)</b>	
<b><i>Recommendations for Improvement</i></b>	
Ref 125	Report received for information only
<b>Joint Working Between Emergency Services ( National Report) ( Issued January 2022)</b>	
<b><i>Report findings:</i></b>	
Ref 137	Report received for information only

Details of progress against these proposals can be obtained from the Governance and Partnerships Department.

## Appendix B

Recommendation for Improvement made in the 2020/21 Annual Governance Statement	Action Undertaken during 2021/22	Further Action Required
<b>Core Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.</b>		
Continued adherence to the Authority's policies and procedures which exist to guide Members and Officers to comply with the Council's expectations in terms of acting with integrity.	A risk based audit plan was operated for 2021/22 which included examination of the Authority's policies and procedures.	
To evidence robust application of the Authority's Code of Conduct, an Internal Audit review of the declarations of interest process will be concluded	An audit of compliance with Declarations of Interest was conducted and found to be Limited Assurance .	A follow-up Audit of Declarations will be conducted to evidence whether improve has been made.
In line with good practice, an annual review (as a minimum ) of the Constitution and Scheme of delegation to ensure the Authority's governance and decision making processes remain fit for purpose	Awaiting the model Constitution and then making amendments for specific BG areas.	Awaiting the model Constitution and then making amendments for specific BG areas
Continued application of the Members Performance Development Review scheme and competency framework	The Members PDR scheme continues to be applied.	Undertake a review of the members PDR/CF and embed with newly elected members in 2022.
Continued application of the Officers Performance Review Scheme.	The Officer Performance Review Scheme has been applied throughout 2021/22	
Audit plans for future years will include testing a range of policies and procedures.	The 2021/22 audit plan included a range of policy and procedure audits.	Future audit plans will continue to include a range of policy and procedure audits
<b>Core Principle B – Ensuring openness and comprehensive stakeholder engagement.</b>		
Monitor progress of the Local Well-being Plan	The progress of the local Well-being plan has continued to be monitored.	Continue to monitor the progress of the local Well-being plan up until 2023. Contribute to the development of the regional PSB well-being plan.
Continued implementation of the Council's Engagement Programme as	The engagement programme has been reviewed to consider the impacts of the pandemic.	Review and development of a new Engagement Strategy.

part of the Engagement Strategy.	Arrangements moving forward have been agreed by CLT.	
<b>Core Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits.</b>		
Continued implementation and mainstreaming of the Welsh Language standards across all areas of Blaenau Gwent.	This is ongoing and updates included within the annual report.	Ongoing
Continue to support the collective and individual body duties under the Well-being of Future Generations Act.	Ongoing including work to embed the Local Government and Elections (Wales) Act 2021	
Implement the new code of practice in relation to the performance and improvement framework of social services in Wales.	This was delayed due to the pandemic however progress has been made throughout 2020/21 and a performance return has been made to WG.	Continued implementation of the new code of practice in relation to the performance and improvement framework of Social Services in Wales
<b>Core Principle D – Determining the interventions necessary to optimise the achievement of intended outcomes.</b>		
Review of the self-evaluation process.	The Council has agreed to utilise the business planning framework to undertake its Corporate Self-Assessment. A self-assessment template has been agreed by CLT which includes the Corporate Plan Priorities as well as requirements as part of the Well-being of Future Generations (Wales) Act 2015 and the Local Government and Elections (Wales) Act 2021.	Undertake the Corporate Self-Assessment and seek approval in 2022 aligned to the requirements of the Local Government and Elections (Wales) Act 2021.
Reinstatement of business planning cycle.	The Business Planning cycle was delayed due to pandemic. Business planning leads completed a summary at the end of 2021.	A template will be devised and the business planning cycle fully reinstated during 2022/23
<b>Core Principle E – Developing the entity’s capacity, including the capability of its leadership and the individuals within it.</b>		
Develop and implement a new Leadership Development Programme	This was delayed due to the pandemic.	Develop and implement a new Leadership Development Programme
<b>Core Principle F – Managing risks and performance through robust internal control and strong public financial management</b>		
Regular review of Risk Management arrangements to ensure they remain fit for	The review of the Risk Management arrangements	Risk Management Strategy to be reviewed in 2022/23

purpose and are implemented consistently.	has been delayed due to staffing changes.	
Conclude the review of the Anti-Fraud, Anti-Corruption and Anti-Bribery Policy and update as appropriate.	The review of the Anti-Fraud, Anti-Corruption and Anti Bribery Policy has been delayed due to staffing changes.	Anti-Fraud, Anti-Corruption and Anti Bribery Policy to be reviewed in 2022/23
Continued inclusion of key governance systems in the internal audit plan to ensure key elements of the governance framework are prioritised and examined annually	The risk based audit plan for 2021/22 has prioritised a number of key governance systems for audit during the year.	
<b>Core Principle G – Implementing good practices in transparency, reporting, and audit, to deliver effective accountability</b>		
Managers to implement the actions identified to address weaknesses highlighted by Internal Audit. Meetings are undertaken with the Wider Corporate Leadership Team, in addition to responsible Officers, and timescales are set for implementation. Managers to ensure systems for which they have responsibility have robust internal controls to further improve the integrity of the Authority's processes.	Internal audit reports have been subject to follow up review where they are graded Limited Assurance or No Assurance	
Conclude the review of the Anti-Fraud, Anti-Corruption and Anti-Bribery Policy to ensure it remains fit for purpose.	The review of the Anti-Fraud, Anti-Corruption and Anti Bribery Policy has been delayed due to staffing changes.	Anti-Fraud, Anti-Corruption and Anti Bribery Policy to be reviewed in 2022/23