



**Report of the Head of Communications & Marketing**  
**Governance & Audit Committee – 27 September 2022**  
**Annual Review of Performance 2021/22**

<b>Purpose:</b>	To make a draft of the Council's Annual Review of Performance 2021/22 available to the Governance and Audit Committee for review and comment, which meets the statutory requirements to publish an annual self-assessment report and annual well-being report under Part 6 of the Local Government & Elections Act (Wales) 2021 and Well-being of Future Generations (Wales) Act 2015 respectively.
<b>Policy Framework:</b>	Corporate Plan 2021/22 <i>Delivering a Successful and Sustainable Swansea</i> .
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that:  1) The Committee reviews the draft report to determine any recommendations for changes to the conclusions or actions the Council intends to take.
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**1. Introduction**

- 1.1 The Council is subject to two pieces of legislation that guide how Councils in Wales approach performance in Wales: Part 6 of the Local Government & Elections (Wales) Act 2021 and the Well-being of Future Generations (Wales) Act 2015.
- 1.2 The Council must publish an annual self-assessment report and annual well-being report under Part 6 of the Local Government & Elections Act (Wales) 2021 and Well-being of Future Generations (Wales) Act 2015 respectively.

- 1.3 The Annual Well-being Report must set out progress meeting the ‘steps’ described in the Corporate Plan to achieve our Well-being Objectives established through the Well-being of Future Generations (Wales) Act 2015 and how, in doing so, it is working sustainably and maximising its contribution to the national goals established by the Act.
- 1.4 The Annual Self-Assessment Report must report on the extent to which a local authority is: exercising its functions effectively; using its resources economically, efficiently and effectively, and; is governing itself effectively in securing the above.
- 1.5 The Annual Review of Performance 2021/22 (“the Review”) discharges both of these statutory and annual reporting requirements.

## **2. Content**

2.1 Part 1 of the Review represents a report on the progress the Council has made undertaking the steps it set out in its Corporate Plan 2021/22 to work towards meeting each Well-being Objective. It provides a self-assessment on the extent to which the Council is exercising its functions effectively. The Council is exercising its functions effectively when:

- It is meeting the steps set out to achieve its Well-being Objectives.
- It is maximising its contribution to its Well-being Objectives and National Goals.
- When it is working sustainably (in line with the 5 ways of working).

2.1.1 For each Well-being Objective:

- Why this is a Well-being Objective and what does success look like?
- How well are we doing - and how do we know?
- What and how can we do better (now and for the long-term)?
- Conclusion – the extent to which the Council is exercising its functions effectively:
  - Progress meeting the steps to deliver the Well-being Objective.
  - Contributing to the achievement of all the national well-being goals.
  - Working sustainably when taking steps to meet this Well-being Objective.

2.1.2 This first part of the report assesses the extent to which the council is exercising its functions effectively using a modification of the Future Generations Commissioner’s Self-Reflection Tool to support an integrated approach to the gathering of evidence to determine progress against the Council’s well-being objectives and to fulfil its new self-assessment responsibilities.

2.1.3 An assessment on progress is made against the following criteria:

- **‘Getting started’** means this is a new objective or a change in direction. This could also mean the Council has faced challenges or barriers to progress.
- **‘Making simple changes’** should be quick and easy to implement. They’re often actions that are ‘low hanging fruit’ that have been tested by others and have a low risk of failure.
- **‘Being more adventurous’** involves stepping out of a ‘business as usual’ mind-set and acting to change how things are currently done. Signalling early progress to wider change, this might involve a change in strategy or team approach to doing something and could involve more departments and organisations than a ‘simple change’.
- **‘Owning our ambition’** can be a similar stage to ‘being more adventurous’ with initiatives developing and more people becoming involved. The Council will be taking more well-managed risks, reaching out to other sectors to make progress and collaborating on funding or staffing. The Council defines its approach as ambitious and staff feel empowered to work across sectors and influence change.
- Those that are **‘Leading the way’** may be the first people or Council to be taking these actions and are a guide for others to follow. This is a systemic, transformational change to how things have always been done and will require reallocating resources, time to put the changes in place and collaboration with other bodies. Actions are innovative, inspirational and collaborative, putting the Act into practice across larger portfolios to achieve the Council’s priorities. This way of working becomes embedded in the Council and good practice is shared with others.

2.1.4 Case-studies are also included in the full Review to better show the impact the steps are having.

2.2 Part 2 of the Review demonstrates the extent to which the Council is using its resources effectively. The Council has a duty to the public to use its resources wisely. This means making economic, efficient and effective use of the resources at its disposal. In other words, providing value for money to the public; but it also means doing so in a way that is fair and sustainable so that services are available to all without compromising the needs of future generations.

2.2.1 When we talk about the ‘resources’ that are at the Council’s disposal, we are generally referring to the Councils budget, its workforce and its other assets, such as buildings. The Council is using its resources economically, efficiently and effectively when:

- It is minimising the resources used (Economic).
- The intended results correspond to the actual results (Effective).

- There is a positive relationship between the resources used and outputs / outcomes, i.e. both the economic and effective criteria are met (Efficient).
- There is equitable access to services and needs are met without compromising the needs to future generations (Equity and sustainability).

2.2.2 These resources are used through the following areas:

- Financial Planning.
- Workforce Planning.
- Procurement.
- Performance Management (and benchmarking).
- Asset management.

2.2.3 This part of the Annual Review of Performance is an assessment on the extent to which the Council is using its resources economically, efficiently and effectively. It does so by critically reviewing and evaluating how these resources were used through financial and workforce planning, procurement, performance management and asset management. Part 1 of this assessment, which looks at how effectively the Council is delivering its functions, is also a measure of the effective use of resources, i.e. the extent to which the intended results correspond to the actual results and should also be read as such.

2.3 The third part of the Review is an assessment of the effectiveness of the Council's governance arrangements to secure the above. The Council is required by the Accounts and Audit (Wales) Regulations 2014 to undertake a review of its governance arrangements, at least annually. The review is intended to show how the Council has complied with its Code of Corporate Governance.

2.3.1 The review of governance is brought together in the Annual Governance Statement (AGS) which is to accompany the Council's Annual Statement of Accounts. The AGS is a key document informed by a number of both internal and external assurance sources.

2.3.2 This part of the Annual Review of Performance is not meant to replicate the AGS but should be read in conjunction with it. This part of the Review is intended to assess and evidence the effectiveness of the Council's governance arrangements in helping to deliver its functions and provide value for money.

2.3.3 The Council has effective governance when it effectively applies the core principles of good governance are set out by CIPFA / SOLACE in *Delivering Good Governance in Local Government*.

- A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- B – Ensuring openness and comprehensive stakeholder engagement.

- C - There is a positive relationship between the resources used and outputs / outcomes, i.e. both the economic and effective criteria are met (Efficient).
- There is equitable access to services and needs are met without compromising the needs to future generations (Equity and sustainability).
- D – Defining outcomes in terms of sustainable economic, social and environmental benefits.
- 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.

2.3.4 These core principles are applied in the Council through the following governance arrangements:

- Vision, strategy and performance.
- Organisational Governance, Ethics and Values.
- Organisational leadership.
- Customer & Community Engagement and Involvement.
- Risk Management and Business Continuity.
- Partnership / collaboration governance.
- Internal Control Environment.
- Fraud & Financial Impropriety.
- Programme and Project Assurance.
- Innovation & Change Management.

2.4 The Council undertook a self-assessment and assurance of the effectiveness of its use of resources and governance arrangements in place. The assessment looked at what arrangements were in place during 2021/22, how effective they were and the evidence – using the following criteria:

	<b>Evidence &amp; effectiveness of delivery</b>	<b>Extent of evidence &amp; effectiveness</b>
1	Not in place	No evidence of effective delivery.
2	Limited application and effectiveness	Some evidence of application, but the effectiveness of delivery is limited.
3	Mixed Application and effectiveness	Mixed evidence of effective application, with some good evidence and some gaps in application or evidence.
4	Strong Application and effectiveness	Clear evidence of effective application.
5	Embedded	Clear evidence of effective and embedded application

2.5 Each part of the Annual Review of Performance 2021/22 ends with an assessment made against the criteria and identifies areas for continued improvement.

### **3. Integrated Assessment Implications**

3.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

3.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

3.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

3.1.3 This report meets our duty to report on progress in 2021/22 meeting the 'steps' described in the Corporate Plan to deliver our well-being objectives and on extent to which a local authority is: exercising its functions effectively; using its resources economically, efficiently and effectively, and; is governing itself effectively in securing the above – as required by the Well-being of Future Generations Act 2015 and Part 6 of the Local Government & Elections Act 2021 respectively; so there is no direct impact on people or communities.

#### **4. Financial Implications**

- 4.1 The financial resources required to implement all the actions and achieve the specified performance targets in 2021/22 were provided in the approved budget. Any additional financial implications that arose from the pursuance of the priorities in the Corporate Plan would have been dealt with as virement within the normal financial procedures.

#### **5. Legal Implications**

- 5.1 None.

**Background Papers:** None

#### **Appendices:**

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| Appendix A | Annual Review of Performance 2021/22 |
| Appendix B | Executive Summary                    |
| Appendix C | IIA Form                             |