

1. Scope of Responsibility

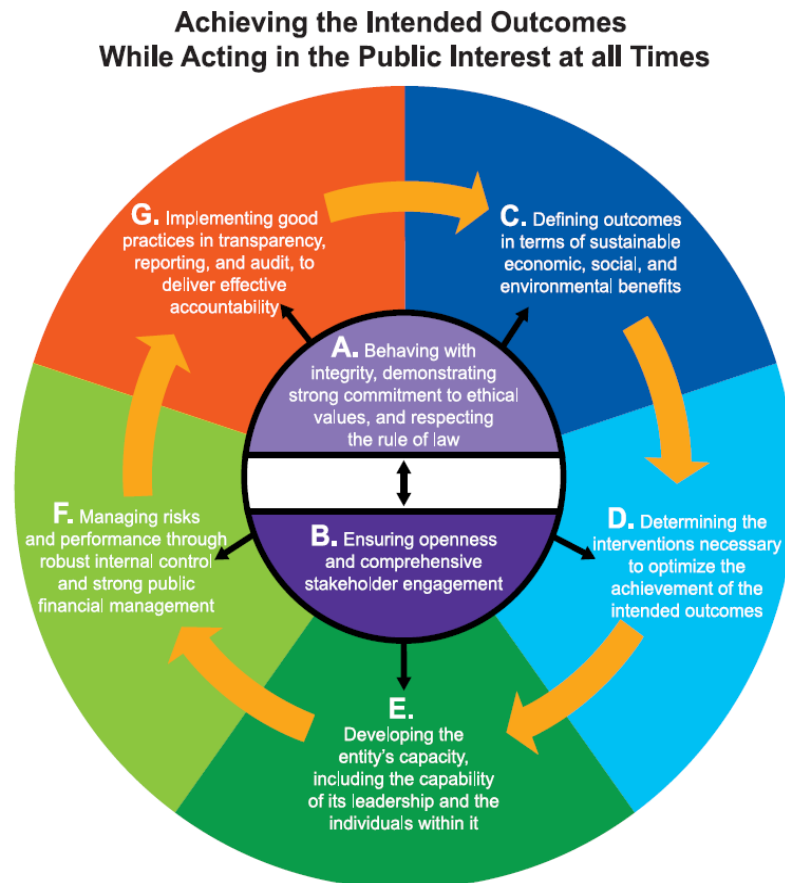
- 1.1 The City and County of Swansea is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government (Wales) Measure 2009 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.
- 1.2 In discharging this overall responsibility, the City and County of Swansea 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.
- 1.3 The City and County of Swansea adopted a Code of Corporate Governance on 24 August 2017, which is consistent with the principles of the new CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government 2016*'. A copy of the Code can be found on the Council's website.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, 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 services and value for money.
- 2.2 The system of internal control is a significant part of that framework 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 and not absolute 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 Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at the City and County of Swansea throughout the year ended 31 March 2021 and up to the date of approval of the Statement of Accounts.

3. The Governance Framework

3.1 The Council has adopted a Code of Corporate Governance based on the “*Delivering Good Governance in Local Government*” framework published by CIPFA and SOLACE in 2016.



3.2 This Statement explains how the Council has complied with the Governance Framework and meets the requirements of the Accounts and Audit (Wales) Regulations 2014 (as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018). The Council aims to achieve a good standard of governance by adhering to the 7 key principles of the CIPFA/Solace 2016 Guidance.

3.3 The 7 key principles are:

- 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 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.
- 3.4 The application of the principles of good governance is summarised below which sets out supporting information for the 7 key principles.
- 3.5 **Note - This Governance Statement and the issues set out within are likely to continue to be materially affected by the COVID-19 pandemic. In addition, the national lock down arrangements and the prioritisation of the response to COVID-19 has affected the preparation of the Statement. However, it should be noted that the Statutory Governance Chief Officers continue to maintain corporate grip to ensure that sufficient governance is maintained throughout this unprecedented crisis and during the recovery.**

Annual Governance Statement 2020/21

Principle A

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Sub Principles:

Behaving with Integrity

Demonstrating strong commitment to ethical values

Respecting the rule of law

How we do this:

- The behaviour and expectations of officers/members is set out in the Constitution, Officer and Member Code of Conduct and Protocol.
- The Monitoring Officer provides training on the code of conduct and ensures the highest standards of conduct by the authority, members and officers – including use of Council email protocol.
- The Standards Committee is responsible for monitoring and scrutinising the standards of Members.
- Member led authority principles with training to senior officers and Cabinet members.
- Compliance with a suite of policies/rules set out in the Constitution.
- The Constitution sets out requirements as to gifts and hospitality and there are regular reminders circulated to both officers and members.
- Adoption of Member Dispute Resolution Protocol.
- Officers/members declarations of interest.
- Officer Secondary Employment Policy.

- The Council's appraisal and recruitment system based on competencies, training and objectives underpin personal behaviours with ethical values.
- Commitment to working to promote high standards of performance based on the Nolan principles.
- Adoption of Welsh Government ethical ways of working.
- The Swansea Pledge.
- The Constitution contains comprehensive Procurement and Financial Procedure Rules.

- The Statutory officers and Members ensure compliance with legislative and regulatory requirements via a robust framework including the scheme of delegation, induction training, standing procedures and rules set out in the Constitution.
- Reports to Committees have legal/finance clearance.
- Robust Scrutiny and Call-In function.
- Robust audit challenge.
- External challenge from auditors, Ombudsman and other external agencies.
- The Monitoring Officer ensures the Council complies with statute and reports on any maladministration.
- An effective anti-fraud and corruption framework supported by a suite of policies i.e. whistleblowing.

Principle B

ing openness and comprehensive stakeholder engagement

Sub Principles:

Openness

Engaging comprehensively with institutional stakeholders

Engaging stakeholders effectively, including individual citizens and service users

How we do this:

- The Council is committed to ensuring an open culture evidenced by open meetings and publication of agendas and minutes.
- A Forward Plan showing key decisions to be made by Council and Cabinet is published.
- There is appropriate Consultation and Engagement supporting the decision making process including annual budget consultation, co-production, engagement with trade unions and engagement with Disability and LGBT communities.
- There are Public questions at Council and Cabinet.
- There is engagement with children and young people to meet the requirement of the UNCRC.
- There is pre-decision scrutiny of Cabinet decisions and Call-In procedure
- Corporate risks are published.

- The Council adopts a Team Swansea approach working as a whole Council and effectively engages with stakeholders to ensure successful and sustainable outcomes by:
 - targeting communications;
 - effective use of social media;
 - formal and informal meetings with key stakeholder groups i.e. External auditors, Welsh Government, Health board.
- The Council has an extensive range of partnerships to support the delivery of the Council's objectives including:
 - The Public Services Board.
 - The Safer Swansea Partnership.
- The Council has adopted the Community/Town Council Charter and facilitates the Community/Town Council forum meetings with the 24 Councils.

- The Council has appropriate structures in place to encourage public participation which is used to inform proposals and key decisions including:
 - A Consultation and Engagement Strategy.
 - "Have your Say" consultations on website.
 - The Scrutiny Programme Committee invites stakeholder contributions and participation.
 - A Staff Survey with responses considered by CMT/Senior Management.
 - A Complaints Policy and Annual Report to assess organisational learning and change.
 - The appointment of Councillor Champions who provide a voice for under-represented groups.
 - An Integrated Impact Assessment to assess the equality, socio-economic and sustainability impacts on people with protected characteristics and future generations.

Principle C

Defining outcomes in terms of sustainable economic, social and environmental benefits

Sub Principles:

Defining outcomes

Sustainable economic, social and environmental benefits

How we do this:

- The Council has a clear vision which is set out in the Corporate Plan *Delivering a Successful & Sustainable Swansea* which prioritises 6 Well-being Objectives.
- Delivery of the Corporate Plan is monitored through the Council's Performance Management Framework with quarterly and annual performance monitoring by CMT/Cabinet.
- There is an Annual Performance Review.
- Annual Service Plans address the sustainability of service delivery along with key corporate priorities.
- There is monthly Performance and Financial Monitoring meetings held for each Directorate.
- There is a Corporate Risk Management Policy ensuring consistent application of risk registers and terminology and audit scrutiny.

- The Council takes a long term and sustainable view and balances the economic, social and environmental impact of policies and plans by:
 - Medium Term Financial Planning covering 3 financial years approved annually by Council.
 - Refresh of the Corporate Plan annually
 - Annual service planning.
- The Council's new Achieving Better Together Recovery and Transformation programme, which replaces *Sustainable Swansea: Fit for the Future* seeks to allow the Council to recover from the COVID-19 pandemic and modernise and transform the council to meet the longer term challenges and ensure sustainable provision of services.
- There is public and stakeholder engagement.
- Council has passed a motion on tackling the climate emergency and has set a target and means to achieve net zero carbon emissions by 2030, including expanding our fleet of green vehicles, increasing tree cover, installing solar panels and improving energy efficiency.

Principle D

Determining the interventions necessary to optimise the achievement of the intended outcomes

Sub Principles:

Determining interventions

Planning interventions

Optimising achievement of intended outcomes

How we do this:

- The Council ensures that decision makers receive objective and rigorous analysis of options with intended outcomes and risks by:
 - written reports from Officers;
 - report clearance by legal, finance and Access to Services officers;
 - embedding of impact assessment in decision making process;
 - clear option appraisals reflected in reports detailing impact, risk and any best value considerations.
- The results of consultation exercises are fully considered by decision makers with consultation responses set out in report.
- Consultation on budget proposals is extensive and includes roadshows with staff.
- The Council has a Corporate Risk Management Policy.

- The Council has established robust planning and control cycles covering strategic and operational plans, priorities and targets which is achieved through:
 - A timetable for producing and reviewing plans on an annual basis.
 - Working with a consultation and engagement strategy..
 - Quarterly and annual performance monitoring including achievement of national and local performance indicators.
- There is robust Medium Term Financial Planning.
- There is an Annual budget setting process in place including an extensive consultation exercise.

- The Council ensures the Medium Term Financial Strategy integrates and balances service priorities, affordability and other resource constraints by setting out any shortfall in resources and spending requirements in the context of service priorities.
- To ensure that the budget process is all inclusive there is regular engagement with members with robust scrutiny by the Service Improvement & Finance Scrutiny Performance Panel.
- Achieving Better Together (replacing Sustainable Swansea – Fit for the Future).
- The Council ensures the achievement of “social value” through the effective commissioning of service in compliance with CPR’s e.g. Beyond Bricks and Mortar (community benefit clauses in council contracts).

Principle E

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

Sub Principles:

Developing the entity's capacity

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

How we do this:

- The Council aims to ensure that Members and Officers have the right skills, knowledge and mind set to operate efficiently and effectively to achieve intended outcomes by:
 - adopting a comprehensive induction training programme for members and officers;
 - a Councillor Training Programme based on a Training Needs Assessment;
 - annual performance review of staff;
 - adoption of a mentoring scheme.
- Operational capacity is supported by the Transformation & Future Council objective to help tackle rising demand and reducing revenue budget.
- The Organisational Development Strategy aims to develop the right staff with the right skills to work in a sustainable way.
- There is engagement with benchmarking groups such as APSE, CIPFA.
- There is collaborative and partnership working including the Public Service Board, Regional Partnership Board, ERW.

- Effective shared leadership and understanding of roles and objectives is supported by:
 - The Leader and Chief Executive have clearly defined leadership roles.
 - The Chief Executive Appraisal and Remuneration Committee have responsibility for the appraisal of the Chief Executive.
 - There has been member led training with both senior officers and cabinet members.
 - There are regular 1-2-1 meetings with the Leader, Cabinet members, Chief Ex, CMT and Heads of Service.
 - The Transformation and Future Council objective and the Organisational Development Strategy.
- The Constitution sets out the Scheme of Delegation which is regularly reviewed.
- Annual appraisal and performance review.

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Principle F

Managing risks and performance through robust internal control and strong public financial management

Sub Principles:

Managing risk

How we do this:

- Risk management is an integral part of decision making supported by:
- A Corporate Risk Management Policy with clear nominated officer responsibility.
- New risk register application.
- Monthly review of risks by CMT.
- Monthly review of Directorate Risks at PFM meetings.
- The publication of Corporate Risks allowing greater scrutiny.
- The Audit Committee regular review of risks (see para 8.11)

Managing performance

- There are quarterly performance monitoring reports to Cabinet.
- Each Head of Service produces an Annual Service Plan setting out clear objectives and SWOT analysis of their service.
- There are regular reports as to performance indicators and milestones against intended outcomes.
- There is robust scrutiny challenge by pre decision scrutiny, inquiries and Call-In.
- Monthly Directorate Performance and Financial Monitoring meetings.

Robust internal control

- CIA provides independent assurance on the adequacy of internal control through the IA plan approved by the Audit Committee.
- The Audit Committee provides independent and objective assurance on effectiveness of internal control, risk management and governance arrangements.
- The Council is dedicated to tackling fraud and corruption and has an Anti-Fraud and Corruption Policy and Whistleblowing Policy
- The Audit Committee receives an annual report on the fraud function and Anti-Fraud Plan.
- The Internal Audit Plan is approved by Audit Committee.

Managing data

- The Council demonstrates effective safeguarding of personal data and information by:
 - The appointment of a Data Protection Officer.
 - The adoption of a Data Protection Policy.
 - An Information Governance Unit and Senior Information Risk Officer.
 - An information asset register
 - The Council is signed up to the Wales Accord for Sharing Personal Information (WASPI).
 - Data Protection training is mandatory.

Strong public financial management

- The Council ensures both long term achievement of outcomes and short term performance through the delivery of the Medium Term Financial Plan.
- Financial management is integrated at all levels of planning and control by:
 - financial implications are included in all decision making reports;
 - there is a specific Corporate risk around Financial Control and MTFP owned by the S151 officer.

Principle G

Implementing good practices in transparency, reporting and audit to deliver effective accountability

Sub Principles:

Implementing good practice in transparency

Implementing good practices in reporting

Assurance and effective accountability

How we do this

- The Council aims to present understandable and transparent reports for both stakeholders and the public which is supported by:-
- - A Report Authors Protocol which ensures consistency in reports.
- A Clear Writing guide for Officers.
- All reports are signed off by Cabinet Member, legal, finance and Access to Services officers.
- The Council has a Publication Scheme which is available on the website.
- Where possible exempt reports are split so that the main report can be heard in public with confidential information being a separate exempt report.
- Publication of delegated decisions.
- Reports are published on the website and agendas are published in the Welsh Language.

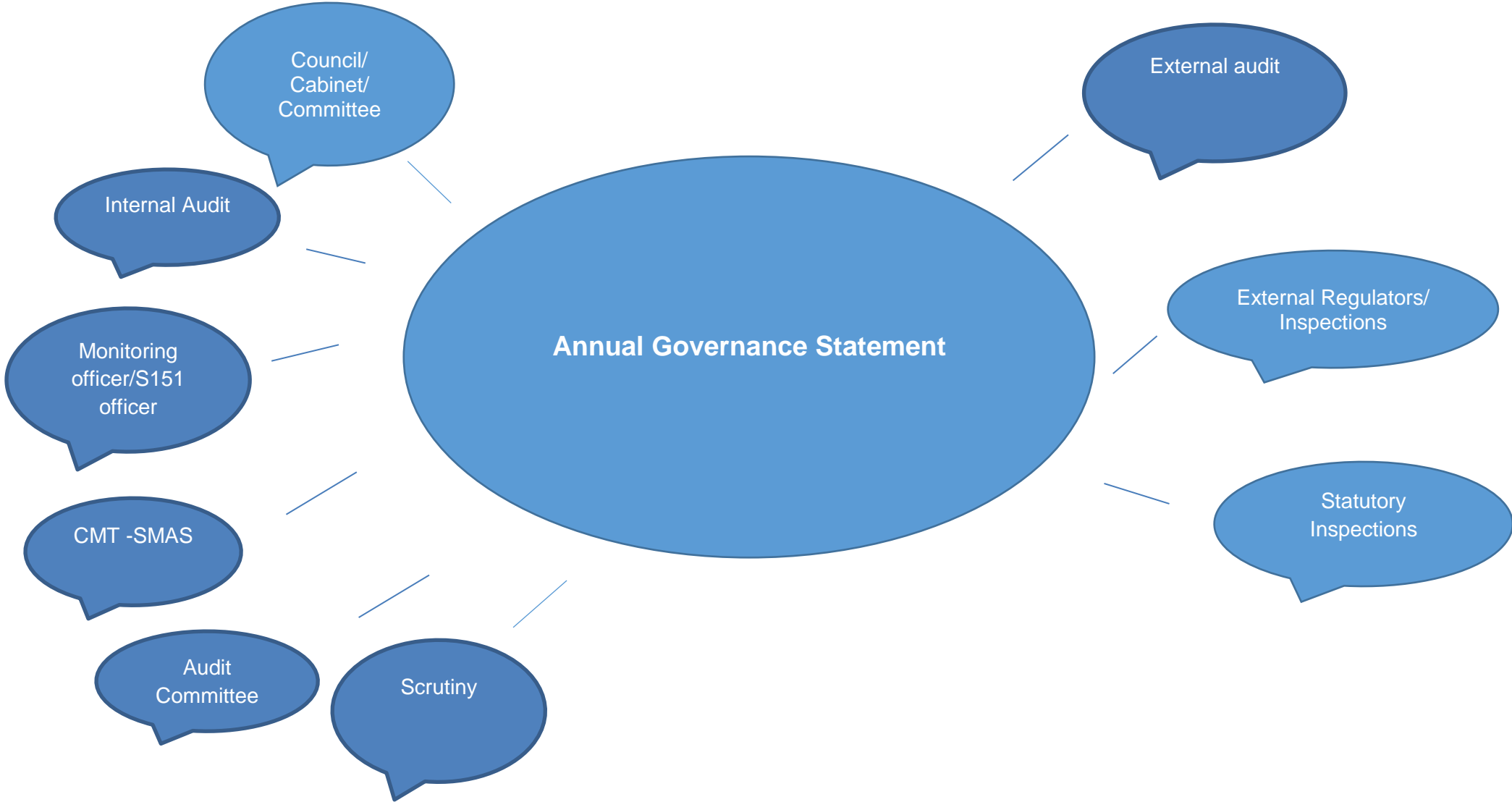
- The Council reports at least annually on performance as evidenced by:
 - Quarterly and annual reports to Cabinet on performance.
 - An annual Review of Performance report setting out how the Council has performed in meeting its Corporate Objectives.
 - The Annual Statement of Accounts audited by external auditor and approved by Council and published demonstrates how the Council has achieved performance, value for money and the stewardship of resources.
- Senior Managers complete Senior Management Assurance Statements (SMAS) reflecting performance against governance, risk management and internal control. The SMAS contribute to the Annual Governance Statement.
- The Council have adopted the Code of Corporate Governance based on CIPFA framework.

- Through the assurance mechanisms set out below the Council can demonstrate effective accountability:
- The Internal Audit work plan provides assurance on the council's control mechanisms, risk management and governance arrangements which is monitored by the Audit Committee.
- All agreed actions from Internal Audit reviews are monitored.
- Reports and plans to implement Audit Wales and Internal Audit recommendations reported (as relevant) to Scrutiny and Audit Committee.
- Peer Review and inspection from regulatory bodies and external compliance reviews which are reported to CMT/Cabinet and used to improve service delivery.
- There is Scrutiny and audit review of Audit Wales reports and action plans.
- Assurance on risks associated with delivery of services through third parties is achieved by:
 - Commissioning and monitoring arrangements and compliance with Contract Procedure Rules.
 - SMAS reflect risk assessments in relation to partnership/third party working.

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Internal Assurance

External Assurance



4. Review of Effectiveness

- 4.1 The City and County of Swansea annually reviews the effectiveness of its governance framework including the system of internal control.
- (a) Statements from Corporate Management Team (CMT), Statutory Officers, the Internal Audit Manager and the Audit Committee.
 - (b) External organisations i.e. Audit Wales and regulators.
 - (c) Core evidence mapped to Council, Cabinet and Committees.
- 4.2 The following highlights the review of the governance framework in order to compile the Annual Governance Statement and sets out the assurance of CMT, officers and external organisations.

INTERNAL SOURCES OF ASSURANCE

5 Corporate Management Team/SMAS

- 5.1 The Senior Management Assurance Statements (SMAS) form part of the governance assessment framework. Through the SMAS each Director responds to 15 good governance statements covering:
- Risk Management
 - Partnership/Collaboration governance
 - Compliance with Policies/Rules/Legal & Regulatory requirements
 - Programme and Project Assurance
 - Budget Monitoring
 - Planning and Decision Making
 - Internal Control Environment
 - Fraud & Financial Impropriety
 - Performance Measurement & Management
- 5.2 The Directors assess assurance using a 5 point maturity scale for their areas of responsibility ranging from “Not in place” to “Embedded”. Directors are expected to consult with their Heads of Service to support a directorate approach to each statement.
- 5.3 The Four SMAS from the Directors of Corporate Resources, Social Services, Place and Education are challenged and reviewed at CMT. The Director of Social Services submitted two, one each for Adult Services and Child & Family.
- 5.4 The assurance statements summarised by 9 categories showed overall that there were no categories that were deemed as being “Not in place” or with “Limited Application”. A small number (9%) of categories were regarded as showing “Mixed Application”. These categories were: Performance Reviews (2); Data Security (1); Partnership Governance (1), Programme and Project Assurance (2) and Future Generations & Equality (1). These have been captured in the significant governance risks for 2021/22 where relevant.

However, 64% demonstrated “Strong Application” and 27% were described as “Embedded”.

- 5.5 The Council established an Annual Governance Group for the purpose of challenging the SMASs and assisting and overseeing the development of the Annual Governance Statement. The Group is led by the Deputy Chief Executive and members include the Council’s Section 151 Officer and Monitoring Officer, as well as the Strategic Delivery & Performance Manager and a member of the Audit Committee. The Chief Internal Auditor attends in an advisory capacity. The work of the Group in reviewing the SMASs and finalising the Annual Governance Statement and CMT in reviewing and approving the SMASs and Statement was disrupted by the COVID-19 situation; the Group met twice during 2020/21 and again in April 2021. CMT reviewed the SMAS and draft Annual Governance Statement on 26th March and 16th April 2021. The Significant Governance Issues for 2021/22 as identified by CMT are those set out below.

6. The Monitoring Officer

- 6.1 The Chief Legal Officer is the Monitoring Officer with a specific duty to ensure that the Council, Officers and Members maintain the highest ethical standards of conduct. The Standards Committee has the responsibility for monitoring the ethical standards of conduct and to deal with any breaches of the Code referred to the Committee by the Public Service Ombudsman (PSOW).
- 6.2 In 2020/2021 the Monitoring Officer was notified of 17 complaints relating to members conduct by the PSOW. The PSOW decided not to investigate 16 of those complaints. 1 complaint is outstanding. Regular PSOW bulletins are circulated to all councillors as to Code of Conduct issues when issued.
- 6.3 During 2018 and 2019 the Standards Committee interviewed the Leader, Leaders of the Opposition, the Chairs of Planning, Democratic Services and Licensing Committees and the Chief Executive. All those interviewed indicated their support for the Code of Conduct and their commitment to maintaining the highest ethical standards amongst councillors.
- 6.4 An audit of officer gifts and hospitality was undertaken in 2018/19. Members and officers are required to register their personal interests, gifts and hospitality with regular reminders sent out by the Head of Democratic Services. The Declaration of Interest form for both members and officers has been updated and circulated with guidance so as to include declaration of related party interests.
- 6.5 An audit of the publication of delegated decisions by Cabinet members and senior officers was undertaken in 2019/20. This process is still being embedded with this being the first audit. The audit also considered decision making during the Covid crisis. A high assurance rating was given with some recommendations to improve the process going forward.

- 6.6 The Monitoring Officer has not had to issue any statutory Section 5 Local Government and Housing Act 1989 reports during 2019/20.
- 6.7 Work on the Council Constitution was not progressed mainly due to pressures of Covid but also as the Local Government and Elections (Wales) Bill was making its way through the Senedd it was anticipated that this would also require amendments to the Constitution.
- 6.8 The Local Authorities (Coronavirus) (Meetings) (Wales) Regulations 2020 allowed members of committees, Cabinet and Council to make decisions remotely and largely to carry on with business as usual. A number of committees saw active public participation including Cabinet where members of the public participated in public question time.

7. The S151 Officer

- 7.1 Quarterly **Financial Monitoring Reports** were presented to Cabinet throughout 2020/21. The reports consistently identified some service revenue budget overspends at year end, driven especially by Covid spending, albeit reducing throughout the year and by third quarter down to a miniscule margin of variation, so that service underspend was as likely as overspend based on available information. Towards the year-end the pace and scale of reimbursement of costs and lost tax and service income from Welsh Government became increasingly clear and as a result at several verbal updates on third quarter position to cabinet, Council, audit committee and scrutiny panels, the S151 Officer advised an overall significant outturn underspend was expected.
- 7.1.1 Total service underspending has now been confirmed (**at just under £x.xm**) and is an extremely good outcome. On even more positive note the equally fully planned substantial continued underspending on capital financing (£7.5m) and contingency and central inflation (**around £xm**) has enabled sums to be added to the recovery reserve, the capital equalisation reserve, the general reserve and some to be carried forward on contingency which is a prudent way of planning for and addressing some of, the future certain increased costs of financing the ambitious mid-term capital programme and the uncertainty of Covid-19.
- 7.2 A verbal **Mid Term Budget Statement 2020/21** was presented to Council in November this year given the substantially delayed settlement due to covid. The written report on the **Review of Reserves** was presented to Council on 4/11/20 which provided a strategic and focussed assessment of the current year's financial performance and an update on strategic planning assumptions over the next 3 financial years.
- 7.2.1 The conclusion of the Statement was that the Council could potentially struggle to deliver within the overall resources identified to support the budget in 2021/22 and beyond unless the local government settlement was much enhanced and preferably multi-year (the quantum was duly confirmed much

enhanced by March 2021 but disappointingly remains a one year settlement). The likely projected outturn was dependent upon the ability of the Council to reduce and restrict ongoing expenditure across all areas, its ability to recover expenditure and lost income from Welsh Government and continued reliance on active capital financing strategies to maximise the short term savings to enable the capital equalisation reserve to be bolstered for the medium to long term recognising the major future capital commitments already irrevocably made by Council decisions on the size of the capital programme and associated borrowing.

- 7.2.2 The Revenue and Capital Budgets were approved by Council on 04/03/21. They continued to set out an ongoing ambitious programme of approved capital spending plans and future capital spending plans (partly financed by the Swansea Bay City Deal but predominantly by unsupported borrowing) which would require budget savings to be delivered to help facilitate that major capital investment and economic regeneration stimulus. These plans are likely to still be affected by ongoing ripple effects of Covid-19. It remains entirely unclear as to the scale of additional spending, the loss of income, and the funding arrangements for reimbursement in part, or in full, that the authority faces in responding both locally, with partners, and supporting the national strategic response to the Covid-19 pandemic during the first half of 2020-21.
- 7.2.3 The impact will be very financially material on the 2020-21 accounts but the national lock down arrangements and the prioritisation of the response to Covid-19 may have impaired our ability to fully prepare the accounts to our normally exceptionally high standards in line with accounting standards. Any necessary deviation caused will be disclosed separately throughout these accounts. The impact will be very financially material for the 2020-21 accounts (many tens of millions of pounds, over one hundred million pounds when agency costs and income for business grants added) but its net impact is less clear after reimbursement of costs.
- 7.3 The **Medium Term Financial Plan 2022/23 – 2025/26** was approved by Council on 04/03/2021. The Plan outlined the range of options around funding faced by the Council over the period, the key reliance on the scale and value of future local government finance settlements and the strategy to be adopted to address the various scenarios as well as the inherent risks to the success of the adopted strategy.
- 7.3.1 All spending and funding assumptions were set before the New Year economic scale of the ongoing Covid-19 pandemic was fully apparent, exacerbated by the late nature of the UK and Welsh government budget setting processes. Whilst the Authority will consider future spending plans in line with projected funding announcements there is no indication at present that any of the assets of the Authority may be impaired as a result of a need to close facilities and reduce the level of service provision.

- 7.4 Each Corporate Director held monthly **Performance and Financial Monitoring** meetings where Chief Officers and Heads of Service reported on progress in terms of continuous improvement and budgets.
- 7.5 **Audit Wales Annual Audit Summary 2020** (and referred to below) noted that the Council has put in place proper arrangements to secure value for money from the resources it uses. Significant challenges remain particularly in terms of delivering timely transformation against the backdrop of a challenging financial position. This reflected external auditor concerns that the Council continues to face a significant financial challenge and needs to deliver its savings plans at the pace and scale required whilst controlling service spending within budgets. The Council is seeking to address this through a refresh of its programme for transformation to ensure that planned actions are of sufficient scale and pace in its new Achieving Better Together programme.
- 7.5.1 The Council is the Administering Authority for the City and County of Swansea Pension Fund (the Pension Fund) and Swansea Bay Port Health Authority (SBPHA). The governance arrangements detailed in this Annual Governance Statement apply equally to the Council's responsibilities to the Pension Fund and SBPHA. There are further specific requirements for the Pension Fund which are:
- Investment Strategy Statement.
 - Internal Dispute Resolution Process.
 - Funding Strategy Statement.
 - Administration Strategy Statement.
 - A full actuarial valuation to be carried out every third year.
 - Communications Strategy Statement.

8. Chief Auditors Opinion

- 8.1 The system of internal control is designed to help the Council manage and control the risks which could affect the achievement of the Council's objectives. However it is not possible to eliminate all risks completely.
- 8.2 This means that Internal Audit can only provide 'reasonable' assurance that the systems of internal control within the areas of the Council reviewed are operating adequately and effectively.
- 8.3 The table below provides a summary of the assurance levels across the audits completed in 2020/21:

2020/21 Audit Ratings Summary		
Total Number of Audits Finalised	75	
Assurance Rating	Number	%
High Assurance	42	56
Substantial Assurance	29	39

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Moderate Assurance	4	5
Limited Assurance	0	0

- 8.4 As can be seen in the table above, the outcome of 71 (95%) of the 75 audits completed was positive with the audits receiving either a high or substantial level of assurance.
- 8.5 As has been reported to the Audit Committee throughout the year, four audits received a moderate level of assurance in the year. As has been the case for the past two years, the fundamental Accounts Receivable audit was one of the audits that received a moderate assurance level in 2020/21.
- 8.6 There are 14 audits which are classed as fundamental audits. The fundamental audits are the systems that are considered to be so significant to the achievement of the Council's objectives that they are audited either annually or bi-annually. Following the audits completed in 2020/21, 11 of the 14 fundamental audits have a high level of assurance. Two have a substantial level of assurance (Accounts Payable and Business Rates) and one has a moderate level of assurance (Accounts Receivable).
- 8.7 Prior to the most recent audit in 2019/20, the Business Rates audit had received consistent high assurance level and had therefore been subject to an audit every two years. However, as a result of the findings of the audit in 2019/20, a substantial level of assurance was awarded and as a result this audit is completed on an annual basis.

The Audit Committee has been made aware of the fact that we were unable to complete the audit of Business Rates in 2020/21 due to the reasons set out in the Internal Audit Quarterly Monitoring Reports and also in the Internal Audit Annual Report. However, additional work has been undertaken in the year to provide assurance over the reactive work that has been undertaken by the Business Rates Team in facilitating the Council's response to the Covid-19 pandemic.

- 8.8 The Accounts Payable audit also received a substantial assurance level in 2020/21, as was also the case in 2019/20 and 2018/19. As a result, this also continues to be audited on an annual basis.
- 8.9 The Accounts Receivable audit received a moderate assurance level in both 2018/19 and 2019/20. The Audit Committee have had a number of updates from the relevant managers in relation to the work that is ongoing to address the issues that have been identified. The Audit Committee will continue to receive updates on this during 2021/22.
- 8.10 It is disappointing that the Accounts Receivable audit received a third moderate assurance rating in 2020/21. As detailed in updates provided to the Audit Committee from the client department, the reasons for the weaknesses identified in this area are primarily in relation to reduced resources. As noted in previous reports, continuity and maintenance of core grip with changing, and

more often diminishing, resources was a recognised clear challenge across the Authority and this continues to be the case.

- 8.11 Despite this, it should be noted that of the 14 fundamental system audits, 11 have a high assurance level and two have a substantial assurance level. In addition, the results of the work undertaken in 2020/21 shows that as at the 31 March 2021, 95% of all of the audits completed in year have either a high or substantial assurance level. This provides reasonable assurance that across the Authority the systems of internal control are operating effectively.
- 8.12 Due to the very challenging environment that the Internal Audit Team has endured throughout 2020/21, the number of audits on the plan that we have been able to complete in year has been lower than that of previous years. However, this does not detract from the positive outcomes of the work that has been completed as noted above. It is hoped that with pandemic restrictions continuing to be lifted at the time of compiling this report, the Team will be able to successfully complete a greater percentage of the 2021/22 audit plan in line with performance in previous years.
- 8.13 Throughout the year, a significant amount of effort has continued to be directed at further strengthening the systems of risk management across the Authority. The Audit Committee has recently been in receipt of update reports from the Strategic Delivery and Performance Manager outlining the status of key risks from the new Risk Management System to further strengthen assurance in this area. The Corporate Management Team and Risk Owners have also reviewed the risk register entries regularly throughout the year to ensure the register is up to date. The new Risk Management System has also been further embedded in the year which has improved the monitoring and control of risks.
- 8.14 As per the Terms of Reference, the Audit Committee must be satisfied that they have sufficient information in order to gain assurance over the risk management controls across the Council. Prior to the introduction of the new Risk Management System, the Committee highlighted concerns over the amount of information that was available to Members to allow them to discharge this responsibility. These concerns were also echoed by the Council's External Auditors. The introduction of the new Risk Management System has facilitated greater scrutiny of the risk management arrangements in place by the Audit Committee, and the presentation of detailed reports from the new system has recently recommenced. However, a number of concerns have been raised by both the Chief Auditor and the Audit Committee in relation to the documentation of the mitigating controls for key risks in some service areas.
- 8.15 As part of the migration from the old Risk Registers to the new Risk Management System, Risk Owners were asked to review and update the risks and associated mitigating controls under their management. Following a review of the mitigating controls, it was noted that in some instances the control measures documented on the new system could not be categorised as 'control measures' in effect. As a result, it is not possible to place reliance on the documented mitigating controls for some of the corporate risks on the Risk

Management System. This is not to say that mitigating controls are not in place, but the way they have been documented on the system means we are unable to place reliance on some of the controls as they are currently recorded. As a result, this area can be considered as requiring attention and improvement in the coming year. This is due to be addressed via training for Risk Owners.

- 8.16 The Covid-19 Pandemic has had a significant impact on the Council and most business as usual operations. The meetings of the Governance Group, tasked with overarching responsibility for ensuring existing corporate governance arrangements are effective, were suspended during the year but meetings have recently resumed in the lead up to the year end and in preparation for the production of the Annual Governance Statement.
- 8.17 In response to the unexpected and unpredictable impact of the pandemic, a number of emergency protocols were introduced to ensure governance and overall corporate grip remained strong and effective during such unprecedented times. This included the formation of an Executive Control Group (ECG) in early March 2020.
- 8.18 The ECG was set up due to the unprecedented effects of the Covid-19 pandemic on the management of the Council's affairs. Whilst the ECG met daily in the morning a "Sit Rep" meeting also took place each afternoon to review the daily changes in the crisis. Decisions taken at ECG were looked at as part of internal audit's review of delegated decisions.
- 8.19 Cabinet meetings were cancelled between 19 March 2020 and the 27 April 2020 and Council meetings were also cancelled. The ECG and Sit Rep groups addressed strategic, collaborative, operational and financial issues which had to be dealt with as a matter of urgency.
- 8.20 Those attending the ECG included the Leader, Deputy Leaders, Chief Executive, S151 Officer, Monitoring Officer, Director of Place, Head of Communications & Marketing, Corporate Health Safety & Wellbeing Manager and Temporary CCoS/NPT/SBUHB Liaison Officer (JS). We were advised that attendance at meetings varied due to the fluid situation facing the Council and due to daily meetings taking place, including on weekends. The Sit Rep group was a wider group of members and senior officers.
- 8.21 Strategic operational and financial decisions were taken by the ECG and Sit Rep meetings, as required, without the usual Cabinet and Council approval. While formal "minutes" of meetings were not taken, a Corporate Management Team PA attended each meeting and recorded discussions and maintained a log of actions/decisions agreed. Given the unpredictability and unprecedented nature of the pandemic, we are assured that appropriate controls were in place in relation to the decision making process during this period.
- 8.22 We were further advised by the Chief Finance and Section 151 Officer that where required, FPR7 Reports (for capital expenditure) or Delegated Powers

Reports (for revenue expenditure) were subsequently presented to Cabinet and Council when meetings resumed early in June 2020.

- 8.23 The ECG ceased to be a decision-making forum when Cabinet and Council meetings resumed, but it continues to exist as a forum for information and communication.
- 8.24 It was noted that significant decisions made by the ECG in 2020 have been published on the Council's website. It was also found that Democratic Services had been informed of other decisions but a decision was taken not to publish these because they contained commercially sensitive/sensitive information warranting an exemption from publication.
- 8.25 The work undertaken by the Internal Audit Team in the year did not uncover any significant concerns in relation to governance and overall management control across the areas of the council that were subject to internal audit review. Despite a significant period of upheaval and change, Officers have adapted speedily and effectively to the emergency response to the pandemic with no obvious signs of deterioration in control or corporate grip across the areas subject to audit in the period.
- 8.26 In conclusion, Statutory Governance Chief Officers have succeeded in maintaining appropriate corporate grip and have ensured adequate recording and reporting mechanisms have been maintained throughout the crisis.
- 8.27 At the time of writing this opinion, it is unclear as to the scale of additional spending, loss of income or funding arrangements for reimbursement in part, or in full, that the authority faces in responding both locally, with partners, and supporting the national strategic response to the Covid-19 pandemic going into 2021/22. The Section 151 Officer has advised that his view is that there is adequate assurance of sufficient and necessary recovery and reimbursement in relation to 2020/21 already in place, pending the formal final outturn and statement of accounts certification. However, it should be noted that the sums available to bid against nationally for 2021/22 are materially lower and no sums are currently flagged as available in 2022/23 by UK or Welsh Governments. In March 2021, the Leader of the Council set out the Council's intention to establish a locally funded Covid-19 Recovery Fund with the target sum of £20m. This in part may mitigate the risk of reduced Government funding in future years, but again this is pending formal certification of the final outturn and statement of accounts by the Section 151 Officer and Council.
- 8.28 In previous years, the Audit Committee and the Council's External Auditors have raised a number of concerns in relation to risk management arrangements and also with regard to the lack of pace with which Directorates have been able to deliver agreed savings targets. These concerns have been echoed by Internal Audit and the Chief Finance and Section 151 Officer. It is hoped that the Achieving Better Together audits encompassing both the Council's recovery and later transformation will address these issues in 2021/22. The

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programme of planned audits for 2021/22 will also seek to provide the Committee with some clarity and assurance on these issues.

- 8.29 Given the audit plan completion rates noted previously, and the fact that we have completed all of the fundamental audits (with the exception Business Rates) by year end, I do not feel any impairment to the Chief Auditor’s opinion on internal control is required. Assurance can be provided across a range of Council services as a result of the audits that have been successfully completed, especially when considered alongside the wider thematic audits and other assurance work completed in year. We hope to be able to provide assurance in those areas that have seen the audits deferred this year by the completion of the deferred reviews in 2021/22.
- 8.30 In addition, for the reasons set out previously, I believe that governance arrangements across the Council have proven to be robust and resilient throughout the significant period of challenge and change that the Council has faced over the past year. The Council has adapted speedily and effectively to the challenges brought about as a result of the pandemic, with core services continuing to operate effectively throughout.
- 8.31 In connection with the points raised above, and as previously reported, CIPFA have issued guidance to Internal Auditors, Leadership Teams and Audit Committees of Local Government Bodies recognising the difficulties faced by audit teams to deliver their planned programme of audit work due to the impact of the pandemic. The guidance reiterates the requirement that the Chief Auditor must consider the level of assurance that can be provided across all three aspects of the Chief Internal Auditor’s Opinion, which includes governance and risk in addition to internal control.
- 8.32 A summary of the various scenarios that internal audit providers may consider when determining whether any limitation of scope is required for the Chief Auditors Opinion may be seen below, as per the CIPFA guidance note:

Type of limitation	Suggested wording
<p>The HIA has obtained insufficient assurance across each of the three aspects of the opinion: governance, risk management and internal control, and is therefore unable to issue an opinion.</p>	<p>The results of the work carried out by internal audit, taken together with other sources of assurance, are not sufficient to support an HIA annual opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. This opinion is a requirement of PSIAS. The results of internal audit work concluded during the year and a summary of where it is possible to place reliance on the work of other assurance providers is presented in the annual report but this does not result in a comprehensive opinion.</p> <p>This limitation of scope has arisen because of... [reasons]</p>

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	To avoid similar limitations in future the HIA plans to... [actions].
The HIA has obtained insufficient assurance across one of the three aspects of the opinion: governance, risk management and internal control. The limitation of scope will be restricted to that aspect only.	<p>The results of the work carried out by internal audit, taken together with other sources of assurance, are not sufficient to support an HIA annual opinion on the overall adequacy and effectiveness of the organisation's framework of [specify one of governance, or risk management or control].</p> <p>The results of internal audit work concluded during the year and a summary of where it is possible to place reliance on the work of other assurance providers in respect of [governance or risk management or control] is presented in the annual report but this does not result in an opinion on this aspect. [The HIA can then present their opinion on the remaining two aspects required.]</p> <p>This limitation of scope has arisen because of... [reasons]</p> <p>To avoid similar limitations in future the HIA plans to... [actions].</p>
The HIA has obtained insufficient assurance across a significant subset of risk or area of operation that is material.	<p>The HIA opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control is [set out opinion].</p> <p>The HIA opinion however must exclude [specify area excluded] as there is insufficient assurance available for the HIA to offer reasonable assurance.</p> <p>This limitation of scope has arisen because of... [reasons]</p> <p>To avoid similar limitations in future the HIA plans to... [actions].</p>

8.33 Given the previous points made in relation to internal control, governance and risk management I don't feel that there is a need to issue any limitation of scope on the aspects of governance and internal control. However, given the issues identified in the documentation of the control measures for some of the Corporate Risks recorded on the new Risk Management System, I feel that a limitation of scope in relation to the framework of risk management across the Authority is required. The internal audit work undertaken in 2020/21 provides assurance over the risk management processes within the Resources Directorate and also provided assurance over the controls within the new Risk Management System. However, other work undertaken in year has highlighted a number of issues in relation to the way in which some of the mitigating controls have been documented. Given the issues that have been noted, the work

undertaken in year is not sufficient to determine whether the risk management framework is adequately embedded across the Council as a whole. Therefore, it is felt that improvements must be made to further embed and strengthen the adequacy and effectiveness of the Council's framework of risk management in 2021/22.

8.34

Chief Auditors Opinion for 2020/21

Based on the programme of audit work undertaken in 2020/21, the Chief Auditors opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control is effective with opportunity for improvement. No significant weaknesses were identified in 2020/21 which would have a material impact on the Council's financial affairs or the achievement of its objectives.

The Chief Auditor's opinion however must exclude the assessment of how effectively the framework of risk management is embedded across the Council as a whole as there is insufficient assurance available for the Chief Auditor to offer reasonable assurance.

To avoid similar limitations in the future the Chief Auditor has highlighted the issues in relation to the documentation of the control measures for the risks recorded on the Risk Management System. These issues will be addressed by the Deputy Chief Executive and Strategic Delivery and Performance Manager to strengthen the adequacy and effectiveness of the Council's framework of risk management in 2021/22.

9. The Audit Committee

- 9.1 First and foremost the Chair pays tribute to all staff and officers of the Council in dealing admirably with the unprecedented challenges brought about by the Covid pandemic. Throughout this difficult year officers of the Council as well as the Council Partners' were fully committed to meeting their responsibilities. The Chair also acknowledges that the Council endeavoured to maintain continuity of governance.
- 9.2 This report provides an overview of the Audit Committee's work in the municipal year 2020/21. On 20th October 2020 the Audit Committee considered the election of Chair for 2020/21 Municipal Year where it was resolved that Paula O'Connor be elected Chair. At the same meeting Councillor P R Hood-Williams was elected Vice-Chair for the 2020/21 Municipal Year. In addition, in June 2020 the Committee approved the proposal to appoint an additional Lay Member to support the changes that were to be introduced with the Local Government and Elections (Wales) Act 2021.

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- 9.3 This report prepared by the Chief Auditor and Democratic Services reflects on the work of the Audit Committee.
- 9.4 The Committee's terms of reference forms part of each Agenda as an aide to ensure that Members are sighted of the Committee's effectiveness in satisfying it's role. The Chair has continually reviewed Committee Agenda's in consultation with Democratic Services to ensure they meet the requirements of the Terms of Reference.
- 9.5 It is pleasing to report that the Committee has received in June 2020 an oversight of the Council's Performance Management Framework and also an overview of the Partnerships and Collaboration arrangements. The Committee has requested periodic reports for both of these significant areas to be brought to future meetings. Also in March 2021 the Committee received an update from the Deputy Chief Executive on Value for Money & Benchmarking. The presentation of the three reports addressed the shortfall in previous meetings of the Committee and the Chair extends her gratitude to officers for meeting the Committees needs.
- 9.6 The Chair also highlights that the Committee has previously reported on the shortfall in assurances being received around the Council's Risk Management arrangements, and although some progress has been made the shortfall remains.
- 9.7 The Chair reflects on the presentation on the Assurance Framework and the reporting on the Council's Risks which was a significant step forward in 2018/19 in improving the Committee's ability to reflect on the effectiveness of governance, risk management and control that supports and informs the Council's Annual Governance Statement. However, as reported in 2019/20 and well into 2020/21 the development and roll out of a new electronic risk management system was delayed during the year and the Chair and Audit Committee members have expressed concern that in the absence of a robust system that this will need to be highlighted in the Council's Annual Governance Statement at the year end. During 2020/21 the ongoing delay was mainly attributable to the pressures associated with the pandemic. In November 2020 the Committee received a mid-year position of Risk and then in February 2021 an updated position in an improved format. The Chair noted that the detail contained in the improved format Risk Register still required improvement before the Committee were able to take assurance.
- 9.8 The Committee has reviewed the work programme at each meeting, taking account of risk and priorities and in particular pandemic issues and Internal Audit Moderate Assurance reports issued.
- 9.9 The Committee received the 2020-21 Internal Audit Plan and Charter on 1st June 2020 and has received reports regularly during the year from the Chief Internal Auditor. The Chair has expressed her gratitude to the Chief Auditor in progressing with the plan alongside the pressures of the pandemic and also for responding to a request to enhance the detail in the reports to provide

further understanding of the work undertaken and the risks identified. During 2020-21 the Chief Auditor reported a number of Moderate Assurance audit reports that resulted in those responsible attending Audit Committee to give assurance that appropriate action was being taken where significant weaknesses in control were identified. During the year the Chief Internal Auditor updated the Audit Committee of those audit assignments that had to be deferred as a result of the pandemic impacts. The Audit Committee discussed the impact and the possibility that a limitations opinion would be called. The Chair, 151 Officer and the Chief Internal Auditor discussed the opinion which reflects the limitations around the risk management arrangements but not the deferred audits. The final Chief Internal Auditor opinion is due to be presented to the Audit Committee in May 2021.

- 9.10 In March 2021 the Chief Internal Auditor presented the Draft Internal Audit Plan for 2021-22 and methodology applied. The Chair commented that the Committee were able to support approval of the Plan to Council with the caveat that assurances had been obtained from the Chief Internal Auditor that the Plan was risk based and complied with the Public Sector Internal Audit Standards. The Committee would seek to gain further understanding of the scope of the reviews during 2021-22.
- 9.11 The Audit Committee terms of reference states that the Committee “oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.”
- 9.12 The Committee received the 2020/21 Internal Audit Plan and Charter on 1st June 2020 and has received reports regularly during the year from the Chief Internal Auditor. The Chair has expressed her gratitude to the Chief Auditor in responding to a request to enhance the detail in the reports to provide further understanding of the work undertaken and the risks identified. During 2020/21 the Chief Auditor reported a number of Moderate Assurance audit reports that resulted in those responsible attending Audit Committee to give assurance that appropriate action was being taken where significant weaknesses in control were identified.
- 9.13 In March 2021 the Chief Internal Auditor presented the Draft Internal Audit Plan for 2021/22 and methodology applied. The Chair commented that the Committee were able to support approval of the Plan to Council with the caveat that assurances had been obtained from the Chief Internal Auditor that the Plan was risk based and complied with the Public Sector Internal Audit Standards. The Committee would seek to gain further understanding of the scope of the reviews during 2021/22.
- 9.14 The Audit Wales presented their 2020 Audit Plan to the Audit Committee on 30th June 2020, and has provided the Committee with regular updates to their work. In 2017/18 and continuing to date the Chair suggested that consideration be given to developing a tracker to give focus to improved completion of external audit recommendations. This work is yet to be completed but the Chair acknowledges that Scrutiny Committee has the

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opportunity to challenge non implementation of recommendations as well as the Audit Committee.

- 9.15 The Chair has met during the period with the Deputy Chief Executive, S151 Officer, Monitoring Officer, Chief Internal Auditor and Audit Wales. A meeting is being arranged with the Chief Executive to communicate Audit Committee concerns in a number of key risk areas that include, robustness of Directorates saving plans, workforce pressures, risk management arrangements and reporting of risk to Audit Committee, production of annual governance statement and the role of the Governance Group.
- 9.16 The Committee received the 19/20 Anti-Fraud Annual Report at the meeting in September 2020 and the update against progress being made against recommendations in the Audit Wales report Raising our Game - Tackling Fraud in Wales in March 2021. The Committee noted that further work was required to address all those recommendations.
- 9.17 The Deputy Chief Executive presented the Annual Governance Statement 2019/20 Action Plan Update to the Committee in December 2020. Cllr Lesley Walton is the Audit Committee Representative on the Governance Group. The Governance Group was established to review the production of the AGS during the year. At the March 2021 meeting of the Governance Group a number of key points were raised with regard to the 2020/21 AGS but Cllr Walton has advised the Chair that the timeline target for the draft AGS to be presented to the May Audit Committee will be met. In preparation for receipt of this important document the Chair requested that Democratic Services circulate to Members the CIPFA guidance paper on Application of the Good Governance Framework 2020/21.
- 9.18 The Chair attended the Scrutiny Panel Conference 13th October 2020 and also due to attend the Scrutiny Committee shortly.
- 9.19 The Committee discussed the concern regarding the cost of the capital programme, the level of reserves, the risk to the Authority and the need to scrutinise the risk. Also, it was noted that a recovery plan should be developed on how the Council plans to deal with overspends and that the Audit Committee should be provided with regular budget variation reports. The Chief Finance and Section 151 Officer agreed to provide this information to future meetings. The update against Achieving Better Together and from Recovery to Transformation was received in February 2021.
- 9.20 Looking forward to 2021/22, the unprecedented challenges that are continuing with the Covid-19 pandemic will continue to have an impact on the Council's governance and finance arrangements during the early to mid-part of the year.
- 9.21 Within this context, the importance of an effective Audit Committee remains critical and in March 2021 the Chief Legal Officer presented amendments to the Committee's Terms of Reference to take into account the requirements of

the Local Government & Elections (Wales) Act 2021. In recognition of the additional responsibilities of the newly named Governance & Audit Committee the Chair met with the Chief Executive and the Chief Finance and 151 Officer who has agreed to develop, with support from external sources, a formal training programme that would develop the knowledge and skills of members in respect of the Act's new requirements.

- 9.22 The Committee will keep the Work Programme under regular review and will ensure that the Work Programme contains the requirements of the Governance & Audit Committees new responsibilities and also the critical challenges and risks that the Council faces. The Committee will also keep under review the progress and reporting of risk management.

EXTERNAL SOURCES OF ASSURANCE

10. External Auditors

- 10.1 Audit Wales' work in 2019/20 included a Well-being of Future Generations Examination on the 'Transfer of leisure facilities to the Council's new delivery partner'. The examination considered the extent to which the Council has acted in accordance with the sustainable development principle when effecting the successful transfer of leisure facilities to the Council's delivery partner. Audit Wales concluded that the Council has taken appropriate steps to ensure the current service is sustainable but had yet to develop its strategy and intended outcomes for the future provision of leisure services in Swansea. Audit Wales were satisfied the Council had met its legal duties for improvement planning and reporting and is likely to meet the requirements of the Local Government Measure (2009) concerning continuous improvement.
- 10.2 Audit Wales' Annual Audit Summary 2020 noted that the Council had put in place proper arrangements to secure value for money from the resources it uses. Audit Wales also in 2019/20 examined the financial sustainability of each Council in Wales. In City & County of Swansea Audit Wales concluded that the Council continues to face a significant financial challenge and needs to deliver its savings plans at the pace and scale required whilst controlling service spending within budgets. The Council is seeking to address this through a refresh of its programme for transformation to ensure that planned actions are of sufficient scale and pace.
- 10.3 Audit Wales on behalf of the Auditor General for Wales presented the **Audit of Financial Statements Report 2019/20** to Audit Committee on 8/9/20 and to Council on 10/09/20. The report highlighted any significant issues to those charged with governance that needed to be considered prior to the approval of the financial statements. The Auditor General issued an unqualified audit report on the financial statements and the report concluded that the financial statements for the City & County of Swansea and the City and County of Swansea Pension Fund, (which was presented separately to the Pension Fund Committee on the 12/11/20), gave a true and fair view of the financial position of the Council and had been properly prepared.

11. Statutory external inspections/regulators

- 11.1 The Council is subject to Statutory External Inspections by various bodies including ESTYN and Care Inspectorate Wales (CIW).
- 11.2 During 2019/20 CIW published its 'Local authority performance review letter 2019/20: Swansea City and County Council. The letter summarises CIW's review of Swansea Council's performance in carrying out its statutory social services functions from April 2019 – March 2020. CIW acknowledge, that due to the unprecedented circumstances relating to Covid-19, they were unable to complete the annual performance review meeting. The content of the letter was informed by the performance evaluation activity undertaken by the inspectorate during the course of the year and summarises strengths and areas for improvement in line with the principles of the Social Services & Well-being Act 2014. Some key points include:
- There has been a positive realignment of services, aimed at ensuring improved outcomes for people.
 - The remodelling of in-house domiciliary care services, and the re-commissioning of external providers has resulted in some improvements.
 - There continue to be challenges in recruiting and retaining staff, and that services can struggle to provide care in some harder to reach local areas.
 - The local authority works hard within the framework of its Looked After Children Reduction Strategy to analyse and understand fluctuating numbers of children who are looked after.
 - Swansea Council has recently been successful in increasing both the proportion of children placed closer to home, and also those placed with in-house foster carers.
 - CIW's focused activity in relation to safeguarding in adult services confirmed that safeguarding referrals are processed in a timely manner, that partnership work is effective and that action is taken to safeguard adults at risk.
 - The Council is considering ways to improve the adult safeguarding process and is working on an audit framework.
 - Overall numbers of children on the child protection register continue to be relatively stable trend, although re-registration rates remain a concern and the local authority continues to work hard to understand the reasons behind this. Child protection case conferences and reviews continue to take place within statutory timescales.
 - Elected members are fully aware of the challenges facing social services, and continue to be actively involved in finding solutions and monitoring developments.
 - The authority has a dedicated and professional workforce, with management oversight ensuring a consistency of quality and approach in many areas.

- There is a recognised need to develop and implement a clear strategic vision in relation to carers.
- The local authority recognises that the levels of direct payments have been static for some time with an improvement plan aimed at improving outcomes for people in the area.
- The local authority is planning for the implementation of the Welsh Community Care Information System (WCCIS). This will provide further opportunities to consider how WCCIS can assist with the collation of relevant data to support practice and quality assurance.
- It was clear from our activity with independent reviewing officers (IRO's) that they were aware of the importance of putting the child at the centre of the review process.
- Swansea Council is supporting more people in their own homes, with fewer people being cared for in care homes, suggesting that the direction of travel in remodelling elements of the adult services structure is beginning to pay dividends.
- There continue to be high levels of activity at the front door of children and family services, although the percentage of work passed through for formal assessment continues to move in the right direction.

11.3 In January 2021, Estyn wrote to the Council's Chief Executive outlining the outcome of their review of City & County of Swansea Council's work in supporting their learning communities in schools and pupil referral units (PRUs) during the period from March to October 2020, and published a report on 'Local authority and regional consortia support for schools and PRUs in response to Covid-19'.

11.3.1 The report covers the ways councils across Wales have adapted their work to respond to the challenges from Covid-19. Although the report is a national report, it does reference City & County of Swansea Council's work during the pandemic. For example, the report includes reference to the Council's work to support schools to adjust and improve their distance learning offer, and to develop their approach to assessing pupils' work. The report also highlights the timely guidance for schools produced by the Council to support learners' mental health and wellbeing, and the work done in Swansea to prioritise support for pupils identified at risk of becoming NEET in the summer 2020.

CORE EVIDENCE

12. Council & Cabinet

12.1 The following provide assurance based on reports covering 2020/21. In some instances reports from 2019/20 are reflected in the Annual Governance Statement as the reports for 2020/21 are not yet available.

12.2 Council adopted a revised Corporate Plan 2019/22 *Delivering a Successful and Sustainable Swansea* on 25 October 2018. The Corporate Plan for 2019/22 was refreshed and approved at Cabinet on 19th March 2019 and was refreshed again and approved by Cabinet on 19th March 2020. The five year

Corporate Plan was rolled forward into 2021/22. Essential and necessary updates were made, although a fuller review and refresh of the plan was not possible because of the disruption caused by the pandemic. The Corporate Plan sets out the Council's values and principles underpinning the delivery of the objectives and sets out how the Council will monitor progress through quarterly and annual performance monitoring reports.

- 12.3 Performance on delivery of the Council's Well-being Objectives is monitored quarterly by Cabinet. The reports contain outturn compliance with performance indicators and an overview of performance for each Objective provided by Directors/Heads of Service. The End of Year Performance Monitoring Report for 2019/20 was presented to Cabinet on 17th September 2020. The report showed that 43 out of 78 (55%) indicators that had targets set met them and 41 out of 66 (62%) comparable indicators showed improvement or stayed the same compared to the previous year. Quarterly Reports during 2020/21 were suspended for much of 2020/21 as a result of the disruption from the pandemic. Performance monitoring and reporting was briefly recovered in June for Q1 reporting before being suspended again as a result of the impact from the second Covid wave; the Q1 report was reported to Cabinet in December. It is anticipated that reporting will resume in 2021/22 although continued disruption from Covid-19 is likely to mean that performance targets will not be set and any comparisons to previous performance will be limited and will need to be contextualized.
- 12.4 The Annual Review of Performance 2019/20 was approved by Cabinet on 15th October 2020 in accordance with the publishing requirements of the Local Government (Wales) Measure 2009. The report showed the results of each performance measure for the 6 Objectives set out in the Corporate Plan 2018/22. The results showed that overall the Council has made significant progress undertaking the steps to meet its Well-being Objectives but that there were areas for development and lessons learnt.
- 12.5 The Corporate Complaints Policy is in line with the Welsh Government Model Complaints Policy and was in place throughout 2020/21. It enables the public to tell the Council what they think about services. The Corporate Complaints Annual Report 2019/20 is being presented to Scrutiny in April and then to Cabinet. Presentation of the report has been delayed due to the pandemic. However, the 2020/21 report will follow soon after with the intention of reporting closer to year-end in future years. The report reflects the continued emphasis on prompt resolution of complaints and includes compliments about services. Whilst the total of complaints to the Public Service Ombudsman for Wales increased from 83 to 92 none were upheld, 4 were resolved by quick fix/voluntary settlement, and the remaining referrals were either out of jurisdiction, premature or closed after initial consideration. There was an assurance that there were no s 16 Public Interest reports during the year.
- 12.6 The Audit Committee Annual Report 2019/20 was presented to Council on 10th September 2020 and outlined the assurance the Committee had gained over control, risk management and governance from various sources over the

course of 2019/20. In particular, the report highlighted the work that had been undertaken throughout the year in line with the Committee's terms of reference. The report also provided an update on the implementation of the actions arising from the Performance Review facilitated by the Audit Wales.

- 12.7 The Equality Review Report 2019/20 was reported to Cabinet on 17th September 2020, which highlighted progress against the Equality Objectives. The report highlighted work linked to the core principles i.e. co-production, engagement and embedding of children's rights.
- 12.8 The Welsh Language Annual Report 2019/20 reflected progress and compliance on the 169 Welsh Language Standards with which the Council has to comply. The report contained an overview of activity and how the Council internally promotes the Welsh Language Standards with tools and information. The report concluded that good progress continued to be made on implementing the Welsh language standards during 2019/20 and general feedback indicated that officers were more educated and much more aware of the need for compliance than they were previously. Work is continuing on training the workforce and take-up on courses is growing. Welsh speaking spaces have been specifically created in the agile working areas during the year.
- 12.9 There were a number of key reports presented to Cabinet/Council during 2020/21 including reports relating to the Swansea Bay City Deal, school capital works and a number of Cabinet reports in response to the Covid-19 pandemic. In October 2020 Cabinet approved the new Swansea - *Achieving Better Together* Transformation Strategy and Programme Framework. The strategic aims of Swansea – Achieving Better Together will now focus on:
- The core purpose of the Council.
 - Transforming services to be effective and efficient.
 - Greater collaboration with other Councils, organisations, community groups and residents, with a focus on regionalisation.
 - Balancing the budget for current and future years.
 - Greater and more meaningful engagements with our residents and community.
 - To meet aspirations and targets within the Medium Term Financial Plan.
- 12.11 The strategic governance of the Achieving Better Together is undertaken by the Recovery, Reshaping & Budget Strategy Board and the operational and Delivery of the workstreams is overseen by the Organisational Cross Cutting & Transformation Steering Group. Reports will be considered by Cabinet, Scrutiny and Audit Committees throughout the implementation and development of the programme.

13. Committees

- 13.1 The Council's scrutiny function is carried out by a **Scrutiny Programme Committee**, which delivers an agreed programme of work through Committee meetings and through Scrutiny Panels and Working Groups established by the Committee. Through this range of activities, scrutiny councillors make sure the work of the Council is accountable and transparent, effective and efficient, and help the Council to achieve its objectives and drive improvement, by questioning and providing challenge to decision-makers.
- 13.1.2 The Committee is a group of 13 cross-party councillors who organise and manage what Scrutiny will look at each year, and develop a single work programme showing the various activities that will be carried out. The Covid-19 pandemic has caused some disruption to the work of scrutiny over the last year. Scrutiny activity has had to be flexible and responsive to organisational pressures as the Council focused its efforts on tackling the pandemic and dealing with the impact locally. However the Scrutiny Programme Committee meeting on 24 April 2020 was the first remote meeting of the Council, under new Welsh Government coronavirus regulations and has continued to meet remotely over the year.
- 13.2 The **Scrutiny Annual Report 2019/20** was presented to Council on 2nd March 2021. The report highlighted the work carried out by Scrutiny, showed how Scrutiny had made a difference and supported continuous improvement for the Scrutiny function. It shows that the Scrutiny Programme Committee met on 18 occasions. In total, there were 54 Panel and Working Group meetings during that municipal year, with an in-depth inquiry into Equalities completed. Two Inquiry Panels reconvened to follow up actions agreed by Cabinet – Regional Working and Natural Environment. There was also pre-decision scrutiny undertaken on a number of Cabinet reports. The report also shows a high level of councillor commitment to scrutiny. The report shows action taken to improve the scrutiny process and its effectiveness, and further efforts to support councillors, take practice forward and improve the quality of scrutiny.
- 13.3 There is a strong relationship with audit, inspectors and regulators. There are well-established links between the scrutiny function and Estyn, in respect of Education Services and School Improvement, and similarly with CIW (Care Inspectorate Wales), in respect of Audit Services and Child & Family Services. Respective Scrutiny Performance Panels are routinely provided with relevant reports from Estyn and CIW, and are discussed as required. All Audit Wales local performance audit reports and relevant national reports (those with implications for local government) are also included in the Scrutiny Work Programme (dealt with by the Committee or relevant Performance Panels) and there is co-ordination with the Audit Committee. Scrutiny considers the Council's response / action plans following audit reports and follows up progress as necessary. Regional scrutiny has continued with ERW and Swansea Bay City Region City Deal. The Swansea Scrutiny Team is providing support for the ERW joint scrutiny arrangement.

- 13.4 Our arrangements for scrutiny were subject to an internal audit review, completed in March 2021. As a result, an Assurance Level of 'High' was given, with no recommendations being made.
- 13.5 The **Standards Committee** met on 4 occasions during 2020/21 and the **Standards Committee Annual Report 2019/20** was presented to Council on 28th January 2020. The Committee is chaired by an independent person and is responsible for monitoring the ethical standards of the authority and maintaining the highest standards of conduct by elected councillors. The Committee finalised its discussions with the Political Group Leaders/Chairs as to ethical values within the council and in their Annual Report the Committee indicated that they felt that these discussion reinforced the Group Leaders/Chairs role in ensuring good behaviour and compliance with the Code by all councillors. The Chair of the Standards Committee advised Council that the Standards Committee felt that the Council was in a good position to respond to the requirements of the Local Government and Elections (Wales) Act 2021. The Standards Committee were also instrumental in ensuring the Ombudsman's Code of Conduct Casebook was considered and circulated to all members by the Monitoring Officer. The Members Internal Dispute Resolution Process has not yet been utilised, which underpins the strong commitment to, and provides assurance, that the Council's Code of Conduct is adhered to.
- 13.6 The **Audit Committee** met on 11 occasions during 2020/21 and followed a structured work-plan, which covered all areas of the Committee's responsibilities with the aim of obtaining assurance over the areas included in its terms of reference. The Committee includes a lay member who is also the Chair of the Committee. The Committee receive all Audit Wales reports once reported to Scrutiny Programme Committee. The Committee may decide to track or prioritise specific proposals or recommendations in addition to the oversight provided by Scrutiny. This arrangement provides additional assurance that the Council responds and puts in place action plans to address any recommendations. The Committee also receives quarterly updates on the overall status of risk within the Council to give assurance that the risk management process is being followed.
- 13.7 During 2015/16, The Local Pension Board was established, in compliance with the Public Service Pensions Act 2013. The role of the Board is to assist the Council (and Pension Fund Committee) as Scheme Manager and Administering Authority to secure compliance with LGPS regulations and other legislation relating to the scheme. Terms of Reference for the Board were established and appropriate Board members were appointed. The Board successfully convened meetings under Covid regulations, virtually on 3 occasions during 2020/21, with the cancelled meetings' agendas (in the early stages of the pandemic lockdown) being rolled forward and considered at the next convened meeting in May 2020.
- 13.8 The **Pension Fund Committee** establishes and keeps under review policies to be applied by the Council in exercising its obligations duties and discretions

as an administering Authority under the Local Government Pension Scheme (LGPS) Regulations. The Committee is Chaired by a Councillor and membership consists of six elected Members, including the Chair, and two lay members. The Committee met on 4 occasions during 2020/21, virtually, under Covid Regulations and dealt with all issues relating to the investment matters, governance and administration of the Pension Fund. The Chair of the Pension Fund Committee also represents the Council on the Joint Governance Committee (JGC) of the Wales Pension Partnership, a collaborative working arrangement between the 8 local government pension funds in Wales. The Chair also represents the WLGA (Welsh Local Government Association) on the Scheme Advisory Board (SAB) advising the HM Government (Ministry of Housing, Local Government, MHCLG) on matters relating to the LGPS.

13.9 The **Democratic Services Committee** reviews the adequacy of provision by the authority of staff, accommodation and other resources to discharge Democratic Services functions. The Committee is Chaired by a Councillor and, along with the Chair, membership consists of thirteen elected Members. The Committee met on one occasion during 2020/21 and considered the IRPW Annual Report.

13.10 The **Policy Development Committees (PDCs)** seek to drive the development of policy for consideration and adoption by Cabinet and or Council as appropriate. Due to Covid-19, some of the Council meetings, including PDC meetings, were cancelled or re-arranged. The Committees are chaired by a Councillor and, along with the Chair, membership consists of ten elected Members. There were five Committees meeting in 2020/21: Economy, Environment & Infrastructure; Education & Skills; Recovery & Future Generations; People, and; Poverty Reduction. During 2020/21, the Committees contribution to the ongoing development of policy included, among others: Climate Change post Covid-19 Recovery, Local and Regional Economy & Recovery response, Continuity of learning in schools during Covid-19, Covid-19 Recovery Plan, Young Carers - Ensuring wellbeing of young carers in the context of Covid19 and Green fairness.

Significant Governance Issues

The following table identifies issues that had been identified in 2019/20 during the review of effectiveness, together with the proposed actions to be taken during 2020/21 to address the issues. **When the AGS was written the COVID-19 crisis had occurred but the severity, longevity and impact of the pandemic was not foreseen at the time. The pandemic has had a major impact on the timescales and actions that were included in the original action plan and this is recorded in the table on the next page.**

Significant Governance	Action to be taken	Update
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Issue linked to Framework		
<p>Budget pressures (including external and demand-led pressures and overspends) & problems living within budgets.</p>	<ul style="list-style-type: none"> • Continue robust monitoring of budgets, savings and transformation programme activity at PFM and with both CMT and the Executive. • Annual review of Sustainable Swansea underway with revised programme to deliver future savings in years 3 onwards. 	<ul style="list-style-type: none"> • “Normal business” is continuing in terms of reporting through PFM processes and routinely to CMT and quarterly to Cabinet. Due to the way Welsh Government is helping fund the Covid 19 response there is uncertainty as to both timing and quantum of actual grant support available to this Council and has necessitated a delay in reporting by one month to normal cycle. This is likely to continue. There is however no normality to a spending position which requires budgets to be flexed by over £100m in revenue and over £20m in capital in the first quarter alone. There are material overspends and a near certain need to exhaust contingency and draw down from reserves. Both have been reported to cabinet in October and are to be reported to Council in November. • The S151 officer is operating a deliberately blended approach to robust monitoring and action and has reported as such to Cabinet, Council, Audit Committee and Scrutiny. Planning and delivery will stick to as normal patterns as possible albeit with that material uncertainty rider in all planning and delivery assumptions and an increased risk of the s151 needing to exercise his statutory intervention powers in extremis. • The Deputy Chief Executive is leading on the Achieving Better Together Transformation Plan (for both Covid 19 and the future

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		<p>replacement for Sustainable Swansea) and has taken a substantive report through Cabinet in October 2020 which sets out a framework for future development and delivery.</p>
<p>Lack of workforce capacity, capability and resilience and relying on staff goodwill.</p>	<ul style="list-style-type: none"> Development of a Workforce Plan to support high performance and enable a skilled, flexible and engaged workforce. 	<ul style="list-style-type: none"> Pre-Covid, a session was undertaken with Heads of Service on the development of individual workforce plans and how these would then feed into the overall corporate workforce plan. A significant amount of interim, transitional workforce planning has been undertaken in response to Covid since March, e.g. Deployment of staff across the Council to deliver: Support for those vulnerable and shielding, issuing emergency payments, PPE, food banks, enabling digital capabilities for the remote workforce, and most importantly Social Care and TTP teams. The Council's ability to respond quickly and effectively to the crisis is testament to the skills, flexibility and resilience of the workforce. As a result of Covid-19 workforce planning has been understandably delayed. This will be revisited over the coming months in light of Covid-19 as part of the Achieving Better Together Transformation Plan.
<p>Performance Reviews, i.e. appraisals system / induction training not fit for purpose.</p>	<ul style="list-style-type: none"> Continue to develop a new appraisal solution to be delivered digitally through the new Oracle Cloud solution in November 2021. 	<ul style="list-style-type: none"> The appraisal process is in place but appraisals were suspended because staff were diverted onto Covid work. However, one to ones and corporate meetings have taken place on a regular basis, with the emphasis on meeting the needs of maintaining core council

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	<ul style="list-style-type: none"> • Address Induction training of new staff as part of the review of the induction process and future policy reviews. 	<p>services to protect our residents and fighting and addressing the Covid pandemic.</p>
<p>Embed the Future Generation Act principles into the Council's processes and decision making.</p>	<ul style="list-style-type: none"> • Further development of integrated impact assessments to be undertaken to ensure that legal and regulatory compliance are embedded into the decision making process. • Provision of training/information on the requirements of the Future Generations Act. 	<ul style="list-style-type: none"> • A draft Future Generations Impact Assessment was developed and was piloted by Financial Services during the budget setting process for 2021/22. The learning from this was incorporated into the subsequent development of an Integrated Impact Assessment, which is now in place and seeks to assess the impact on of an initiative on equalities, the new socio-economic duty and future generations. • Online training to improve awareness of the Future Generations Act and to support the Future Generations Impact Assessment is being developed. • Training will be supported by online videos to improve understanding and application of the Act.
<p>Patchy Partnership Governance, including application of risk management.</p>	<ul style="list-style-type: none"> • Continue to address the challenges and areas for further development as set out within the Annual Report on Regional Working. 	<ul style="list-style-type: none"> • A report to Audit Committee on 5th December provides a summary of the Welsh Government's and WLGA's Review of Strategic Partnerships and outlines action taken by the Welsh Government and Swansea Council to date and indicates implications and potential actions that Swansea Council should consider. • Swansea will leave the ERW Education Consortium from 31st March and a new regional

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		<p>consortium is being established to ensure it is fit for purpose.</p> <ul style="list-style-type: none"> The development of CJC's should streamline and help sort some aspects of partnerships and also the wider aspects of Local Government and Elections (Wales) Act may help merge or dissolve some partnerships.
ICT Disaster recovery.	<ul style="list-style-type: none"> Resolve through the move to cloud services, particularly Oracle Cloud in November 2021. 	<ul style="list-style-type: none"> The ICT Infrastructure is now on resilient platforms. The long term Digital Strategy is to move to the cloud. All email has moved to cloud and progress on data is ongoing through the Enterprise Content Management (ECM) project. Proof of Concepts for systems to move to the Azure platform are progressing to formulate a plan for migration. Oracle Cloud project progressing well prior to the pandemic – the project restarted in February 2021 and will be complete in November 2021.
Use and governance of social media accounts	<ul style="list-style-type: none"> Complete the review underway of the use of social media and social media access. 	<ul style="list-style-type: none"> Processes and ways of working have been tightened around this area. Changes are being implemented and this item can now be removed as it is not a corporate governance issue.
Continue to improve risk management arrangements	<ul style="list-style-type: none"> Services and risk owners to continue to improve their compliance to the Council's Risk Management Policy and Framework, including monthly risk reviews and improving the 	<ul style="list-style-type: none"> Risk management monitoring and reporting was recovered during July and August 2020 following suspension from March as a result of Covid. Risk monitoring and monthly reporting re-commenced in August. As a result of the second wave of the pandemic, CMT decided in December that risk reports would continue but would be provided via email and that there will be no

	<p>quality of risk controls.</p> <ul style="list-style-type: none"> • Develop the Council’s new risk register application to produce reports to help oversee the status of risk. 	<p>requirement to provide updates nor review the control measures of risks that were not currently being managed due to service changes caused by Covid. Such risks designated as ‘Covid Disruption’ would be monitored and their likelihood and impact updated but not actively managed as a result of the impact from Covid.</p> <ul style="list-style-type: none"> • Efforts have focussed on responsible officers reviewing and updating their risks each month; compliance has improved each month since recovery with 95% of risks having being reviewed in March 2021. Improving other aspects of compliance has been another focus as has increasing resilience by ensuring that risks have two officers capable of updating the risk register each month; these areas have shown improvement too, e.g. 95% of risks as at March 2021 have two designated officers capable of updating the risk. Work to improve the quality of risk controls will be the next improvement priority in line with available resources, capacity and other priorities as a result of the ongoing effects of Covid. • The majority of the risk register system development has been completed. The Risk Register and the work to roll-out and implement the register was given a ‘substantial’ level of assurance by Internal Audit. Further enhancements to the risk register and its reporting functionality have been implemented.
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		<ul style="list-style-type: none"> • Directors to attend Audit Committee on a rotational basis each quarter to provide an update on Internal Control Environment with a focus on Risk Management and the five highest Risks that Directors are managing.
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The following table identifies issues which have been identified during the review of effectiveness, and also highlights any other significant governance issues that need to be considered, together with the proposed actions to be taken during **2020/21** to address the issues. **At the time of writing the COVID-19 crisis occurred and so the timescales and actions will be impacted depending on the severity and longevity of the crisis.**

Significant Governance Issue linked to Framework	Action to be taken
Budget pressures (including external and demand-led pressures and overspends) & problems living within budgets.	<ul style="list-style-type: none"> • Address continued material uncertainty as a result of Covid and other challenges and continue a deliberately blended approach to robust monitoring of budgets, savings and transformation activity and action consistent with other Councils and policy responses at Welsh Government, UK Government and report as such to Cabinet, Council, Audit Committee and Scrutiny. • Commence and oversee delivery of the Achieving Better Together Transformation Programme through the Strategic Recovery Board to ensure that the Council is sustainable and financially resilient in the longer term.
Lack of workforce capacity, capability and resilience and relying on staff goodwill.	<ul style="list-style-type: none"> • Development of a Workforce Plan to support high performance and enable a skilled, flexible and engaged workforce as part of the Council's Achieving Better Together Transformation Plan.
Performance Reviews, i.e. appraisals system / induction training not fit for purpose.	<ul style="list-style-type: none"> • Recommence appraisals and continue to develop a new appraisal solution to be delivered digitally

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	<p>through the new Oracle Cloud solution in November 2021.</p> <ul style="list-style-type: none"> • Address Induction training of new staff as part of the review of the induction process and future policy reviews.
Embed the Future Generation Act principles into the Council's processes and decision making.	<ul style="list-style-type: none"> • Provision of training/information on the requirements of the Future Generations Act.
Patchy Partnership Governance, including application of risk management.	<ul style="list-style-type: none"> • Develop a plan to establish CJsCs resulting from the Local Government and Elections (Wales) Act.
ICT Disaster recovery.	<ul style="list-style-type: none"> • Resolve through the move to cloud services, particularly Oracle Cloud in November 2021.
Continue to improve risk management arrangements	<ul style="list-style-type: none"> • Work with responsible officers to improve the quality of risk controls.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed Chief Executive

Date

Signed..... Leader

Date