

**BYDD CYFARFOD O'R GWASANAETH ADDYSG AR Y CYD - CONSORTIWM
CANOLBARTH Y DE YN CAEL EI GYNNAL YN
Virtual Meeting via ZOOM
Dydd Llun, 15fed Mehefin, 2020 at 11.00 am**

1. DATGANIAD O FUDDIANT

Derbyn datganiadau o fuddiannau personol gan Aelodau, yn unol â gofynion y Cod Ymddygiad.

Nodwch:

1. Mae gofyn i Aelodau ddatgan rhif a phwnc yr agendwm mae eu buddiant yn ymwneud ag ef a mynegi natur y buddiant personol hwnnw; a
2. Lle bo Aelodau'n ymneilltuo o'r cyfarfod o ganlyniad i ddatgelu buddiant sy'n rhagfarnu, rhaid iddyn nhw roi gwybod i'r Cadeirydd pan fyddan nhw'n gadael.

2. COFNODION

Cadarnhau cofnodion o gyfarfod Cydbwyllgor Gwasanaeth Addysg ar y Cyd Consortiwm Canolbarth y De a gynhaliwyd ar 20 Ionawr 2020 yn rhai cywir.

(Tudalennau 3 - 8)

3. ETHOL CADEIRYDD

Ethol Cadeirydd Cydbwyllgor Gwasanaeth Addysg ar y Cyd Consortiwm Canolbarth y De ar gyfer Blwyddyn 2020-21 y Cyngor.

4. PENODI IS-GADEIRYDD

Penodi Is-gadeirydd Cydbwyllgor Gwasanaeth Addysg ar y Cyd Consortiwm Canolbarth y De ar gyfer Blwyddyn 2010-21 y Cyngor.

5. AMSERLEN O GYFARFODYDD

Trafod y calendr arfaethedig o gyfarfodydd yn y flwyddyn 2020-21

**(Tudalennau 9 -
10)**

6. CYNLLUN YR AWDURDOD LLEOL AR GYFER ADFER YSGOLION

Derbyn y newyddion diweddaraf ar lafar gan Awdurdodau Lleol

7. Y NEWYDDION DIWEDDARAF MEWN PERTHYNAS Â DYSGU

Derbyn y newyddion diweddaraf ar lafar gan yr Uwch Arweinydd ar gyfer Diwygio'r Cwricwlwm

8. Y SEFYLLFA AR DDIWEDD 2019-2020/CYNNYDD O RAN Y DATGANIAD LLYWODRAETHU BLYNYDDOL

Trafod adroddiad y Trysorydd

(Tudalennau 11 -
98)

9. ADRODDIAD ARCHWILIO MEWNOL CONSORTIWM CANOLBARTH Y DE

Trafod adroddiad y Trysorydd

(Tudalennau 99 -
106)

10. CEISIADAU I RYDDHAU GWYBODAETH DAN DDEDDF RHYDDID GWYBODAETH

Trafod adroddiad gan y Dirprwy Reolwr-Gyfarwyddwr

(Tudalennau 107 -
114)

11. GWAHARDD AELODAU O'R WASG A'R CYHOEDD

Trafod cadarnhau'r cynnig isod yn benderfyniad:
"Bod y cyfarfod hwn yn cadw aelodau o'r wasg ac aelodau o'r cyhoedd allan o ystafell y cyfarfod, dan Adran 100A(4) o Ddeddf Llywodraeth Leol 1972 (fel y'i diwygiwyd), yn ystod trafod yr agendwm nesaf, ar y sail y byddai'n debygol o ddatgelu gwybodaeth eithriedig yn ôl diffiniad paragraff 14 o Ran 4 o Atodlen 12A o'r Ddeddf."

12. COFRESTR RISG CONSORTIWM CANOLBARTH Y DE

Trafod adroddiad Rheolwr-Gyfarwyddwr Consortiwm Canolbarth y De.

(Tudalennau 115 -
122)

13. MATERION BRYG

Trafod unrhyw faterion sydd, yn ôl doethineb y Cadeirydd, yn faterion bryg yng ngoleuni amgylchiadau arbennig.

At: Pob Aelod o'r Gwasanaeth Addysg ar y Cyd - Consortiwm Canolbarth y De

CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE.

Minutes of the Central South Consortium Joint Education Service. meeting held on Tuesday, 21 January 2020 at 10.00 am at the Valleys Innovation Centre, Navigation Park, Abercynon.

County Borough Councillors - Central South Consortium Joint Education Service. Members in attendance:-

Councillor C. Smith (Bridgend County Borough Council)
Councillor S. Merry (Cardiff Council)
Councillor L. Burnett (Vale of Glamorgan)

Council Officers in attendance:-

Mr C. Bradshaw (Chief Executive, Rhondda Cynon Taf County Borough Council)
Mr M Tate (Assistant Director of Education, Cardiff Council)
Ms P. Ham (Director of Learning & Skills, Vale of Glamorgan)
Ms M Thatcher (Assistant Director of Education, Bridgend Council)
Ms G. Davies (Director of Education & Inclusion Services, Rhondda Cynon Taf County Borough Council)
Mr P. Griffiths (Service Director, Performance & Improvement, Rhondda Cynon Taf County Borough Council)

Others in attendance:-

Ms L. Blatchford (Acting Manager, Central South Consortium)

48 Minutes

RESOLVED to approve as an accurate record the minutes of the Central South Consortium Joint Education Service Joint Committee meeting on the 19th December 2019.

49 Declaration of Interest

In accordance with the Council's Code of Conduct there were no declarations made pertaining to the agenda.

50 Apologies for Absence

Apologies were received from County Borough Councillor J. Rosser, L. Mytton and Lead Chief Executive Mr P Orders and Lead Director Ms S.Walker.

51 Budget Monitoring 2019/20, Budget Setting 2020/21 and Medium Term Financial Plan update

The Service Director - Finance and Improvement Services presented the Committee with an update on the projected outturn position for 2019/20 and a summary of grant funding for the current year; set out the proposed 2020/21

revenue budget and basis of appointment of local authority contribution levels for financial years 2020/21 to 2022/23; and provided a Medium Term Financial Plan (MTFP) (2020/21 and 2022/23) update.

The Service Director – Finance and Improvement Services informed Members that the full year projected outturn position is a £185k underspend (projected as at December 2019) and noted that this compared to a projected underspend position of £155k reported to the 25th September 2019 Joint Committee meeting. The Service Director also set out the key budget variances that comprised the latest projected outturn position.

The Service Director went on to provide Members with the latest 2019/20 grant allocations and explained that this area will continue to be closely monitored to ensure the use and effectiveness of grants are maximised across the region.

The Service Director continued and provided Members with the draft 2020/21 Revenue Budget for the Consortium. Members were informed that the draft budget had been constructed based on a 3% reduction in local authority contributions and in line with specific parameters as set out in 5.4 of the report. The Service Director provided further detail in respect of local authority contribution levels for 2020/21 and the basis of apportionment, and confirmed that the apportionment methodology will be kept under on-going review.

The Service Director completed the agenda item by providing Members with an updated MTFP (2020/21 to 2022/23). The Service Director noted that MTFP updates are provided to the Committee each year and fed back that as part of the Committee approving the detailed implementation plan to remodel the current Consortium approach at the 19th December 2019 meeting, a recommendation was also agreed at this meeting for an indicative three year budget for the Consortium to be reported to the January 2020 Joint Committee.

The Service Director went on to provide an overview of the planning assumptions built into the updated MTFP; financial modelling scenarios; and a recommendation from the Chief Executives of the constituent local authorities that the Consortium should model its medium term budget planning arrangements on local authority contributions levels being -1% in 2021/22 and -1% in 2022/23. The Service Director added that it was important to note that the recommendation represents an indicative budget to aid medium term service planning arrangements and will be kept under on-going review, and that further work will be undertaken with the incoming Managing Director to review this area in more detail, including consideration of budget savings options alongside the impact on service delivery, and report back to Joint Committee.

The Chair thanked the Officer for the report and asked for Members comments and questions.

The Chair commented that the recommended level of local authority contributions for 2020/21 had been discussed with colleagues and informed the Committee that a written submission from the Cabinet Member for Merthyr Tydfil County Borough Council had been received and indicated that Merthyr Tydfil County Borough Council was not in agreement with recommendation 2.1 of the report as it was felt that any revenue underspend at year-end should be returned to the five local authorities.

The Service Director – Finance and Improvement Services fed back that the

projected outturn position is currently a forecast to year-end and, based on this, a prudent approach is recommended to ensure the Consortium continues to maintain its financial stability. The Service Director added that as part of the year-end close of accounts process, should an under-spend materialise, this will be reported to Joint Committee for the Committee to determine its use, taking into account the recommendation of the Treasurer.

Following consideration of the report and recommendations, it was **RESOLVED**:

- I. To note the current projected outturn position for 2019/20 and agree that if a revenue budget underspend materialises at year-end, support the retention of this balance within the Consortium to further support medium term planning and resourcing.
- II. Note the current grant funding position 2019/20
- III. Approve the budget for 2020/21 in order for the constituent local authorities to approve as appropriate and confirm their approval to the next meeting of the Joint Committee
- IV. Approve the basis of apportionment of local authority contribution levels for financial years 2020/21 to 2022/23.
- V. Note the Medium Term Financial Plan update (2020/21 to 2022/23) and agree to instruct the lead Section 151 Officer to notify the constituent local authorities of the recommended indicative 3-year budget to inform the medium term financial planning arrangements within each Council.

52 Progress Report on the Annual Governance Statement

The Acting Managing Director Central South Consortium presented an progress update on the proposals for improvement made within 2018/19 Annual Governance Statement.

Members were reminded that the CSC'S Annual governance Statement (AGS) relating to 2018/19 financial year was reported and approved by the Joint Committee at its meeting held on the 15th July 2019. The document described the governance arrangements in place, challenged their effectiveness and set out proposals for improvement.

Members were advised that the AGS made seven proposals for improvement and note that the Consortium's Senior Management Team had accepted these and was committed to their implementation during 2019/20. Members were also advised that an update on progress would be reported to Joint Committee during the year to enable elected Members to review and scrutinise the extent of progress being made.

Following consideration of the report, was **RESOLVED** to note the progress that had been made to date in implementing the proposals for improvement.

53 Central South Business Plan 2019-20

The Acting Managing Director Central South Consortium presented Members with a progress report on the business plan 2019/20. It was highlighted that the business plan 2019/20 runs from the 1st April 2019 to 31st March 2020.

Members were reminded that the business plan was approved by Directors on 14th December 2018 and Joint Committee on 19th December 2019. The following

six objectives identified within the plan were as follows:

- **Objective One** – To develop a high –quality education profession;
- **Objective Two** - To develop inspirational leaders and to facilitate their working collaborative to raise standards;
- **Objective Three** – To develop strong and inclusive schools committed to excellence, equality and wellbeing;
- **Objective Four** – To develop robust assessment evaluation and accountability arrangements supporting a self –improving system;
- **Objective Five** – To support all schools with development of a transformational curriculum; and
- **Objective Six** – To improve the effectiveness and efficiency of CSC.

It was highlighted that as part of the business plan monitoring process, drive teams meet with the Managing Director on a termly basis to discuss progress and identify risks. These risks are shared through the appropriate governance channels.

The Acting Managing Director continued and present Members with a summary of the progress to date and explained that the final progress report will be presented to the Joint Committee at the end of the spring term 2020.

After consideration of the Report Members **RESOLVED** to note the information contained within the report.

54 **Central South Consortium Business Plan 2020-2021**

The Acting Managing Director presented her report in respect of the draft business plan priorities for 2020/2021.

Members were reminded that the national model requires that a draft business plan for 2020/21 is presented to the Joint Committee in December 201, however, due to the timing of the General Election and subsequent delay in the publication of funding allocation, it was agreed to delay the presentation of the draft business plan priorities until the January meeting. Members were also informed that the final business plan will be submitted in full to the March Joint Committee meeting.

It was explained to the Joint Committee that that the business plan priorities for 2020/21 will need to take account of:

- Aspects within the existing business plan that were identified to be developed in 20/21;
- The outcomes of self-evaluation, including performance analysis;
- Emerging requirements of local authorities;
- National priorities; and
- Cross consortia planning.

It was also highlighted that when developing the new business plan the improvements and recommendations from the ISOS review which were subsequently accepted by the Joint Committee are addressed.

The Acting Managing Director explained that the Consortium will continue to work closely with Welsh Government to ensure that the funding is used

effectively to support the strategic priorities set out within the draft business plan. Consultation with stakeholder groups will run from 21st January until the 14th February 2020 and consultation with all schools will take place from 14th February to the 6th March via the CSC website. The Acting Managing Director concluded that the final version of the business plan will be presented to Joint Committee on the 19th March for approval.

Members put forward their comments and **RESOLVED**;

- Note the content of the business plan document and its recommendations

55 CYPE Committee Evidence

The Acting Managing Director updated Members of the Central South Consortium Joint Committee on the meeting of the National Assembly for Wales Children, Young People and Education Committee – School improvement and raising standards held in December 2019.

The Acting Managing Director explained that it was a very productive meeting however the formal transcript of the meeting was not available at this time.

Members **RESOLVED** to note the updating information.

56 Senior Leadership Structure Report

Members of the Joint Committee were asked to consider the report of the Director of Human Resources which seeks Members approval to create the post of Deputy Managing Director.

It was explained that as Members would recall that a formal review of the Consortiums operational model has taken place over the last few months.

Members would also recall that Clara Seery has now been appointed to the post of Managing Director and she will take up her role on the 1st March 2020.

It was explained that now that the key appointment has been made, it is felt necessary to review the management tier below.

Members considered the report and **RESOLVED**:

1. To agree that the post of Deputy Managing Director be created ;
2. Agreed to authorise the Lead Chief Executive in conjunction with representatives of the five local authorities to appoint the role of Deputy Managing Director; and
3. Agree in accordance with the host Authority's Change Management Policy agree that the post be advertised internally in the first instance.

57 URGENT BUSINESS

This meeting closed at 10.55 am

**CLLR C. SMITH
CHAIR.**

MUNICIPAL YEAR 2020-2021

<p>Central South Consortium Joint Education Service Joint Committee</p> <p>15th June 2020</p>	
<p>Report of the Managing Director of the Central South Consortium Joint Education Service Joint Committee</p>	<p>Calendar of Meetings for the 2020 -2021 Municipal Year</p>

1. PURPOSE OF THE REPORT

To consider the proposed calendar of meetings for the 2020 -2021 Municipal Year.

2. RECOMMENDATION

That Members of the Central South Consortium Joint Education Service Joint Committee agree the Calendar of Meetings for the 2020- 2021 Municipal Year.

3. BACKGROUND

The following suggested dates for meetings of the Municipal Year 2020-2021 for the Central South Consortium Joint Education Service Joint Committee is proposed. Consideration will need to be given to the venues for each meeting.

The Chairman has the power to call special meetings if a matter requires urgent consideration.

<p><u>Wednesday 15th July 2020 at 10:00am</u></p> <p><u>Wednesday 23rd September 2020 at 10:00am</u></p> <p><u>Wednesday 18th November 2020 at 10:00am</u></p> <p><u>Wednesday 16th December 2020 at 10:00am</u></p> <p><u>Thursday 21st January 2021 at 10:00am</u></p> <p><u>Thursday 18th March 2021 at 10:00am</u></p> <p><u>Thursday 20th May 2021 at 10:00am</u></p>
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All meetings will be held between 10:00am and 12:00pm



**CENTRAL SOUTH CONSORTIUM
REPORT FOR JOINT COMMITTEE**

15TH JUNE 2020

JOINT EDUCATION SERVICE

**REPORT OF THE TREASURER – DRAFT STATEMENT OF ACCOUNTS
2019/20 (INCORPORATING THE 2019/20 ANNUAL GOVERNANCE
STATEMENT) AND 2019/20 YEAR-END POSITION**

**Author: Paul Griffiths, Service Director – Finance and Improvement
Services (Tel. No. 01443 680609)**

1. PURPOSE OF REPORT

- 1.1 To provide Members with the Central South Consortium draft Statement of Accounts for 2019/20 (that incorporates the 2019/20 Annual Governance Statement) along with the draft outturn position for the year.
- 1.2 To seek Joint Committee's approval of the 2019/20 Annual Governance Statement for the Central South Consortium.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Approve the earmark reserve request set out at paragraph 3.4.
- 2.2 Consider and agree the approach to utilise the resource available to contribute to school improvement activities (paragraph 3.5).
- 2.3 Note the draft Statement of Accounts for the Central South Consortium for the year-ending 31st March 2020 (Appendix 1) and the draft outturn position for the year (Section 4 – Table 2 of the report).
- 2.4 Approve the 2019/20 Annual Governance Statement (as incorporated within the draft 2019/20 Statement of Accounts).

3. EARMARKED RESERVES

- 3.1 At the Joint Committee meeting on the 19th March 2019, Members approved an earmark reserve amounting to £89k to be carried forward into the 2019/20 financial year to support remodelling of the service over the medium term. During the year, planning work was progressed to consider remodelling options, as recommended by the ISOS review¹, but there was no requirement for expenditure to be incurred in this period.
- 3.2 The Joint Committee will be aware that the Revenue Budget Monitoring Reports presented during the year have forecasted underspend positions as at March 2020, and the January and March 2020 reports set out that should a revenue budget underspend materialise at year-end:
- This is retained within the Consortium to further support medium term planning and resourcing and will provide the Consortium with some flexibility in meeting the agreed Medium Term Financial Plan which requires a 1% budget reduction in addition to pay and non-pay pressures being managed within existing resources (i.e. a forecasted cumulative budget gap of £269k through to 2022/23); and
 - Subject to the level of final underspend at year-end, an amount could also be set aside to support specific and agreed school improvement activities, with the level of earmarked reserve based on a recommendation of the Treasurer after taking into account, firstly, the key requirement to maintain the Consortium's financial stability and secondly, the estimated costs of the specific school improvement activities to be undertaken.
- 3.3. As part of finalising the year-end position, account has also been taken of the immediate implications of the COVID 19 pandemic that resulted in the postponement of a number of events scheduled to be completed by the end of the Spring Term and, as such, meant a reduction in expenditure being incurred by March 2020.
- 3.4 Having considered the above information and recognising the significant operational and financial uncertainty the Consortium will face as a result of the pandemic, I recommend that an earmark reserve of £200k is set up within the Consortium to support on-going re-modelling and medium term planning and resourcing (an earmark reserve of £89k being in place during 2019/20).
- 3.5 In addition, the year-end position provides the opportunity to support further school improvement activities, amounting to £332k, and this is set aside in an earmarked reserve for this purpose in the draft accounts. The Consortium will work closely with all Councils to set out and agree a plan of prioritised activity aligned to School recovery plans. If this work is not

¹ ISOS Review - a review commissioned by the Joint Committee in October 2018 to undertake an independent review of the Consortium. The context to the review was the national changes to the education system and the financial pressures facing schools and Local Authorities.

required at this stage then the amount can be redistributed to individual councils, subject to the Audit of the draft accounts.

- 3.6 As Members will be aware, Schedule 5 (7) of the School Improvement Service Legal Agreement makes provision for the Joint Committee to determine the treatment of balances following completion of the audit of the annual accounts. Therefore, should the audit of the Statement of Accounts result in the need to revise year-end balances, this will be reported to the Joint Committee alongside the final audited Statement of Accounts.
- 3.7 For Members information, the total earmark reserves included within the Central South Consortium's draft Statement of Accounts for 2019/20 amount to £532k.

4. DRAFT STATEMENT OF ACCOUNTS 2019/20

- 4.1 The draft 2019/20 Statement of Accounts for the Central South Consortium is attached at Appendix 1 and requires certification by the Chairperson of the Joint Committee and the Host Authority's Section 151 Officer (i.e. Rhondda Cynon Taf County Borough Council's Director of Finance and Digital Services).
- 4.2 In making arrangements to meet this requirement, there is a laid down statutory timeframe for the certification process as well as for the approval of the audited Statement of Accounts. These are as follows for the 2019/20 financial year:
- The draft Statement of Accounts to be certified by 15th June following financial year-end; and
 - The audited Statement of Accounts to be approved by Joint Committee by 15th September following financial year-end.
- 4.3 For Members information, up dated legislation became effective as from 31st March 2018 in the form of the Accounts and Audit (Wales) Regulations 2014 (as amended) that require local authorities in Wales to produce and publish Statements of Accounts earlier from financial year 2018/19. The revised timescales are set out in Table 1.

Table 1 – revised timescales for the production and publication of Welsh local authority Statement of Accounts

Financial Year	Draft Statement of Accounts certification	Audited Statement of Accounts publication
2018/19 ²	15 th June	15 th September
2019/20	15 th June	15 th September
2020/21 (and on-going)	31 st May	31 st July

- 4.4 In line with the information included in Table 1, I can confirm that arrangements are in place for the draft 2019/20 Statement of Accounts to be certified by myself on the 15th June 2020, subject to the Joint Committee approving the 2019/20 Annual Governance Statement. As part of ensuring on-going compliance with the above mentioned legislation, I would request that the Joint Committee, in agreeing a schedule of meetings for the year ahead, incorporate a meeting date on or before the 15th September 2020 to enable the Statements of Accounts to be approved (subject to completion of the external audit by Audit Wales). Looking ahead, I consider the Consortium to be well placed to continue to meet the earlier timescales for the production and publication of Statement of Accounts in future years.
- 4.5 The draft Statement of Accounts, at Appendix 1, also incorporates the draft 2019/20 Annual Governance Statement. This document has been compiled in accordance with ‘Delivering Good Governance in Local Government: Framework 2016’ and been subject to review and challenge by the Consortium’s Senior Management Team.
- 4.6 Based on the review process undertaken, it is considered that the Central South Consortium’s governance arrangements were fit for purpose and publicly demonstrated how they contributed to the delivery of improved school performance outcomes overall as set out in the Business Plan. This conclusion was supported by:
- An open approach to engaging with stakeholders, planning and delivering services, and reporting and scrutiny of the Consortium’s performance;
 - Clear arrangements for decision making that were supported by robust service management and financial management arrangements;
 - The reporting of understandable priorities and ambition, as set out in the Consortium’s Business Plan, with progress reports demonstrating an overall direction of travel of improvement in outcomes and performance at the same time as maintaining financial stability;

² 2018/19 – the draft Statement of Accounts were certified by the S 151 Officer on 21st May 2019 and the audited Statement of Accounts were approved by the Joint Committee on 15th July 2019, both in advance of the statutory deadline dates.

- Sound arrangements to support elected Councillors and Officers in the effective discharge of their responsibilities and also in maintaining high standards of conduct when undertaking business on behalf of the Consortium; and
 - A medium term approach to financial planning that helped inform strategic decision making and prioritisation of resources.
- 4.7 With the above information in mind, the Joint Committee is requested to review and if deemed appropriate approve the draft 2019/20 Annual Governance Statement.
- 4.8 In addition to the draft Statement of Accounts, the draft 2019/20 outturn position for the Consortium is a £1k underspend that is proposed to be allocated to the General Fund balance (taking the General Fund balance from £137k as at 1st April 2019 to £138k as at 31st March 2020). A summary of the draft 2019/20 outturn position is set out in Table 2.

Table 2 – Draft 2019/20 outturn position

	2019/20 £'000
Controllable Expenditure	
Employees	6,106
Premises	205
Transport	55
Supplies & Services	70,171
Third Party Payments	1,074
Support Services	114
	77,725
Controllable Income	
Local Authority Contributions	(3,840)
Grants & Other Income	(74,307)
	(78,147)
Net Expenditure	(422)
Less Interest Receivable	(22)
Transfer to Earmarked Reserves	443
Net (Surplus) / Deficit After Transfer of Earmark Reserves	(1)
General Fund Balances at 1st April 2019	(137)
General Fund Balances at 31st March 2020	(138)

Summary of Redundancy Payments	£'000
Brought Forward Balance at 1 st April 2019 (comprises long term debtor balance of £129k and short term debtor balance of £129k)	258
In Year Costs	0
Payment Made In-Year	(129)
Remaining Balance to be Funded at 31 st March 2020 (comprises short term debtor balance of £129k)	129

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

**CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE JOINT
COMMITTEE**

15th June 2020

Report of the Joint Committee

Author: Paul Griffiths, Service Director – Finance and Improvement Services

**Item 8 - REPORT OF THE TREASURER – DRAFT STATEMENT OF
ACCOUNTS 2019/20 (INCORPORATING THE 2019/20 ANNUAL
GOVERNANCE STATEMENT) AND 2019/20 YEAR-END POSITION**

List of background papers

Appendix 1 – Central South Consortium Draft Statement of Accounts 2019/20
(incorporating the 2019/20 Annual Governance Statement)

Officer to Contact :

Paul Griffiths

Tel no. 01443 680609

**CENTRAL SOUTH
CONSORTIUM
JOINT EDUCATION SERVICE
JOINT COMMITTEE**

**DRAFT – SUBJECT TO AUDIT
STATEMENT OF ACCOUNTS**

2019/20

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Narrative Report

1. Introduction

The Central South Consortium Joint Education Service was established on 1st September 2012 to provide a range of school improvement services operating on behalf of five local authorities: Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf and the Vale of Glamorgan.

This region is the most populous in Wales. It includes 381 schools and serves 148,683¹ learners – nearly one third of the country's school-age children. The region is home to the highest number and the largest proportion of children living in poverty; it is also home to the capital city and the economic, financial and creative industries of Wales.

The Consortium is managed and administered by the Central South Consortium Joint Committee, under powers conferred by the Local Government (Wales) Act 1994. The Joint Committee is made up of five Members, one from each local authority. Rhondda Cynon Taf CBC became the Host Authority upon formation of the Joint Committee.

The accounts for 2019/20 have been prepared in accordance with:

- The Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 based on International Financial Reporting Standards (IFRS); and
- The Accounts and Audit (Wales) Regulations 2014 (as amended).

The accounts set out on pages 12 to 40 comply with the above.

2. Business Plan 2017-2020

The Consortium's role is to challenge and support schools in their work to improve educational outcomes.

The local authorities (through a Joint Committee attended by the Cabinet Member for Education in each authority) agree the business plan and budget for the region and hold the Consortium to account for the impact of its work.

The Consortium receives its core funding from the five local authorities and also receives funding from the Welsh Government to support specific activities in line with national priorities / initiatives.

¹ Pupil Level Annual School Census (PLASC) – January 2019

The performance of the schools in the Central South Consortium region are key to the future educational and economic success of Wales.

How well children and young people, particularly the most vulnerable, achieve in this region significantly influences how the country and its education system are perceived within our borders and beyond.

The Consortium's business plan aims to:

- Improve outcomes for vulnerable learners;
- Develop school-to-school working to deliver curriculum reform;
- Develop leadership, governance and workforce reform;
- Deliver rapid and sustainable intervention; and
- Develop effectiveness and efficiency in Central South Consortium.

Operational plans underpin each improvement objective.

The Consortium's Business Plan has been compiled in the context of reducing resources, this being consistent with the challenging economic climate facing all public sector organisations in Wales. In line with this, the 2019/20 revenue contributions received by the Consortium from the five member local authorities reduced by 5% and it is anticipated that the position of the Consortium requiring to operate in an environment of challenging funding levels will continue into the medium term.

Due to changes in terms of published performance measures and target setting requirements and guidance, trends and targeted performance is not included in this report for Foundation Phase, Key Stage 2 or Key Stage 3 performance. At Key Stage 4, new interim performance measures were introduced for reporting for Summer 2019 examinations. Therefore, no trend information is included in this report for Key Stage 4 performance measures either.

For Foundation Phase, Key Stage 2 and Key Stage 3 the regional performance exceeds the national average for nearly every performance indicator at both the expected and above expected levels. However, this performance is set against a backdrop of falling performance both nationally and regionally. For Key Stage 4 performance of the region exceeds the national average or is within 0.2 points of the national average for all five interim performance measures reported in Summer 2019. For Key Stage 5, improvements have been made for Level 3 Threshold and whilst performance of the other measures has fallen the regional performance exceeds the national performance for all measures for Key Stage 5 in Summer 2019.

Welsh Government no longer publish information at local authority or regional level for the eFSM and nFSM performance for FP-KS3, therefore no trend

information will be included in this report. For Key Stage 4 performance the gap between eFSM and non e-FSM pupils in the region is smaller regionally for Capped 9 Points Score and Welsh Baccalaureate Skills Challenge Certificate than the national gap but is wider for the remaining three measures.

3. Revenue Income and Expenditure 2019/20

The Comprehensive Income and Expenditure Statement provides an analysis of the Consortium's gross revenue expenditure and income in accordance with IFRS.

The Consortium's 2019/20 revenue budget strategy underpinned the following broad objectives:

- Support the delivery of key strategic priorities particularly around the need to build teams of challenge advisors to work with all schools in the region (with more time allocated to the schools most in need);
- Provide timely data analysis to support schools' self-evaluation and improvement planning (including school categorisation judgements);
- Support and fund school-to-school improvement partnerships and broker support between schools;
- Allocate grant funding to schools in the region along with guidance and advice on how grant funding can be used to drive improvement; and
- Work with the Welsh Government to deliver its priorities in the region.

The table shows the budgeted controllable income and expenditure against the actual controllable income and expenditure for the period 1st April 2019 to 31st March 2020:

	Budget £'000	Actual £'000	Variance £'000
Expenditure			
Employees	3,117	2,821	(296)
Premises	235	202	(33)
Transport	35	23	(12)
Supplies & Services	228	761	533
Support Services	120	114	(6)
	3,735	3,921	186
Income			
Local Authority Contributions	(3,711)	(3,840)	(129)
Grants & Other Income	(24)	(82)	(58)
	(3,735)	(3,922)	(187)
Net Expenditure / (Income)	0	(1)	(1)

The reasons for the variances between budgeted and actual expenditure and income were:

- Employees – savings attributable to the transfer of eligible core staff costs to the Regional Consortia School Improvement Grant to optimise the use of external funding and an interim staffing structure across the organisation as part of undertaking the planning work for the implementation of the ISOS review;
- Premises – the position includes costs incurred being lower than budget as a result of reduced use of office space at the Valleys Innovation Centre;
- Transport - expenditure relates to staff travel expenses and, as a result of changes in working practices, costs have been lower than budgeted;
- Supplies & Services – includes one off investment costs for school improvement activities and additional contributions being made against historic redundancy costs. The additional contributions made by member local authorities (Cardiff and Merthyr Tydfil, due to the agreed repayment period being over 3 years: 2018/19, 2019/20 and 2020/21) are reported against Local Authority Contributions;
- Support Services – Service level agreement costs with the lead authority being lower than budget; and
- Income – unbudgeted additional contributions made by member local authorities (Cardiff and Merthyr Tydfil, due to the agreed repayment period being over 3 years: 2018/19, 2019/20 and 2020/21) used to offset historic redundancy costs outlined above.

In addition, the following categories of income and expenditure relating to specific grants were processed through the Central South Consortium's accounts during 2019/20:

	Actual £'000
Expenditure	
Employees	3,285
Premises	3
Transport	32
Supplies & Services	69,852
Third Party Payments	1,074
	74,246
Income	
Grants & Other Income	74,246
Net Expenditure	0

As at 31st March 2020, the Central South Consortium held General Reserves of £138k. Movements on reserves are detailed within the Movement in Reserves Statement.

4. Capital Expenditure 2019/20

There has been no capital expenditure this financial year.

5. Summary of Future Revenue Plans

Our ambition is, by 2020 that:

- learners sustain the best educational outcomes in Wales, rivalling other parts of the UK;
- the poverty related attainment gap is reduced faster here than anywhere else in Wales; and
- the region is known and recognised for its high quality school-led professional learning and the impact it has on outcomes.

The Consortium's Business Plan 2020/2021 was approved by Joint Committee on 19th March 2020 and sets out the vision, purpose and priorities it aims to deliver within an environment of reducing resources. The 2020/21 Business Plan focuses on the following overarching priorities:

1. Develop a high quality education profession;
2. Develop inspirational leaders to facilitate working collaboratively to raise standards;
3. Develop strong and inclusive schools committed to wellbeing, equity and excellence;
4. Develop robust assessment, evaluation and accountability arrangements supporting self-improving systems; and
5. Improve the effectiveness and efficiency of Central South Consortium.

The success of our delivery plan is measured through our targets. These are based on schools' own targets incorporating benchmark measures and informed by additional challenge from the region's challenge adviser workforce.

The priorities included within the Central South Consortium's Business Plan need to be underpinned by robust financial management in ensuring they are affordable, provide value for money and that their impact can be assessed.

The revenue budget is approved annually by the Joint Committee and is included within the Business Plan. Welsh Government also issue annual settlements on grant awards of funding.

A summary of the latest (i.e. 2020/21) revenue budget is as follows (as approved by the Joint Committee on 21st January 2020):

Type of Expenditure	Budget 2020/21 £'000
Expenditure	
Employees	3,065
Premises	155
Transport	28
Supplies & Services	233
Commissioning	28
Support Services	115
Total Expenditure	3,624
Income	
Local Authority Contributions	3,600
Grants & Other Income	24
Total Income	3,624
Net Expenditure	0

6. Pensions Assets and Liabilities

As a result of International Accounting Standard (IAS) 19 "Employee Benefits", local authorities are required to account for pensions liabilities in respect of the cost of decisions made up to the Balance Sheet date. Please refer to note 16.0 to the Core Financial Statements for further details.

The effect of IAS 19 upon the reserves of the Joint Committee is as follows:

	£'000
Net Assets/(Liabilities) excluding Pensions Reserve	844
Net Assets/(Liabilities) as per Balance Sheet	(674)

7. Introduction to Accounting Statements

Statement of Responsibilities for the Statement of Accounts

This sets out the responsibilities of the Council as the administering authority and the Director of Finance and Digital Services for the preparation of the Statement of Accounts. The Statement has to be signed and dated by the presiding Member at the Joint Committee meeting at which the Accounts are approved.

Certificate of the Director of Finance and Digital Services

This is the certificate of the true and fair presentation of the Accounts by the Director of Finance and Digital Services.

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use) and 'unusable reserves'.

Comprehensive Income and Expenditure Statement

This statement is prepared to record income and expenditure on an accruals basis. It includes items such as salaries and wages, running costs of the service and income received. The statement is based upon IFRS.

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Joint Committee. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee.

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows into operating and investing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded from the recipients of services provided.

Expenditure and Funding Analysis

The Expenditure and Funding Analysis demonstrates how the funding available to the Joint Committee for the year has been used in providing services in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

Statement of Accounting Policies

The purpose of this statement is to explain the basis of the figures in the accounts. It outlines the accounting policies adopted.

Annual Governance Statement

The Annual Governance Statement sets out the framework for governance and internal control for the Joint Committee to carry out its functions and reviews its effectiveness. It outlines the main components of the framework, including the arrangements for Internal Audit and how the Consortium has complied with the various elements of the framework.

8. Service Restructure

No service restructuring costs were incurred during 2019/20 (£250k incurred in 2018/19).

9. COVID-19

On the 18th March 2020 Kirsty Williams, Education Minister announced the decision to bring forward the Easter break for schools in Wales. School buildings across Wales then closed for statutory provision for education from 20th March 2020. This resulted in a change of service delivery for the Consortium and a need to cancel or postpone many events which were scheduled to run at the end of the Spring Term. The impact of the COVID-19 virus on the Consortium has been managed and reported in the risk register to reflect the new and emerging challenges on the delivery of school improvement services.

Statement of Responsibilities for the Statement of Accounts Central South Consortium Joint Education Service

The Council's Responsibilities

The Council is required:

- To make arrangements for the proper administration of the Joint Committee's financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Director of Finance and Digital Services.
- To manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets.

The Joint Committee's Responsibilities

- To approve the accounts.

Signature: _____

Date: _____

**Chair of the Central South Consortium Joint Education Service Joint
Committee**

Councillor C Smith

Bridgend County Borough Council

The Director of Finance and Digital Services' Responsibilities

The Director of Finance and Digital Services is responsible for the preparation of the Statement of Accounts. In terms of the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom, the Statement of Accounts is required to give a true and fair view of the financial position of the organisation at the accounting date and its income and expenditure for the period ended 31st March 2020.

In preparing the Statement of Accounts, the Director of Finance and Digital Services has:

- Selected suitable accounting policies and then applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with the Code.

The Director of Finance and Digital Services has also throughout the financial year:

- Maintained proper accounting records that were kept up to date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Director of Finance and Digital Services as Treasurer of the Joint Committee

I certify that the statement of accounts give a true and fair view of the financial position of the Joint Committee at 31st March 2020 and its income and expenditure for the period then ended.

Signed: _____

Date: _____

Barrie Davies

Director of Finance and Digital Services

Oldway House

Porth

CF39 9ST

Movement in Reserves Statement for the Period ended 31st March 2019

	General Reserves	Earmarked Reserves	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000
Notes:	14.1	14.2		15.0	
Balance as at 1st April 2018	136	527	663	(414)	249
Movement in reserves during 2018/19					
Total comprehensive income and expenditure	(741)	0	(741)	1,208	467
Adjustments between accounting basis and funding basis under regulations					
Adjustments involving the Pensions Reserve:					
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement	1,022	0	1,022	(1,022)	0
Employer's pensions contributions and direct payments to pensioners payable in the year	(461)	0	(461)	461	0
Adjustments primarily involving the Accumulated Absences Account:					
Amount by which officer remuneration charged to the CI&ES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(45)	0	(45)	45	0
Net increase or (decrease) before transfers to Earmarked Reserves	(225)	0	(225)	692	467
Transfers to or (from) Earmarked Reserves	226	(226)	0	0	0
Increase or (decrease) in the Year	1	(226)	(225)	692	467
Balance as at 31st March 2019	137	301	438	278	716

Movement in Reserves Statement for the Period ended 31st March 2020

	General Reserves	Earmarked Reserves	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000
Notes:	14.1	14.2		15.0	
Balance as at 1st April 2019	137	301	438	278	716
Movement in reserves during 2019/20					
Total comprehensive income and expenditure	(405)	0	(405)	(985)	(1,390)
Adjustments between accounting basis and funding basis under regulations					
Adjustments involving the Pensions Reserve:					
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement	1,127	0	1,127	(1,127)	0
Employer's pensions contributions and direct payments to pensioners payable in the year	(293)	0	(293)	293	0
Adjustments primarily involving the Accumulated Absences Account:					
Amount by which officer remuneration charged to the CI&ES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2	0	2	(2)	0
Net increase or (decrease) before transfers to Earmarked Reserves	431	0	431	(1,821)	(1,390)
Transfers to or (from) Earmarked Reserves	(430)	430	0	0	0
Increase or (decrease) in the Year	1	430	431	(1,821)	(1,390)
Balance as at 31st March 2020	138	731	869	(1,543)	(674)

Comprehensive Income and Expenditure Statement for the Period ended 31st March 2020

Year ended 31/03/19 £'000		Year ended 31/03/20 £'000	Note
	Expenditure		
7,275	Employees	6,953	5.0
317	Premises	205	
48	Transport	55	
75,110	Supplies & Services	70,055	6.0
437	Third Party Payments	1,074	
123	Support Services	114	
83,310		78,456	
	Income		
(3,806)	Local Authority Contributions	(3,711)	
(78,752)	Grants & Other Income	(74,307)	7.0
(82,558)		(78,018)	
752	Net Cost of Services	438	
(14)	Interest Receivable and Similar Income	(22)	
3	Net Interest on Net Defined Asset/Liability	(11)	16.2
741	(Surplus)/Deficit on the Provision of Services	405	
(1,208)	Remeasurement of the Net Defined Benefit Liability	985	16.2
(467)	Total Comprehensive Income and Expenditure	1,390	

Balance Sheet at 31st March 2020

31/03/19 £'000		31/03/20 £'000	Note
	Long Term Assets		
128	Debtors	0	11.0
301	Defined Benefit Pension Scheme Asset	0	16.5
429		0	
	Current Assets		
21,389	Debtors	1,583	12.0
21,389	Total Current Assets	1,583	
	Current Liabilities		
(21,102)	Creditors	(739)	13.0
287	Net Current Assets	844	
716	Total Assets Less Current Liabilities	844	
	Long-Term Liabilities		
0	Defined Benefit Pension Scheme Liability	(1,518)	16.5
716	Net Assets/(Liabilities)	(674)	
	Represented by:		
	Usable Reserves		
137	General Reserves	138	14.1
301	Earmarked Reserves	731	14.2
	Unusable Reserves		
301	Pensions Reserve	(1,518)	16.5
(23)	Short-Term Accumulating Compensated Absence Account	(25)	
716	Total Reserves	674	

Cash Flow Statement for the Period ended 31st March 2020

Year ended 31/03/19 £'000		Year ended 31/03/20 £'000	Note
	Operating Activities		
	Cash Outflows		
6,762	Cash Paid to and on Behalf of Employees	6,106	
78,357	Other Operating Cash Payments	91,868	
85,119	Total Cash Outflows	97,974	
	Cash Inflows		
(94,055)	Cash Received for Goods & Services	(78,150)	
(13)	Interest Received	(22)	
(94,068)	Total Cash Inflows	(78,172)	
(8,949)		19,802	
(8,949)	Net (Increase) or Decrease in Cash and Cash Equivalents	19,802	19.0
	Analysis of Changes in Cash and Cash Equivalents		
(12,275)	Balance as at 1 st April	(21,224)	
(8,949)	Net Cash (Inflows)/Outflows	19,802	
(21,224)	Cash Balance Owed To/(From) Host Authority	(1,422)	

All cash transactions are administered by Rhondda Cynon Taf CBC as the Central South Consortium does not operate its own bank account. The cash balance due to/from the host authority is included in creditors/debtors at 31st March.

Expenditure and Funding Analysis Statement for the year ending 31st March 2020

	2019/20		
	Net Expenditure Chargeable to the General Fund £'000	Adjustments Between Funding and Accounting Basis £'000	Net Expenditure for the Equivalent Amounts for CI&ES ² £'000
Employees	6,106	847	6,953
Premises	205	0	205
Transport	55	0	55
Supplies & Services	70,055	0	70,055
Third Party Payments	1,074	0	1,074
Support Services	114	0	114
Income	(77,588)	(430)	(78,018)
Cost of Services	21	417	438
Other Income and Expenditure	(22)	(11)	(33)
(Surplus) or Deficit	(1)	406	405
Opening General Fund at 31 st March 2019	(137)		
Add Surplus on General Fund in Year	(1)		
Closing General Fund at 31st March 2020	(138)		

The comparative figures for 2018-19 are shown in the following table:

² CI&ES – Comprehensive Income and Expenditure Statement

Expenditure and Funding Analysis Statement for the year ending 31st March 2019

	2018/19		
	Net Expenditure Chargeable to the General Fund £'000	Adjustments Between Funding and Accounting Basis £'000	Net Expenditure for the Equivalent Amounts for CI&ES ³ £'000
Employees	6,763	512	7,275
Premises	317	0	317
Transport	48	0	48
Supplies & Services	75,110	0	75,110
Third Party Payments	437	0	437
Support Services	123	0	123
Income	(82,785)	227	(82,558)
Cost of Services	13	739	752
Other Income and Expenditure	(14)	3	(11)
(Surplus) or Deficit	(1)	742	741
Opening General Fund at 31 st March 2018	(136)		
Add Surplus on General Fund in Year	(1)		
Closing General Fund at 31st March 2019	(137)		

³ CI&ES – Comprehensive Income and Expenditure Statement

Notes to the Core Financial Statements

1.0 Significant Accounting Policies

1.1 Accruals of Expenditure and Income

The accounts of the Joint Committee have been prepared on an accrual of income and expenditure basis in accordance with the Code of Practice on Local Authority Accounting. This ensures activity is accounted for in the year that it takes place not when cash payments are made or received.

Revenue from the sale of goods or services is recognised when the Joint Committee transfers the significant risks and rewards of goods, or provides the services to the purchaser, and it is probable that economic benefits or service potential associated with the transaction will flow to the Joint Committee.

Supplies are recorded as expenditure when they are used or consumed.

Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure in the Comprehensive Income and Expenditure Statement on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows determined by the contract. Statutory adjustments relating to interest are reflected in the Movement in Reserves Statement.

1.2 Cash and Cash Equivalents

All cash transactions are administered by Rhondda Cynon Taf CBC as the Central South Consortium does not operate its own bank account.

1.3 Contingent Liabilities

A contingent liability is a possible item of expenditure that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the organisation's control.

Such contingent liabilities are not reflected in Provisions in the Balance Sheet as it may not be probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

1.4 **Reserves**

The Joint Committee sets aside specific amounts as reserves for future policy purposes or to cover contingencies. These are deemed Earmarked Reserves. Earmarked Reserves are created by appropriating amounts from the General Reserves in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year. To ensure this is not a charge against General Reserves, the expenditure is funded via an adjustment in the Movement in Reserves Statement.

Certain reserves are kept to manage the accounting processes for retirement and employee benefits and do not represent usable resources for the Joint Committee.

1.5 **Employee Benefits**

All costs relating to employee benefits are accounted for on an accruals basis.

Pensions

The Joint Committee participates in two separate pension schemes.

Staff on Teachers Terms & Conditions - This is an unfunded scheme administered by the Teachers' Pension Agency. The Agency sets contribution rates on the basis of a notional fund. Whilst this is a defined benefit scheme, the Teachers Pensions Agency is unable to identify the Joint Committee's share of the underlying assets and liabilities and accordingly, the Joint Committee has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Other employees - Rhondda Cynon Taf CBC administer a fund on behalf of employees under the Local Government Pension Scheme Regulations 1997 (as amended), under which contribution rates are set by the Fund's actuary based on triennial actuarial valuations. Under the regulations, contribution rates are set in order to lead to full funding of the overall liability of the Fund over time. The Local Government Pension Scheme is accounted for as a Defined Benefit Scheme.

- The liabilities of the Rhondda Cynon Taf Pension Fund attributable to the Joint Committee are included in the Balance Sheet on an actuarial basis rolling forward the results from the last full valuation and adjusted to allow for the later calculation date and making allowance for changes due to accrual of new benefits and discharge of liabilities, financial and demographic assumptions, impact of known experience and the impact of events which result in a change in liability.

- Liabilities are discounted to their value at current prices, using a discount rate of 2.3% (2.4% in 2018/19).
- The Rhondda Cynon Taf Pension Fund is a multi-employer scheme. The assets of the Fund are not formally allocated to any employer within the Fund and are not the legal property of any employer within the Fund. For the purpose of completing the calculations for each triennial valuation of the Fund, the actuary calculates a notional allocation of assets for each employer. The assets of the Pension Fund notionally attributed to the Joint Committee are included in the Balance Sheet at their fair value:

Quoted Securities	–	Current Bid Price
Unitised Securities	–	Current Bid Price
Property	–	Market Value
- The change in the net pensions asset / liability is analysed into the following components:
 - Current Service Cost – the increase in liabilities as a result of years of service earned this year allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked plus administration expenses.
 - Past Service Cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years debited to the (Surplus) or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.
 - Interest Cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – credited to the Comprehensive Income and Expenditure Statement.
 - Expected Return On Assets – the annual investment return on the fund assets attributable to the Council based on an average of the expected long-term return – credited to the Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement.
 - Actuarial Gains and Losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their financial, demographic or experience assumptions – debited or credited to the Pensions Reserve.
 - Contributions Paid to the Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities; not accounted for as an expense in the Comprehensive Income and Expenditure Statement.

In relation to retirement benefits, statutory provisions require the Joint Committee General Reserves to be charged with the amount payable by the Joint Committee to the Pension Fund or directly to pensioners in the year, not

the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end. The balance that arises on the Pensions Reserve thereby measures the impact to the General Reserves of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Joint Committee is able to make discretionary awards of retirement benefits in the event of early retirements. Any such liabilities arising are accrued in the year of decision to make the award in line with the Local Government Pension Scheme rules.

Accumulated Absences

The Joint Committee accrues for staff holidays earned but not taken at each year-end. The Welsh Government has issued regulations to mitigate the impact of this charge. This Joint Committee has taken advantage of the regulations and charged the additional costs to the Short-Term Accumulating Compensated Absences Account in Unusable Reserves.

1.6 Government Grants and Other Contributions

Grants and other contributions relating to capital and revenue expenditure shall be accounted for on an accruals basis and recognised in the Comprehensive Income and Expenditure Statement when there is reasonable assurance that:

- the conditions for their receipt have been/will be complied with; and
- the grant or contribution will be received.

Monies advanced, where there is no reasonable assurance of the above two criteria, are held as creditors in the Balance Sheet.

Where a revenue grant has been recognised in the Comprehensive Income and Expenditure Statement but not yet used to fund expenditure, it is set aside as an Earmarked Reserve.

Where a claim has yet to be signed off by the Wales Audit Office, Balance Sheet values in relation to grants are included on an unaudited draft claim basis.

1.7 **Leases**

Whether a lease is a finance or operating lease depends upon the substance of the transaction rather than the legal form. Leases are reviewed at inception and classed as finance or operating by reviewing arrangements such as:

- Transfer of ownership at the end of lease contract.
- Option to purchase asset at a price lower than fair value.
- Lease term is for major part of economic life of asset.
- Present value of minimum lease payments amounts to at least substantially all of the fair value of leased asset.
- Leased assets are specialist and only the lessee can use them without major modifications.

Finance Leases

A finance lease is one which transfers substantially all the risks and rewards incidental to ownership of an asset.

Where the Joint Committee is lessee, an asset and liability is recognised at lease inception. The asset is subsequently depreciated and revalued as though it were the legal property of the Joint Committee. The liability reduces as lease payments are made.

Operating Leases

An operating lease is deemed to be any lease other than a Finance Lease.

Where the Joint Committee is lessee, lease payments are recognised as an expense in the Comprehensive Income and Expenditure Statement on a straight-line basis unless another systematic basis is more representative of the benefits received.

1.8 **Events after the Reporting Period**

Events after the reporting period are those both favourable and unfavourable that occur between the end of the reporting period and the date when the financial statements are authorised for issue.

The financial statements are authorised for issue in accordance with the Accounts and Audit (Wales) (Amendment) Regulations 2014 (as amended). The Regulations state that the Statement of Accounts shall be authorised for issue when certified by the Responsible Finance Officer. Certification of unaudited accounts takes place by 15th June following financial year-end.

Regulations require the audited Statement of Accounts to be published by 15th September. The published Statement of Accounts shall reflect events after

the reporting period up to the date the accounts were authorised for issue. This is the date the Responsible Finance Officer re-certifies the accounts.

Two types of events can be identified:

- a) those that provide evidence of conditions existing at the end of the reporting period (adjusting events that shall be recognised in the financial statements); and
- b) those that are indicative of conditions that arose after the reporting period (non-adjusting events that are not reflected in accounting statements but where material, disclosure is made in the Notes to the Core Financial Statements).

2.0 Accounting Standards Issued, Not Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

The standards that may be relevant for additional disclosures that will be required in the 2019/20 and 2020/21 financial statements in respect of accounting changes that are introduced in the 2020/21 Code are:

- Amendments to IAS 28 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures
- Annual Improvements to IFRS Standards 2015–2017 Cycle
- Amendments to IAS 19 Employee Benefits: Plan Amendment, Curtailment or Settlement.

Appendix C of the 2020/21 Code only includes standards adopted in the Code and therefore for 2019/20 local authorities are not required to include IFRS 16 in their consideration of accounting standards that have been issued but not yet adopted, although this is subject to approval of the 2020/21 Code.

It is not anticipated that the above amendments will have a material impact on the Consortium's Statement of Accounts.

3.0 Critical Judgements in Applying Accounting Policies

In applying the Accounting Policies set out in note 1.0, the Joint Committee has had to make certain judgements about complex transactions and those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

3.1 Grants and Contribution Conditions

Judgements are made in terms of conditions attached to revenue grants. Grants are recognised as income when received/receivable. Unless there are assumptions that conditions of the grant are breached, a return obligation is not recognised. As a result, any revenue grants received with no expected return obligation that are to be used to fund future years' expenditure are reflected in Earmarked Reserves in the Balance Sheet.

4.0 Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

This Statement of Accounts contains estimated figures that are based on assumptions made by the Joint Committee about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because assets and liabilities cannot always be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Joint Committee's Balance Sheet at 31st March 2020 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

4.1 Pensions Asset/Liability

Estimation of the net asset/liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. AON is engaged to provide the Joint Committee with advice about the assumptions to be applied.

The effects on the net pensions asset/liability of changes in individual assumptions can be measured, however, the assumptions interact in complex ways.

The disclosures allow for the following:

- a) Full pension increases to be paid on Guaranteed Minimum Pension (GMP) for those reaching State Pension Age after 6th April 2016.
- b) McCloud judgement

Legislation requires HM Treasury and the Scheme Advisory Board (SAB) to undertake periodic valuations to monitor the cost of the LGPS to ensure it remains sustainable and affordable. This is referred to as the "Cost Management Process". This process has been paused until the outcome of the McCloud appeal is known as it could result in changes to the underlying cost of the scheme.

5.0 Employees Costs

2018/19 £'000	Salaries & Wages	2019/20 £'000
4,917	Advisors	4,694
799	Administration	713
513	Management	435
234	Finance Team	224
2	Catering Staff	0
6	Site Staff	0
3	Cleaning Staff	0
1	Agency	0
250	Employee Redundancy	0
35	Employee Insurance	35
3	Employee Advertising	5
6,763	Sub Total	6,106
(45)	Short-Term Accumulating Compensated Absences Account adjustment	2
557	IAS 19 adjustments	845
7,275	Total	6,953

6.0 Supplies and Services

2018/19 £'000		2019/20 £'000
84	Office Expenses	122
193	Consultants Fees	179
3	Office Equipment	9
90	Computer Costs	34
2	Catering Costs	0
37	Photocopying	25
3	Subscriptions	6
8	Marketing	7
18	Audit Fees	18
17	Telephones	10
0	Postage	1
929	Training	462
	<u>Grants paid to local authorities & schools:</u>	
42,035	Regional Consortia School Improvement Grant (RCSIG)	37,585
31,144	Pupil Development Grant (PDG)	31,223
547	Other	374
75,110	Total	70,055

7.0 Income

2018/19 £'000		2019/20 £'000
	Contributions	
(1,377)	Cardiff Council	(1,343)
(1,039)	Rhondda Cynon Taf CBC	(1,014)
(591)	Bridgend CBC	(571)
(559)	Vale of Glamorgan Council	(548)
(240)	Merthyr Tydfil CBC	(235)
(3,806)	Total Contributions	(3,711)
	Other Income	
(64)	School Income	(3)
(184)	Other	(58)
(78,493)	Grants	(74,246)
(11)	Catering	0
(78,752)	Total Other Income	(74,307)
(82,558)	Total Income	(78,018)

7.1 Grant Income

2018/19 £'000		2019/20 £'000
	Grant Programme	
(31,601)	Pupil Development Grant (PDG)	(31,734)
(46,310)	Regional Consortia School Improvement Grant (RCSIG)	(41,892)
(582)	Other	(620)
(78,493)	Total Grant Income	(74,246)
	Allocation	
73,726	Paid to local authorities and schools (Note 6.0)	69,182
4,767	Retained by Central South Consortium	5,064
78,493	Total Allocation	74,246

8.0 Related Party Transactions

In accordance with IAS 24, the Joint Committee has a duty to disclose any material transactions with a "related party". This is to ensure that financial statements contain disclosures necessary to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by material transactions with them.

The Joint Committee transacts with the local authorities and its schools within the Consortium, distributes funding, and provides advisory and inspection

services for which it receives income. During the year, material transactions with these related parties arose as follows:

2018/19		Local Authority	2019/20	
Exp. £'000	Inc. £'000		Exp. £'000	Inc. £'000
28,423	(1,559)	Cardiff Council	26,997	(1,454)
20,264	(1,318)	Rhondda Cynon Taf CBC	19,290	(1,034)
11,335	(749)	Bridgend CBC	10,401	(571)
10,168	(711)	Vale of Glamorgan Council	9,612	(548)
4,880	(266)	Merthyr Tydfil CBC	4,634	(254)

Welsh Government exerts significant influence through legislation and grant funding. The main grants received are shown in Note 7.1.

All cash transactions are administered by the host authority, Rhondda Cynon Taf CBC, as the Consortium does not operate its own bank account. At 31st March 2020, RCT CBC owed the Consortium £1,422k relating to these cash transactions (RCT CBC owed the Consortium £21,224k as at 31st March 2019). During 2019/20, Central South Consortium was charged £114k by Rhondda Cynon Taf CBC in respect of Central Establishment Charges (included in the table above, £123k in 2018/19).

Pension contributions are made to both the Rhondda Cynon Taf Pension Fund and the Teachers' Pension Agency, in respect of Joint Committee employees. See notes 16.0 and 17.0 for further information.

Interests of elected Members of the Joint Committee are maintained in a register held by their own Local Authority. Records of interests of Senior Officers are maintained by the Consortium. The following transactions occurred with related parties (by virtue of elected Member interest in them) with whom the Joint Committee has had dealings:

2018/19		Organisation	2019/20	
Exp. £'000	Inc. £'000		Exp. £'000	Inc. £'000
40	0	Coleg y Cymoedd	29	0
2	0	Cardiff Metropolitan University	33	0
87	0	Cardiff University	40	0
129	0	Total	102	0

The table above does not include payments to/from the Local Authorities or schools within the Consortium, as they are included elsewhere within the notes.

9.0 Audit Fees

2018/19 £'000		2019/20 £'000
18	Fees payable to the Auditor General for Wales in respect of external audit	18

10.0 Leases

A long term lease arrangement totalling £181k in 2019/20 (annualised cost of £160k effective from September 2019) exists between the Joint Committee and Rhondda Cynon Taf CBC in relation to office accommodation at the Valleys Innovation Centre. No termination is contained within the lease agreement and occupation is assumed for as long as the service is required.

The Joint Committee holds no assets on Finance Leases.

11.0 Long Term Debtors

There are no long term debtors at 31st March 2020.

12.0 Short Term Debtors

An analysis of Short Term Debtors in the Balance Sheet is as follows:

31/03/19 £'000		31/03/20 £'000
21,224	Host Authority	1,422
140	Local Authorities and Schools (inc. £129k short term debtor applicable to redundancy costs)	139
12	Central Government Bodies	0
13	Other Entities and Individuals	23
21,389		1,584
0	Provision for Bad Debt	(1)
21,389	Balance as at 31st March 20	1,583

All cash transactions are administered by Rhondda Cynon Taf CBC as the Central South Consortium does not operate its own bank account. The Host Authority debtor includes the 'cash' balance owed to the Consortium by Rhondda Cynon Taf CBC.

13.0 Creditors

An analysis of Short Term Creditors in the Balance Sheet is as follows:

31/03/19 £'000		31/03/20 £'000
(20,238)	Local Authorities and Schools	(307)
(80)	Central Government Bodies	(61)
(761)	Other	(346)
(23)	Employee Absences Accrual	(25)
(21,102)	Balance as at 31st March 20	(739)

14.0 Movement on Usable Reserves

	General Reserves £'000	Earmarked Reserves £'000	Total £'000
Balance as at 1 st April 2019	137	301	438
Increase/(Decrease)	1	430	431
Balance as at 31st March 2020	138	731	869

14.1 General Reserve

The General Reserve is a distributable revenue reserve, which consists of the accumulated surpluses of the Consortium's operations.

	Total £'000
Balance as at 1 st April 2019	137
Increase/(Decrease) 2019/20	1
Balance as at 31st March 2020	138

14.2 Earmarked Reserves

This note sets out the amounts set aside from the General Reserve balance in earmarked reserves to provide financing for future expenditure. All earmarked reserves are deemed to be revenue reserves.

	Balance at 31/03/19 £'000	Transfers Out £'000	Transfers In £'000	Balance at 31/03/20 £'000
Revenue Grant Reserves	212	(212)	199	199
Funding for Specific Projects	89	0	443	532

Total	301	(212)	642	731
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15.0 Movements on Unusable Reserves

Reserve	Pension Reserve	Short-Term Acc Comp Absence Account	Total
	£'000	£'000	£'000
Balance as at 1 st April 2019	301	(23)	278
Increase / (Decrease)	(1,819)	(2)	(1,821)
Balance as at 31st March 2020	(1,518)	(25)	(1,543)

15.1 Pension Reserve

The Pension Reserve is the balancing account to offset the inclusion of Pension Liability in the Balance Sheet as required by IAS 19 "Employee Benefits". See note 16.0 for further information.

15.2 Short-Term Accumulating Compensated Absences Account

The Short-Term Accumulating Compensated Absences Account absorbs the differences that would otherwise arise on the Consortium's Reserves from accruing for compensated absences earned but not taken in the year e.g. annual leave entitlement carried forward at 31st March 2020.

16.0 Retirement Benefits – Defined Benefit Schemes

16.1 Participation in Pension Schemes

As part of their terms and conditions, the employees of Central South Consortium are offered retirement benefits by the Joint Committee. Although these benefits will not be payable until retirement, the Joint Committee has a commitment to make these payments. The liability for these payments needs to be accounted for at the time future entitlement is earned.

The Joint Committee participates in two pension schemes:

- Teachers – Please refer to note 17.0.
- Other employees – The Local Government Pension Scheme administered by Rhondda Cynon Taf CBC. This is a funded defined benefit salary scheme, meaning that the Joint Committee and participants pay contributions into the Fund calculated at a level intended to balance

the pensions liabilities with investment assets. The pension costs that are charged to the Joint Committee's accounts are defined by IAS 19 "Employee Benefits".

16.2 Transactions Relating to Post-Employment Benefits

The cost of retirement benefits is recognised in the Comprehensive Income and Expenditure Account when earned by employees, rather than when benefits are actually paid as pensions. However, the charge required to be made to the General Reserves is based on the cash payable in the year. The difference is reversed out in the Movement in Reserves Statement. The following transactions have been posted in the year:

Comprehensive Income and Expenditure Account	2018/19 £'000	2019/20 £'000
Cost of Services:		
Current Service Cost	924	1,039
Past Service Cost	95	99
Settlements and curtailments	0	0
<i>Financing and Investment Income and Expenditure</i>		
Net Interest Expense	3	(11)
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	1,022	1,127
<i>Remeasurement of the Net Defined Benefit Liability Comprising:</i>		
Return on Plan Assets (Excluding the Amount included in the Net Interest Expense)	(1,726)	839
Actuarial (Gains) and Losses Arising on Liabilities – Demographic Assumptions	(978)	(352)
Actuarial (Gains) and Losses Arising on Liabilities – Financial Assumptions	1,460	(564)
Actuarial (Gains) and Losses Arising on Liabilities – Experience	36	1,062
Net increase in liabilities from disposals / acquisitions	0	0
Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	(186)	2,112
<i>Movement in Reserves Statement</i>		
Reversal of Net Charges Made to the Surplus or Deficit for the Provision of Services for Post Employment Benefits in Accordance with the Code	(1,022)	(1,127)
<i>Actual Amount Charged Against the General Fund Balance for Pensions in the Year:</i>		

Employers' Contributions Payable to Scheme	461	293
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The total remeasurement of the Net Defined Benefit Liability recognised in Other Comprehensive Income and Expenditure to the 31st March 2020 is a loss of £985k (£1,208k gain in 2018/19).

The cumulative amount of actuarial gains and losses recognised in the Comprehensive Income and Expenditure statement to the year ending 31st March 2020 is a loss of £655k (£1,538k gain in 2018/19).

The figures above do not include allowance for any membership (or associated assets) relating to members who have joined the employer but have not yet exercised their option to link their past service rights to their current employment.

16.3 Reconciliation of Present Value of the Scheme Liabilities

	2018/19 £'000	2019/20 £'000
Opening balance at 1 st April	23,840	25,553
Current Service Cost	924	1,039
Interest Cost on Defined Obligation	614	599
Contributions by Scheme Participants	268	237
<i>Remeasurement Gains and (Losses):</i>		
Actuarial Gains and (Losses) Arising on Liabilities – Demographic Assumptions	(978)	(352)
Actuarial Gains and (Losses) Arising on Liabilities – Financial Assumptions	1,460	(564)
Actuarial Gains and (Losses) Arising on Liabilities – Experience	36	1,062
Benefits Paid	(706)	(1,419)
Past Service Costs	95	99
Carried Forward at 31st March	25,553	26,254

16.4 Reconciliation of Fair Value of the Scheme Assets

	2018/19 £'000	2019/20 £'000
Opening balance at as at 1 st April	23,494	25,854
Interest Income	611	610
<i>Remeasurement Gains and (Losses)</i>		
The Return on Plan Assets, Excluding the Amount Included in the Net Interest Expense	1,726	(839)
Employer Contributions	461	293
Contributions by Scheme Participants	268	237
Benefits paid	(706)	(1,419)

Net increase in assets from disposals/acquisitions	0	0
Carried Forward as at 31st March	25,854	24,736

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date.

Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets. The actual return on scheme assets in the year was a loss of £229k (£2,337k gain in 2018/19).

16.5 Scheme History

	2018/19 £'000	2019/20 £'000
Present Value of Defined Obligation	(25,553)	(26,254)
Fair Value of Plan Assets	25,854	24,736
Surplus / (Deficit)	301	(1,518)

The liabilities show the underlying commitments that the Joint Committee has in the long run to pay retirement benefits. The total liability of £1,518k has a substantial impact on the net worth of the Joint Committee as recorded in the Balance Sheet.

However, statutory arrangements for funding the deficit mean that the financial position of the Joint Committee remains healthy. The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

16.6 Local Government Pension Scheme Assets

Local Government Pension Scheme Assets investments as at 31st December 2019 (full scheme not Central South Consortium element) are comprised as follows:

	Fair Value of Scheme Assets	
	2018/19 £'000	2019/20 £'000
UK Equities	345,524	347,778
Overseas Equities	1,726,196	2,228,117
UK Fixed Interest Gilts	407,756	391,863
UK Corporate Bonds	336,260	394,759
Overseas Government Bonds	25,109	39,785
Overseas Corporate Bonds	36,166	52,598
Property	221,127	284,637

Cash and net current assets	113,635	44,042
Total	3,211,773	3,783,579

16.7 **Basis for Estimating Assets & Liabilities**

Roll-forward of Assets

The valuation results from the last full valuation of the Fund (or results at the previous accounting date as appropriate) are adjusted to the accounting year-end allowing for:

- Investment returns, and
- Cash-flows including investment returns on those cashflows.

The asset value at the start of the accounting period is accumulated with the Fund investment return over the accounting period. Net cashflows are assumed to be paid half way through the period and accrue half of the Fund investment return over the period.

Roll-forward of Liabilities

The valuation results from the last full valuation of the Fund (or results at the previous accounting date as appropriate) are adjusted to allow for the later calculation date (by adding interest to the liabilities) and make allowance for changes in liabilities due to:

- The accrual of new benefits and the discharge of liabilities from the payment of benefits.
- The financial and demographic assumptions adopted at the year-end.
- The impact of any known experience affecting the liabilities, such as the impact of actual pension increases on pensions in payment and deferred benefits.
- If applicable, the impact of events which result in a change in the liability such as past service costs, settlements and curtailments.

The full valuation was based on funded benefits and the principal assumptions used by the actuary have been:

	31/03/19	31/03/20
Long-Term Expected Rate of Return on Assets in the Scheme (in line with the discount rate)	4.5%	4.5%
Mortality Assumptions:		
Longevity at 65 for current pensioners:		
Men	22.2	21.7
Women	24.1	24.0
Longevity at 65 for future pensioners:		
Men	23.9	22.7
Women	25.9	25.9

CPI Inflation	2.2%	2.0%
Rate of Increase in Salaries	3.45%	3.25%
Rate of Increase in Pensions	2.2%	2.0%
Rate for discounting scheme liabilities	2.4%	2.3%
Take-up of Option to Convert Annual Pension into Retirement Lump Sum:		
Post-2010 Service	80%	80%
Pre-2010 Service	80%	80%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant.

	Increase in Assumption £'000	Decrease in Assumption £'000
Longevity (Increase or Decrease in 1 Year)	841	(831)
Rate of Increase in Salaries (increase or decrease by 0.1%)	52	(51)
Rate of Increase in Pensions (increase or decrease by 0.1%)	504	(493)
Rate for Discounting Scheme Liabilities (increase or decrease by 0.1%)	(545)	557

16.8 Contributions for the Accounting Period ending 31st March 2020

The Employer's regular contributions to the Fund for the accounting period ending 31st March 2021 are estimated to be £182k (£343k as at 31st March 2020).

17.0 Retirement Benefits – Defined Contribution Scheme

Staff employed on Teachers terms and conditions are members of the Teachers' Pension Scheme. The scheme provides teachers with specified benefits upon their retirement and the Joint Committee contributes towards the costs by making contributions based upon a percentage of members' pensionable salary.

The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded and the Department for Education uses a notional fund as the basis for calculating the employer's contribution rate paid by local authorities. The Council is not able to identify its share of underlying financial position and

performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2019/20, the Joint Committee paid £79k to the Teachers' Pension Fund in respect of teachers' retirement benefits, representing 16.48% (up to 31st August 2019) and 23.68% (from 1st September 2019) of pensionable pay (£73k was paid in 2018/19 representing 16.48% of pensionable pay). There were no contributions remaining payable at the year-end.

18.0 Events after the Balance Sheet Date

The draft, unaudited Statement of Accounts will be authorised for issue by the Director of Finance and Digital Services, as Chief Finance Officer, following approval by the Joint Committee. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provide information about conditions existing at 31st March 2020, the figures in the financial statements and notes have been adjusted in all materials respects to reflect the impact of this information. There are no events that took place after 31st March 2020 requiring disclosure providing information that is relevant to an understanding of the Central South Consortium's financial position.

19.0 Reconciliation of Comprehensive Income and Expenditure Account to Cash flow

2018/19 £'000		2019/20 £'000
741	(Surplus)/Deficit on the Provision of Services	405
2,369	(Increase)/Decrease in Creditors	20,363
(11,497)	Increase/(Decrease) in Debtors	(132)
(1)	Increase/(Decrease) in Inventories	0
(561)	IAS 19 Transactions	(834)
(8,949)	Cash (Inflow)/Outflow from Revenue Items	19,802

20.0 Officers' Remuneration

During 2019/20, the Consortium paid 80 employees on average every month (89 in 2018/19). Over the year, salary payments totalled £3,606k (excluding employer's national insurance and pension contributions) (£4,250k in 2018/19).

Under the Accounts and Audit (Wales) Regulations 2014, the Joint Committee must disclose in their accounts the number of employees (excluding specific

senior employees who are shown in Note 21.1) whose remuneration in the year fell in each bracket of a scale in multiples of £5,000 commencing at £60,000 (excluding pension contributions). The disclosure includes redundancy payments.

The following salary payments were made within the categories specified:

Remuneration Band	2018/19			2019/20		
	No. of Employees			No. of Employees		
	At 31/03/19	Left in Year	Total	At 31/03/20	Left in Year	Total
£60,000 - £64,999	10	0	10	12	0	12
£65,000 - £69,999	6	1	7	3	0	3
£70,000 - £74,999	1	0	1	1	0	1
£75,000 - £79,999	0	0	0	0	0	0
£80,000 - £84,999	0	0	0	0	0	0
£85,000 - £89,999	1	0	1	1	0	1
£90,000 - £94,999	0	0	0	0	0	0
£95,000 - £99,999	0	0	0	0	0	0
£100,000 - £104,999	0	0	0	0	0	0
£105,000 - £109,999	0	0	0	0	0	0
£110,000 - £114,999	0	0	0	0	0	0
Total	18	1	19	17	0	17

20.1 Senior Officers

The following table sets out the remuneration for specific Senior Officers whose salary is less than £150k but greater than £60k. There are no Senior Officers whose salary is greater than £150k. Employer pension contributions and compensatory payment in relation to loss of employment are included.

Post Holder Information	2019/20				
	Salary	Taxable Benefits in Kind	Compensation for loss of employment	Employer's Pension Contributions	Total
	£'000	£'000	£'000	£'000	£'000
Managing Director (from 01/03/2020)	9	0	0	1	10
Acting Managing Director (up to 29/02/2020) / Temporary Assistant	106	0	0	11	117

Managing Director (from 01/03/2020 to 31/03/2020)					
Senior Lead – Standards & Improvement Planning	92	0	0	9	101
Temporary Senior Lead – Teaching & Learning Experiences (up to 27/06/2019)	16	0	0	0	16
Temporary Assistant Managing Director (up to 31/03/2020)	67	0	0	0	67

* Between 1st January 2019 and 29th February 2020 temporary senior management arrangements were put in place as set out in the above table. These comprised an Acting Managing Director position (the appointment to which was made from an existing Consortium post-holder i.e. Senior Lead – Business and Operations), a Temporary Senior Lead – Teaching and Learning Experiences (post-holder left 27th June 2019) and a Temporary Assistant Managing Director position (the appointment to which was made from one of the local authorities that comprise the Consortium). A permanent appointment to the Managing Director post took up the position from 1st March 2020 (following Joint Committee approval of the appointment on 19th November 2019) and for the period 1st March 2020 to 31st March 2020 two officers undertook the role of Temporary Assistant Managing Director as part of transitional arrangements. For the period 1st April 2019 to 31st March 2020 the post-holder of Senior Lead – Standards and Improvement Planning received an honorarium reflecting additional duties assigned as part of the temporary senior management arrangements.

The salary for the Director of Finance and Digital Services, who signs the accounts on page 11, is not included in this note as the post-holder is a senior officer of the Host Authority rather than the Consortium itself.

The comparative figures for 2018/19 are shown in the following table:

Post Holder Information	2018/19				
	Salary	Taxable Benefits in Kind	Compensation for loss of employment	Employer's Pension Contributions	Total
	£'000	£'000	£'000	£'000	£'000
Managing Director (up to 31/12/2018)*	79	0	78	9	166
Acting Managing Director (from 01/01/2019) / Senior Lead – Business & Operations (up to 31/12/2018)*	90	0	0	10	100
Senior Lead – Standards & Improvement Planning	82	0	0	9	91
Temporary Senior Lead – Teaching & Learning Experiences*	81	0	0	0	81
Senior Lead – Strategy, Leadership & Workforce Reform (up to 18/11/2018)	42	0	0	4	46
Temporary Assistant Managing Director (from 01/01/2019)*	18	0	0	0	18

* During 2018/19 two post-holders left their positions: the Managing Director on 31st December 2018 and the Senior Lead – Strategy, Leadership & Workforce on 18th November 2018. A review commenced to consider, amongst other things, the future senior management structure requirements of the Consortium. From 1st January 2019 temporary senior management arrangements were put in place which continued into 2019/20.

21.0 Severance Costs

This note provides details of the cost of severance to the Consortium in respect of employees who have left the employment of the Consortium during the financial year (costs do not reflect the value of the severance received by the individual as it includes pension strain). All costs are in line with the relevant and applicable scheme of termination and as required under relevant Pension Fund Regulations where applicable.

The number and costs (in bandings) of compulsory and other terminations are set out in the table below.

Severance Cost Band	Number of Compulsory Terminations		Number of Other Terminations		Total Number of Terminations		Total Severance Cost	
							£000s	
	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20
£0 - £20,000	3	0	1	0	4	0	45	0
£20,001 - £40,000	1	0	1	0	2	0	58	0
£40,001 - £60,000	2	0	1	0	3	0	147	0
£60,001 - £80,000	0	0	0	0	0	0	0	0
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
Total	6	0	3	0	9	0	250	0

CENTRAL SOUTH CONSORTIUM

DRAFT ANNUAL GOVERNANCE STATEMENT 2019/20

1. SCOPE OF RESPONSIBILITY

1.1 The Central South Consortium (CSC) is a Joint Education Service commissioned by five Local Authorities namely:

- Bridgend CBC;
- Cardiff CBC;
- Merthyr Tydfil CBC;
- Rhondda Cynon Taf CBC; and
- Vale of Glamorgan CBC.

The responsibilities of the CSC combined, cover the needs of 381 schools and approximately 148,683 pupils in the region.

1.2 In January 2014, Central South Wales Challenge was launched with the aim of raising standards across all schools within the Region and to stimulate the sharing of expertise amongst schools and joint efforts to innovate to:

- Improve the performance of every school;
- Increase the numbers of good and excellent schools;
- Reduce the gap between high and low performing groups of learners; and
- Improve outcomes for vulnerable groups of pupils.

Subsequently the Central South Wales Challenge has developed and is summarised by the following strategies:

- School Improvement Groups (SIGs);
- School to school brokered support;
- Hubs and Lead Practitioner Programme;
- Leadership & Peer Review; and
- Clusters.

1.3 Rhondda Cynon Taf County Borough Council (RCTCBC) is responsible for ensuring that its business and that of the Joint Education Committee, for which it has administrative responsibility, 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.

1.4 In discharging this overall responsibility, the CSC is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective

exercise of its functions, which includes the arrangements for the management of risk.

- 1.5 The Annual Governance Statement of the CSC aims to provide an accurate representation of the governance arrangements in place for financial year ending 31st March 2020.

2. **THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

- 2.1 The governance framework comprises the systems, processes and cultural values by which the CSC is directed and controlled, and the activities through which it accounts to and engages with stakeholders. It enables the CSC to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage the risk to a reasonable level. It cannot eliminate all risk of failure to achieve aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the CSC's priorities, to evaluate the likelihood and impact of those risks materialising, and to manage them efficiently, effectively and economically.
- 2.4 The CSC has responsibility for conducting, at least annually, an assessment of its governance framework including the system of internal control. The assessment is informed by the work conducted by external agencies and internal arrangements, including performance management arrangements.
- 2.5 The following paragraphs summarise the overall governance framework and the system of internal control, which has been in place for the CSC for the year ended 31st March 2020 (and up to the date of approval of the 2019/20 Statement of Accounts).

3. **THE GOVERNANCE FRAMEWORK**

- 3.1 The CSC has used the *Delivering Good Governance in Local Government: Framework (2016)* in compiling its Annual Governance Statement. The Framework comprises two Core Principles and five Supporting Principles:

Core principles

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

Supporting Principles

- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity’s capacity, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control and strong public financial management; and
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

3.2 The Core Principles permeate implementation of the Supporting Principles with the need for the CSC to be committed to improving governance on a continual basis through a process of evaluation and review.

3.3 The CSC has applied these principles to structure its Annual Governance Statement for financial year ending 31st March 2020 and to assess the arrangements in place.

3.4 The CSC has a range of governance arrangements in place, in line with the Delivering Good Governance in Local Government: framework, many of which are set out in the CSC’s legal agreement and / or are part of the governance arrangements of RCTCBC that have been adopted by the CSC. Table 1 provides examples of the key systems, processes and documents in place within the CSC during 2019/20.

Table 1 - Examples of key systems, processes and documents in place within the CSC

Good Governance Principles	Examples of key systems, processes and documents in place within the CSC
Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law	<ul style="list-style-type: none"> • Rules of Procedure – covering Council, Open Government, Access to Information, Budget and Policy Framework, Executive, Overview and Scrutiny, Officer Employment and Contract and Financial Procedure Rules. The rules set out arrangements to be followed by elected Councillors and Officers when conducting the CSC’s business with the aim of publicly demonstrating accountability and openness. • Whistle-blowing Policy – promoting the highest possible standards of service and setting out how workers can bring information about a wrongdoing to the attention of the CSC. • Anti-fraud, Bribery & Corruption Strategy.

	<ul style="list-style-type: none"> • Gifts and hospitality Policy. • Comments, Compliments and Complaints – setting out how the Council / CSC handles and responds to the feedback (complaints, compliments and comments). • Officer Guide. • Staff Handbook.
Ensuring Openness and comprehensive stakeholder engagement	<ul style="list-style-type: none"> • Forward plans for committee meetings together with the matters to be considered, where appropriate.
Defining outcomes in terms of sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> • Performance Management Framework. • Business Plan and Operational Delivery Plans. • Regular Performance Reports to Joint Committee (including Risk Register up dates). • Risk Management Strategy. • Annual Revenue Budget Strategy. • Medium Term Financial Plan.
Determining the interventions necessary to optimise the achievement of the intended outcomes	<ul style="list-style-type: none"> • Scrutiny Committees. • Challenge and Review sessions with Welsh Government.
Developing the entity's capacity, including the capability of its leadership and the individuals within it	<ul style="list-style-type: none"> • Business Plan & Outcomes Framework • Staff Handbook. • Schemes of Delegation. • Self-evaluation process. • Regional Evaluation & Improvement Session
Managing risks and performance through robust internal control and strong public financial management	<ul style="list-style-type: none"> • Risk Management Strategy. • Annual Performance Report (including Risk Register up dates). • An Internal Audit function. • Budget and Policy Framework Procedure Rules and Contract and Financial Procedure Rules. • Medium Term Financial Plan.
Implementing good practices in transparency, reporting and audit	<ul style="list-style-type: none"> • Statement of Accounts. • Annual Governance Statement. • Production of reports on key areas of business. • Internal Audit.

to deliver effective accountability	
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3.5 Legal Agreement

On the 20th April 2015 all parties entered into and signed a revised legal agreement which superseded all previous legal agreements between the Partners. This agreement consolidated the legal arrangements relevant to the CSC into one Agreement. From this point forward within the Annual Governance Statement, reference will be made to the 'Legal Agreement'.

3.5.1 The Legal Agreement for the Central South Consortium Joint Education Service Joint Committee provides the governance framework within which the Service operates and allocates responsibility and accountability, as follows:

- The Host Authority;
- The Directors' Steering Group;
- The Advisory Board;
- Operational Management Group;
- Central South Consortium Joint Education Committee; and
- Financial Management.

3.6 The Host Authority

The Legal Agreement formally assigns RCTCBC as the Host Authority for the CSC. RCTCBC provides all support services (save for the day to day administration undertaken by staff in accordance with their duties) required, including but not limited to:

- Financial (Section 151 Officer as defined by section 151 of the Local Government Act 1972, Accounts, Payroll, Creditors, Debtors, Insurance);
- Human Resources;
- Health & Safety;
- Legal;
- ICT;
- Estates;
- Internal Audit; and
- Procurement.

The costs of which, where relevant, are charged to the Central South Consortium Joint Education Service Joint Committee through Service Level Agreements.

3.7 The Constitution of RCTCBC, which has the financial stewardship of the CSC, allocates functions and responsibility within the Authority. It also regulates the behaviour of individuals (Members & Officers) and groups through codes of

conduct, protocols and rules of procedure. All functions undertaken by the CSC should be done so in accordance with all relevant Policies and Procedure Rules of RCTCBC.

3.8 Officer Conduct

To ensure a consistent approach to working practices and processes, all officers are subject to the terms and conditions of employment (which are based on RCTCBC's operating terms and conditions).

4. **ASSESSING THE CSC'S GOVERNANCE ARRANGEMENTS**

4.1 In line with the Core and Supporting Principles of the Framework, the approach taken to assess the CSC's arrangements has been to:

- Set out a brief description of the arrangements and procedures in place together with the key outcomes the CSC is aiming to achieve;
- Examine and document the main activities that have taken place around these areas, taking account of supporting evidence from the CSC's internal processes and Wales Audit Office reports published on the CSC;
- Form a view on the extent to which the activities comply with the procedures in place; and
- Make proposals for improvement, where appropriate, together with recommended timescales for implementation and responsible officers.

4.2 The assessment of the CSC's governance arrangements is set out in Section 5.

5. **ASSESSMENT OF GOVERNANCE ARRANGEMENTS**

5.1 **PROGRESS MADE TO IMPLEMENT RECOMMENDATIONS REPORTED IN THE 2018/19 ANNUAL GOVERNANCE STATEMENT**

The 2018/19 Annual Governance Statement made 7 proposals for improvement. An update on progress was reported to the Central South Consortium Joint Education Service Joint Committee on 21st January 2020 and following consideration the Committee RESOLVED: *to note the progress that has been made to date in implementing the proposals for improvement.*

As at 31st March 2020, progress had been made against all of the 7 proposals:

- 4 proposals for improvement had been implemented;
- 2 proposals for improvement were 'in progress' and will be completed during 2020/21 – it is considered that the part implementation status for these 2 areas did not have an adverse impact on the robustness of the CSC's governance arrangements during the year; and
- 1 proposal for improvement is 'on-going', this being by the nature of the proposal to ensure there continues to be awareness raising of whistle-blowing and anti-fraud arrangements for employees.

5.1.1 Based on the above, it is considered that overall, sufficient progress has been made during 2019/20 in the delivery of the proposals for improvement with the requirement for further work to be completed in 2020/21. A detailed position statement is set out at Appendix A.

5.2 BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

Behaving with integrity

5.2.1 The CSC follows the Host Authority Constitution which sets down how it should operate, how decisions need to be made and the procedures to be followed to ensure they are efficient, transparent and available to local people. Within the Constitution there are a number of [Rules](#)⁴ and [Protocols](#)⁵ that aim to ensure both elected Councillors and employees behave with integrity.

5.2.2 The CSC has put in place procedures to be followed by the Joint Education Committee when conducting meetings and making decisions during the year to publicly demonstrate an accountable, open and honest approach. This has included considering the accuracy of 'meeting minutes'⁶; recording declarations of personal interest; publishing reports on RCT's website five working days prior to meetings taking place; making decisions based on evidenced based reports; and publishing the minutes of meetings. A review of a sample of Joint Education Committee meetings during the year revealed that the above mentioned procedures had been followed.

CSC employees

5.2.3 The CSC Legal Agreement outlines the role of RCTCBC as the host authority. As part of this agreement, the CSC adopts the policies of RCT including an Officer Code of Conduct that has been used to create an easy to understand

⁴ Rules – for example, Financial and Contract Procedure Rules

⁵ Protocols – for example, Gifts and Hospitality Policy

⁶ Meeting minutes – a formal and agreed record of the events that took place at each meeting.

'Basic Rules – A Guide for Employees' and includes information in relation to, amongst other things, expected behaviour, use of social media, appearance and attendance. The guide is available on-line for all employees.

- 5.2.4 All officers who started employment with the CSC were provided with a local induction. In parallel, an Individual Performance Review process was in place to support the personal development of officers, this being overseen by management within the CSC and supported by the Human Resources Service within Rhondda Cynon Taf.

Arrangements in place to tackle potential misappropriation

- 5.2.5 [In the event that an officer decides to operate outside of the intended terms and conditions of employment, arrangements were in place for officers to "blow the whistle" through the CSC's Whistleblowing Policy & Procedure.](#)
- 5.2.6 In addition to the Whistleblowing arrangements, there were arrangements in place to tackle potential [fraud, bribery and corruption](#).
- 5.2.7 RCTCBC's Audit Committee has overall responsibility for overseeing the governance arrangements in place in respect of 'tackling potential fraud, bribery and corruption' and 'whistle-blowing'. Updates received by Audit Committee during the year in respect of these arrangements were:

- Anti-Fraud, Bribery & Corruption

An Anti-Fraud, Bribery & Corruption Progress Report for 2019/20 was reported to Audit Committee on 17th December 2019 that set out progress against the programme of work for 2019/20. The report concluded that progressing the Anti-Fraud, Bribery & Corruption work programme for 2019/20 will ensure the Council continues to operate within an effective anti-fraud culture across the organisation, with resilient preventive measures capable of identifying and addressing new threats. Audit Committee reviewed the update and acknowledge the outcomes of the anti-fraud work progress during 2019/20.

The Annual Report for 2019/20 was due to be reported to Audit Committee on 27th April 2020 in accordance with the agreed [work plan](#) for 2019/20. Due to the impact of COVID-19, this meeting was cancelled and arrangements will be made as soon as is practicable for an Audit Committee to be convened and the Annual Report presented and scrutinised. Based on the anti-fraud, bribery and corruption information reported during 2019/20 (i.e. the progress report in December 2019), it is considered that sufficiently robust arrangements were in place.

- Whistle-Blowing

As part of the Annual Governance Statement 2018/19 Progress Update reported to Audit Committee on 17th December 2019, assurance was provided that on-going staff awareness raising is taking place for this area, for example, the whistle-blowing policy being highlighted as part of the staff and manager induction processes and a pay-slip insert issued in December 2019 raising awareness of the policy and how to 'blow the whistle'. A Whistle-Blowing Annual Report for 2019/20 was scheduled to be reported to the 27th April 2020 Audit Committee and, as referenced above, arrangements will be made as soon as is practicable for an Audit Committee to be convened and the Annual Report presented and scrutinised. As part of year-end arrangements, discussions have taken place with the Director of Human Resources to establish the extent of whistle-blowing activity during the year; this has confirmed that a number of whistle-blowers have come forward during 2019/20, all have been fully investigated by the Council's Human Resources Service and appropriate action, where deemed required, has been taken. This position, prior to Audit Committee considering an Annual Report, indicates a general awareness of the policy / how to 'blow the whistle' within the Council and a culture whereby staff are prepared to do so.

5.2.8 Work in this area has also been informed by the results of the Staff Survey undertaken in 2018, the results of which were reported to Audit Committee on 4th February 2019. This information has been re-reviewed in 2019/20 and concluded that there were no pockets of service areas where awareness is low and that the data indicated a general lack of awareness, rather than being service specific. A series of actions are being taken to address this, as reported in the Annual Governance Statement 2018/19 Progress Update reported to Audit Committee on 17th December 2019 (as referred to in paragraph 5.2.7 above).

5.2.9 Gifts and Hospitality Policy - the CSC has a Gifts and Hospitality Policy and arrangements were in place, via registers, to record gifts and hospitality in line with the Policy.

Demonstrating strong commitment to ethical values

5.2.10 Ethical Values: CSC employees - the CSC has described what excellent behaviour looks like for each type of job, for example, '*always treat people with respect*', and this information is used to test candidates suitability for jobs at interview and is used to inform discussions managers have with their staff as part of their development.

The Council's supply chains

- 5.2.11 RCTCBC plays a significant and leading role in the utilisation of national framework contracts as well as local contractual arrangements. The Council is responsible for ensuring that its business is conducted in accordance with the law, applies high ethical values, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In order to maximise the potential wider benefits when contracting with external organisations it is essential that the delivery of community benefits, and support of local small and medium sized enterprises (SME's) are considered as part of the procurement process. In addition, as a publicly funded organisation the Council has a responsibility to ensure that ethical and fair practices are in place throughout the contracted supply chains as far as it practicably can.

The Welsh Government has issued three key initiatives in support of these wider benefits that should be taken into account as part of the procurement process:

- [Community Benefits](#) – helps drive the creation of employment and training opportunities including apprenticeships, support for small and medium sized enterprises and delivery of community, educational and environmental initiatives.
- [Code of Practice Ethical Employment in Supply Chains](#) - focuses on influencing a high standard of ethical employment practices by external suppliers, service providers and contractors.
- [Opening Doors: the Charter for SME Friendly Procurement](#) - seeks to create a fair and open environment in which we can all do business together and address issues of particular concern to Small and Medium-sized Enterprises (SMEs).

A Draft Policy has been developed by the Council and will be incorporated into the Cabinet's work programme for 2020/21 for consideration and if deemed appropriate, approval. An approved version will then be shared with the CSC to ensure contracting arrangements are in line with the agreed Policy.

Respecting the rule of law

- 5.2.12 The Managing Director position leads the CSC's officers and chairs the Senior Leadership Team.
- 5.2.13 During the 2018/19 financial year, two senior post holders left their positions and, following this, a review commenced to consider future senior management structure requirements for the CSC. The initial outcome of that review was for temporary senior management arrangements to be put in place from January 2019 and to continue into 2019/20. Based on this, for the period 1st January 2019

to 29th February 2020 appointments to an Acting Managing Director position (the appointment to which was made from an existing CSC post-holder i.e. Senior Lead – Business and Operations) and a Temporary Assistant Managing Director position (the appointment to which was made from one of the local authorities that comprise the CSC) were made. A permanent appointment to the Managing Director role was approved by Joint Committee at the meeting held on the 19th November 2019 and the post-holder took up the position from 1st March 2020. In addition, the Joint Committee meeting of the 21st January 2020 agreed the creation of a Deputy Managing Director position and provided authorisation for the Lead Chief Executive in conjunction with the representatives of the five local authorities to appoint the role of Deputy Managing Director; and appointment was made effective from 1st April 2020. The above mentioned temporary arrangements ceased further to the permanent appointments being made and / or by 31st March 2020.

5.3 ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Openness

5.3.1 Members of the Central South Consortium Joint Education Service Joint Committee are governed by the Code of Conduct of their relevant Council. The Codes of Conduct for Councillors and employees within the Constitution of the Host Authority are built on the principles of openness, transparency and honesty.

General Data Protection Regulation

The General Data Protection Regulation (GDPR) came into force on the 25th May 2018. The CSC took steps during 2018/19 to demonstrate accountability and transparency when handling and processing personal and sensitive information that it holds in respect of individuals. These arrangements were maintained during 2019/20 by:

- The CSC adopting the updated Data Protection Policy within RCT CBC;
- Formally recording the lawful basis upon which data / information is processed within suites of documents called Data Protection Registers; and
- Establishing 'Privacy Notices' that are available on the CSC's website setting out how it intends to use information and how it will deliver its services and statutory responsibilities.

An internal group has met regularly within CSC, comprising leads from varying teams within the CSC. The group has developed relevant policy papers and refined processes and procedures to ensure GDPR compliance, working closely with RCT CBC Information Management team.

It is considered that the publication of this information continues to support the CSC in complying with the GDPR and demonstrates openness and transparency when dealing with its customers.

Freedom of Information

The CSC operated a Freedom of Information (FOI) Act 2000 publication scheme in accordance with legislative requirements. FOI updates are provided to the Joint Committee on an annual basis and during 2019/20 2 FOI requests were received and were responded to within 20 working days. This information is scheduled to be reported to the Joint Committee on 15th June 2020.

Planning ahead

- 5.3.2 The CSC consulted with stakeholders on its vision and priorities for 2019/20 and set these out in a document called 'Business Plan 2019/20'; this Plan was agreed by Joint Education Committee on 28th March 2019. During 2019/20, the Joint Committee has received business plan priority updates as self-standing agenda items and a review of business plan progress is reported annually (the latest review, relating to 2018/19, was reported to Joint Committee on 15th July 2019). Based on the updates provided, it is considered that appropriate and regular information is made available to the Joint Committee to review and challenge performance and hold Management of the CSC to account.
- 5.3.3 In parallel, a detailed implementation plan was reported to Joint Committee on 19th December 2019 setting out progress made to date by the CSC to progress the recommendations made through the ISOS review⁷. The report also set out actions to progress and next steps, and these will be taken account of as part of remodelling the CSC.
- 5.3.4 Looking ahead, it is likely that there will be uncertainty on future year resource levels provided by the UK Government to Welsh Government due to, amongst other things, the impact of COVID-19 and Brexit. The CSC has been provided within an indicative budget across a 3 year time horizon (2020/21 to 2022/23), agreed by the Joint Committee on 21st January 2020, that will help to frame medium term service planning and re-modelling options.

⁷ ISOS Review – a review commissioned by the Joint Committee in October 2018 to undertake an independent review of the Consortium. The context to the review was the national changes to the education system and the financial pressures facing schools and Local Authorities.

Openness – Forward work programmes

The CSC has in place a forward work plan of Committee meetings together with the matters to be considered and the 21st May 2019 Joint Committee meeting agreed and published a calendar of meetings for 2019/20 municipal year.

Decision making and scrutiny of decisions made

- 5.3.5 During the year, the Central South Consortium Joint Education Service Joint Committee made key decisions, for example, reviewing and agreeing the CSC Business Plan, Core Revenue Budget and Annual Governance Statement.
- 5.3.6 The Central South Consortium Joint Education Service Joint Committee is one of the main decision making bodies within the CSC and throughout 2019/20 received 34 reports, 27 of which were made publicly available prior to the meetings and 7 were excluded from the press / public on the grounds that the items of business involved the likely disclosure of exempt information.
- 5.3.7 Key decisions were also taken by the Directors of Education from each of the local authorities at the Director Steering Group meetings.
- 5.3.8 Based on the above information it is considered that the decision making arrangements that operated during 2019/20 were open and transparent, and compliant with the CSC's Legal Agreement.
- 5.3.9 Finally, a review of a sample of Joint Education Committee Reports for 2019/20 has confirmed that a consistent format was used.

Engagement with stakeholders

- 5.3.10 The arrangements for engagement with stakeholders were as follows:
- **The Advisory Board** - The purpose of the Advisory Board is to support the Managing Director in ensuring that the strategies of the CSC align themselves with the needs of all Parties to raise educational standards.

The membership, decision making process, meetings and the terms of reference for the Advisory Board are documented within Schedule 2 of the Legal Agreement. For 2019/20, an Advisory Board meeting was not convened due to a review of the CSC's governance structure being undertaken. During this period, the strategic direction of the CSC was directed by the Chief Executives and Directors of Education of the 5 constituent local authorities alongside Senior Management of the CSC.

- **Directors' Steering Group** – The Directors' Steering Group comprises the Directors of Education from each of the five local authorities that make up the CSC. This group is responsible for delegated decision making on behalf of each local authority.

The membership, decision making process, meetings and the terms of reference for the Director's Steering Group are documented within Schedule 2 of the Legal Agreement.

Directors and Headteacher representatives from the Delegate Head Teacher Group and Representative Stakeholder Group identified during the ISOS Review the need to include Headteachers within the overall Governance model of the CSC as part of a school-led self-improving system. It is noted that this work will be progressed during 2020/21.

- **Senior Leadership Group** - The Group comprises the senior management team of the CSC as well as Senior Challenge Advisers for each local authority. Senior officers with strategic responsibilities are also part of the leadership group. The objective of the group is to deliver school improvement activities with the aim of raising educational standards.

The membership, decision making process, meetings and the terms of reference for all groups are documented within Schedule 3 of the Legal Agreement.

- **Central South Consortium Joint Education Service Joint Committee**

The Joint Education Committee comprises of one elected Member from each Council and one officer representative with responsibility for Education from each Council.

The Joint Education Committee has the powers of each Council with reference to the provision of a Joint Education Service and its performance as set out in the Legal Agreement and guided by the Welsh Government's 'National Model for Regional working'.

The purpose of the Joint Education Committee is to be responsible for the decision making, approval of the business plan, monitoring and accountability and financial reporting of the CSC arrangements in line with its own business plan.

The membership, decision making process, meetings and the terms of reference for the Joint Education Committee are documented within Schedule 4 of the Legal Agreement.

- 5.3.11 There were a broad range of communication methods on offer to encourage stakeholders to express their views during 2019/20; this included social media, focus group discussions with strategy groups as well as an annual survey of schools.

Proposal for improvement

- 5.3.12 Finalise the review of the overall governance structure for the CSC to ensure increased engagement in the decision making process from headteachers across the region in line with the requirements of the revised National Model for Regional Working when published and the recommendations from Joint Committee following the ISOS review

5.4 DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

Defining outcomes

- 5.4.1 The CSC's 'Business Plan 2019-2020, as approved by Joint Education Committee on the 19th December 2018, identified six overarching improvement priorities :-
- Develop a high quality education profession;
 - Develop inspirational leaders to facilitate working collaboratively to raise standards;
 - Develop strong and inclusive schools committed to wellbeing, equity and excellence;
 - Develop robust assessment, evaluation and accountability arrangements supporting self-improving systems;
 - Provide professional learning opportunities to support the curriculum for Wales; and
 - Improve the effectiveness and efficiency of CSC.
- 5.4.2 The CSC's Revenue Budget for the 2019/20 financial year was approved at the 19th December 2018 Joint Committee meeting, aligning resources to business plan priorities.
- 5.4.3 Following approval of the Business Plan and Revenue Budget, Operational Plans were put in place for each priority, in line with resources available, that detailed what outcomes were being aimed for, the actions to be delivered with timescales for delivery and performance indicators.

- 5.4.4 A review of performance indicator targets included within the Business Plan identified that there is a clear ambition for the CSC to improve in its priority areas.
- 5.4.5 Throughout 2019/20 action plan progress updates have been made public through Joint Education Committee meetings that also contain information on financial performance, strategic risks and investment linked to Business Plan priorities. This has included preparation for Curriculum Reform.

Progress with the Business Plan has also been monitored by Welsh Government as part of Challenge and Review Sessions during the year. For 2019/20, 97% of the CSC's Business Plan was funded from Welsh Government Awards of Funding

Proposal for Improvement

- 5.4.6 Further develop the Medium Term Financial Plan during 2020/21 to ensure resources are allocated / categorised over Business Plan priorities to demonstrate or otherwise the prioritisation of resources and set out service options in line with indicative funding allocations agreed by Joint Committee.

5.5 DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

Determining and planning interventions

- 5.5.1 The CSC's Legal Agreement lays down the key requirements to be followed when setting its priorities, reporting the extent of progress made in priority areas and also the financial planning and management arrangements that support this. These include the requirement to:
- Agree the draft School Improvement Service annual revenue budget by the 31st December prior to the start of the financial year and submit to each of the Parties for approval with the business plan to be agreed by the 1st February; and
 - Publish financial and performance progress updates on a termly basis during the year, which will include explanations of any variances against the profiled budget.
- 5.5.2 When the above requirements were reviewed for the 2019/20 financial year:
- Performance Reports were presented to the Joint Education Committee and the Local Authority Scrutiny Committees during the year, with

performance reports also presented to the Minister as part of the Challenge and Review meetings. A review of information reported during the year identified that updates on financial performance; progress against Business Plan priorities; and strategic risks were reported to Joint Committee meetings. In addition, the information reported also highlighted and explained exceptions and noted where corrective action would be taken.

- 5.5.3 Based on the above, it is considered that the information published during the year would provide opportunity for stakeholders to understand the CSC's performance and hold it to account.

Optimising achievement of intended outcomes

- 5.5.4 The CSC's Business Plan set out how the agreed 5% reduction in core funding would be delivered and managed during 2019/20.
- 5.5.5 With this context in mind, the CSC took steps to plan the allocation of resources and put in place arrangements to maximise its impact.

Maximising impact

- 5.5.6 In 2018-2019^[1], Welsh Government ceased the publication of any information related to the performance of Foundation Phase, Key Stage 2, Key Stage 3 and Welsh National Tests below the National level. As a consequence of this change, information relating to the performance of Local Authorities and Regional Consortia is no longer in the public domain and as such is removed from inclusion in this section of the report. In addition, the performance measures for Key Stage 4 were changed for reporting in summer 2019 and new interim performance measures were introduced that look at average points scores rather than threshold measures. Therefore, no trend information is available for Key Stage 4 interim performance measures in this report.

At KS4, the region exceeds the national performance for four of the five interim performance measures and is within 0.2 points for the remaining measure.

The gap in performance at KS4 between eFSM and non eFSM pupils in the region at KS4 is narrower than the national gap for two of the five interim measures and is wider than the national gap for the remaining three interim measures.

- 5.5.7 The individual Local Authority scrutiny committees have provided review and challenge on performance results during the year, either through their own work

^[1] All performance measures are as reported in the Summer Term 2019. (Academic Year 2018/19)

programme arrangements or as a result of in-year performance exceptions being scrutinised in more detail.

- 5.5.8 A co-ordinated scrutiny group consisting of all five local authority scrutiny chairs has provided limited review and challenge on performance and other areas of interest identified by Members.

5.6 **DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT**

Developing the entity's capacity

- 5.6.1 The CSC aims to ensure that staff have the skills, knowledge and capacity they need to discharge their responsibilities and recognises the value of well-trained and competent people in effective service delivery.

The Self Evaluation processes within the CSC ensure a rigorous assessment of the current position and areas for improvement. This evaluation is incorporated into service level planning processes as well as ensuring alignment with national and local authority priorities.

Effectively managing the workforce – the CSC has consistently become more efficient on a year-on-year basis, driven by both proactive and prudent management and also on-going reductions in funding, and at the same time:

- Supported an overall direction of travel of improved performance results in priority areas (see section 5.5.6);
- Continued to operate a system of agile working arrangements that has taken advantage of digital technology to help the CSC to work in new and different ways to meet school needs, reduce costs, support staff productivity and help contribute to a healthy work / life balance for employees. During 2019/20 the CSC also maximised the use of space within the Valleys Innovation Centre by downsizing to occupy one area of the building and in parallel introduced the use of Office 365 and Hwb⁸ to further improve digital competence of the workforce.
- Aligned the on-going modernisation of its arrangements to RCTCBC's Digital Strategy.

⁸ Hwb – digital platform for learning and teaching in Wales

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

- 5.7.1 The CSC's Legal Agreement, sets out the responsibilities of the Managing Director, the Joint Education Committee and Advisory Group (Schedule 2). A review of a sample of delegated decisions made during the year confirmed that decisions were approved by the designated Joint Education Committee members and employees.

Developing the capabilities of councillors

- 5.7.2 During 2019/20 specific training was provided to Members of the Joint Committee as well as local authority Scrutiny Members around the changes to the interim KS4 performance measures, with training provided by the CSC as well as Welsh Government facilitated sessions.

Developing the capabilities of employees

- 5.7.3 The CSC is committed to staff development, in line with business needs, to help ensure it has a 'fit for purpose' workforce. During the year this has included staff induction sessions, Leadership and Middle Management Development Programmes, Staff Briefings and a range of operational training such as Curriculum for Wales, National Mission and Lead Creative Schools, Schools as Learning Organisations and Initial Teacher Education. Staff development has been supported through induction sessions, RCT Manager Briefings and a range of relevant leadership training such as SLII (situational leadership), the ALN Bill and Wellbeing.

Proposal for Improvement

- 5.7.4 Build on the programme of training and support using the information gathered from the Consortia as a Learning Organisation to drive improvement areas and support distributed leadership and ownership of professional learning (taking into account new support requirements / delivery modules as a result of COVID-19).

5.8 **MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT**

Managing risk

- 5.8.1 During 2019/20 the CSC continued with the half termly updating of its risk change template in line with its business plan monitoring and risk policies. This

information was presented to the Senior Leadership Team for approval in readiness for the new academic year.

- 5.8.2 This risk change template is updated by all risk owners and then presented for review by the Senior Leadership Team. This is included within the CSC dashboard on a half termly basis. Following on from this it is issued to both Directors and Joint Committee meetings for final review. During the spring term the risk change template was presented to Directors on the 21 January 2020. Once this process is completed the risk register is finalised.

New risks were incorporated into the register during the year. For example, the CSC recognised there were insufficient leaders coming forward for headship posts in the region which significantly impacts on the capacity to improve in the region especially in faith, Welsh medium and small schools. This has been incorporated into the Risk Register, with accompany actions to address, and will be reported and monitored by the Joint Committee.

Managing performance

- 5.8.4 The 'Determining and planning interventions' section (5.5.1) of this Annual Governance Statement provides an overview of the CSC's Performance Management arrangements. Performance at strategic level is driven and measured through the CSC's drive teams. Five drive teams have been established to ensure the effective delivery and impact of the priority plans aligned to the 2019/20 CSC business plan.

Robust internal control

- 5.8.5 The membership and meeting frequency of the CSC's Joint Education Committee during 2019/20 was in line with the CSC's Legal Agreement.

Internal Audit

The Head of Internal Audit will present the Internal Audit Annual Report 2019/20, based on the work of Internal Audit during the year, to the Council's Audit Committee in due course. Subject to consideration and approval by Audit Committee, the draft conclusion of the Head of Internal Audit is '*...the overall system of internal control within the Council operated effectively during 2019/20 with no areas identified for improvement.*'

Managing data

- 5.8.6 An Information Management Plan is in place in RCTCBC that sets out the framework, including legal requirements, for information management within

the CSC. This work has been reviewed to ensure compliance with new GDPR regulations.

5.8.7 A review of arrangements in place during 2019/20 identified that they were in line with laid down requirements because:

- Key responsibilities were formally designated within the CSC: The CSC's designated Senior Information Management Risk Officer (SIRO) was the Managing Director or equivalent, there was an Information Management & Data Protection Act Officer within the host authority who reports to the Service Director – ICT and Digital Services;
- An Information Management Board was in operation in RCTCBC, Chaired by the SIRO, with the Board being supported by an Information Management Working Group;
- Information was available on the RCTCBC website in respect of Data Protection and Freedom of Information, and had in place a [Publication Scheme](#) (which has been adopted by the CSC) in accordance with the Council's responsibilities under the Freedom of Information Act 2000; and
- The Host Authority continued to secure its annual accreditation to the Public Service Network (PSN) in September 2019 i.e. The 'PSN' is the Council's connection to the wider public sector network (Council to Council, Council to Government e.g. Department for Work and Pensions) to enable the Council to communicate and share data securely across all public bodies.

Proposal for Improvement

5.8.9 The CSC should report on a periodic basis, for example annually, its work and performance around Information Management and provide opportunity for review and scrutiny by the Joint Education Committee. This would include:

- SIRO schedule should be agreed with RCT CBC;
- Update all General Protection registers;
- Update the Information Sharing Protocols; and
- Update all related data retention policies.

Strong public financial management

5.8.10 Schedule 5 of the Legal Agreement provides the framework within which the finances of the Joint Education Service operate. The Financial Protocol provides the financial framework and relationship between the Parties (the

Councils), the Host and the CSC. The following areas of business are documented in the Legal Agreement

- General Principles
- Contributions and charging mechanisms;
- Payment arrangements;
- Budgetary control & monitoring;
- Capital Expenditure & long term contracts;
- Annual Accounts & Audit; and
- Financial insolvency.

5.8.11 The Legal Agreement requires the Joint Education Committee to hold at least termly meetings throughout the year. Standard agenda items include a report from the Treasurer.

5.8.12 RCTCBC's Financial Procedure Rules provide guidance in relation to all financial matters. The CSC has adopted Rhondda Cynon Taf's Financial & Contract Procedure Rules – as confirmed in Section 17 (Schedule 4) of the Legal Agreement:

“Rules and Procedure

For the avoidance of doubt the Central South Consortium Joint Education Committee shall, where relevant and subject to the provisions of this Agreement, operate in accordance with the Host's schemes of delegation, Rules of Procedure and policies from time to time.”

5.8.13 Audit Wales⁹ audits the CSC's annual statement of accounts and the outcome from the audit being reported to the Joint Committee.

5.8.14 The CSC's financial and operational performance is monitored and scrutinised by the Joint Education Committee

The Joint Education Committee receives reports from:

- The Treasurer;
- The Managing Director; and
- Officers, relevant to the operations and governance of the organisation.

5.8.15 During 2019/20 the role of the Chief Financial Officer at RCTCBC was compliant with the principles of the CIPFA Statement – Role of the Chief Financial Officer in Local Government 2010.

5.8.16 **Internal Audit**

During 2019/20 Internal Audit reviewed one core financial system (i.e. the General Ledger) of the Central South Consortium Joint Education Service, in

⁹ Audit Wales – previously the Wales Audit Office

line with the agreed Internal Audit Annual Plan, and concluded there to be no material weaknesses.

5.8.17 **External Audit**

The latest audited statement of accounts (i.e. for the 2018/19 financial year) received an unqualified audit report (i.e. clean bill of health) and were approved at the meeting of the Joint Education Committee on 15th July 2019, this being in advance of the statutory deadline of 15th September. It is noted that the Treasurer to the Joint Committee reported to the 21st May 2019 meeting (in presenting the draft statement of accounts), 'Looking ahead, I consider the CSC continues to be well placed to meet the earlier timescales, as set out above, for the production and publication of Statement of Accounts in future years'.

5.8.18 The CSC has continued to publicly demonstrate its commitment to strong and responsible financial planning and management, and has supported this through the delivery of sound financial performance during a period of reducing budgets. This is because:

- The CSC has adopted a suite of protocols supporting strong financial planning and management, for example, 'Financial Procedure Rules' and 'Contract Procedure Rules', that were complied with during the year;
- The CSC set a Gross Revenue Budget in December 2018 for the financial year 2019/20 of £3,710,853, representing a reduction of 5% compared to the previous year. Financial performance results were publicly reported every term during the year and scrutinised by the Joint Education Committee. The final outturn position, subject to Joint Committee approval at the June 2020 meeting, demonstrates the delivery of a balanced budget for the 2019/20 financial year after setting aside specific earmark reserves to support the completion of activities that have been delayed as a result of COVID 19.
- The CSC is financially stable with General Reserve balances increasing slightly from £137k to £138k (subject to audit); having a track record over a number of years of setting and delivering balanced revenue budgets; and having 'clean bills of health' on its year end accounts when audited by the Audit Wales (previously Wales Audit Office).

5.8.19 The latest Wales Audit Office report 'Audit of Financial Statements Report and Management Letter' reported to Joint Education Committee on 15th July 2019 concluded that the accounting statements and related notes:

- Give a true and fair view of the financial position of the Central South CSC Joint Education Service as at 31 March 2019; and
- Have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018-19.

5.8.20 The 15th July 2019 Wales Audit Office report did not make any recommendations to be addressed by CSC and the Host Authority.

5.9 **IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY**

Implementing good practice in transparency and reporting

5.9.1 The CSC has implemented an open and consistent approach to reporting its business, as set out in sections 5.4 and 5.5 of this Annual Governance Statement, with the aim of helping to ensure information is understandable to stakeholders and that they have the opportunity to challenge the CSC's performance, plans and decisions.

5.9.2 A review of a sample of information reported to the Joint Education Committee has revealed that:

- Annual Reports and Plans are reported publicly, providing an overview of performance, for example, the Council's audited Statement of Accounts 2018/19 reported and approved by Joint Education Committee on 15th July 2019 in line with the statutory timeframe; and
- Use is made of electronic links within reports to provide the reader with more detailed information should they require it; and
- The minutes of meetings confirm that designated officers attend each meeting to orally present reports and answer questions, and a number of occasions were noted where updates were delivered via presentations, for example, using slides.

6. **OVERALL ASSESSMENT OF THE CONSORTIUM'S ARRANGEMENTS**

6.1 Based on the assessment undertaken, it is considered that the CSC's governance arrangements were fit for purpose and publicly demonstrated how they contributed to the delivery of improved school performance outcomes overall as set out in the Business Plan.

6.2 The overall conclusion has been based upon:

- An open approach to engaging with stakeholders, planning and delivering services, and reporting and scrutiny of the CSC's performance;
 - Clear arrangements for decision making that were supported by robust service management and financial management arrangements;
 - The reporting of understandable priorities and ambition, as set out in the CSC's Business Plan, with progress reports demonstrating an overall direction of travel of improvement in outcomes and performance at the same time as maintaining financial stability;
 - Sound arrangements to support elected Councillors and Officers in the effective discharge of their responsibilities and also in maintaining high standards of conduct when undertaking business on behalf of the CSC; and
 - A medium term approach to financial planning that helped inform strategic decision making and prioritisation of resources.
- 6.3 Notwithstanding this overall position, the assessment has identified areas where improvements are deemed necessary to further reinforce the effectiveness of the CSC's current arrangements. These are set out in Section 7.
- 6.4 Looking ahead, the robust governance arrangements in place within the CSC, together with implementing the proposals for improvement set out in Section 7, will be critical in supporting the organisation to re-model itself and also continue to provide an effective school improvement service during the recovery period from COVID 19.

7. **PROPOSALS FOR IMPROVEMENT**

7.1 Further to completing the assessment of the CSC's governance arrangements, Table 1 sets out proposals for improvement.

Table 1 – Proposals for Improvement

Core Principle / Area	Paragraph No.	Issue Identified	Proposal for Improvement	Timescale for Implementation	Responsible Officer
Ensuring openness and engagement	5.3.12	Build on the work of the independent review of the CSC during 2019/20 to further support decision making arrangements (carry forward from work undertaken during 2019/20)	Finalise the review the overall governance structure for the CSC to ensure increased engagement in the decision making process from Headteachers across the region in line with the requirements of the revised National Model for Regional Working when published and the recommendations from Joint Committee following the ISOS review	March 2021	Managing Director
Defining Outcomes	5.4.6	Further develop Medium Term Service and Financial Planning	Ensure resources are allocated / categorised over Business Plan priorities to demonstrate or otherwise the prioritisation of resources and set out service options in line with indicative funding allocations agreed by Joint Committee.	March 2021	Deputy Managing Director
Developing the capability of entity's	5.7.4	Consortia as a Learning Organisation	Build on the programme of training and support using the information gathered from the Consortia as a	March 2021	Deputy Managing Director

Tudalen 85

Core Principle / Area	Paragraph No.	Issue Identified	Proposal for Improvement	Timescale for Implementation	Responsible Officer
leadership and other individuals			Learning Organisation to drive improvement areas and support distributed leadership and ownership of professional learning (taking into account new support requirements / delivery modules as a result of COVID-19).		
Managing Risk Tudalen 86	5.8.9	Improve reporting framework for performance and information management systems (carry forward from work undertaken during 2019/20)	<p>The CSC should report on a periodic basis, for example annually, its work and performance around Information Management and provide opportunity for review and scrutiny by the Joint Education Committee. This would include:</p> <ul style="list-style-type: none"> • SIRO schedule should be agreed with RCT CBC; • Update all General Protection registers; • Update the Information Sharing Protocols; and • Update all related data retention policies. 	March 2021	Deputy Managing Director

7.2 The CSC's Senior Management Team has accepted the proposals for improvement and is committed to their implementation during 2020/21. The Senior Management Team has also confirmed that an update on progress will be reported to the Central South Consortium Joint Education Service Joint Committee during the year to enable Councillors to review and scrutinise the extent of progress being made.

Managing Director: _____ Section 151 Officer: _____

Chair, Joint Education Committee _____

APPENDIX A

PROPOSALS FOR IMPROVEMENT 2018/19 – POSITION STATEMENT

Core Principle / Area	Para No.	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer	Status
Behaving with integrity, demonstrating strong commitment to ethical values and representing the rule of Law	5.2.11	Support further improvement in the level of staff awareness and understanding of key policies / documentation.	Review and update the HR Charter and other CSC specific documentation and adopt the induction arrangements published by RCT.	September 2019	Assistant Business Manager	Implemented
	5.2.15	RCT CBC staff survey identified the need for further work to be undertaken across the Council to raise awareness of whistle-blowing and anti-fraud arrangements and provide staff with reassurance that they can report issues without repercussions.	Using the staff survey results (around whistle-blowing and anti-fraud, bribery and corruption), RCTCBC will deliver a targeted programme of awareness raising to those service areas identified as requiring support. A specific session / update will be arranged for CSC staff.	November 2019	Assistant Business Manager	On-going RCT Council have reviewed the results of the staff survey that was issued in 2018 and from that data it has been concluded that there are 'no pockets' of areas where awareness was low. The data indicates a general lack of awareness, rather than service specific. In order to

Core Principle / Area	Para No.	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer	Status
						address this a number of awareness raising actions have been progressed (as set out in paragraphs 5.2.7 and 5.2.8)
Ensuring openness and engagement Tudalen 89	5.3.11	Build on the work of the independent review of the CSC during 2018/19 to further support decision making arrangements	The overall governance structure of the CSC requires reviewing to ensure increased engagement in the decision making process from headteachers across the region in line with the requirements of the revised National Model for Regional Working when published.	January 2020	Acting Managing Director	In progress
Defining Outcomes	5.4.6	Ensure the CSC's Business Plan is effective and reflects the National Model and agreed outcomes from the independent review.	Further develop the Medium Term Financial Plan during 2019/20 to ensure resources are allocated / categorised over Business Plan priorities to demonstrate or otherwise the prioritisation of	November 2019	Acting Managing Director	Implemented

Core Principle / Area	Para No.	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer	Status
Tudalen 90			<p>resources. Proposals for revisions to service delivery will be discussed with Chief Executives and Directors in light of any published revisions to the National Model for Regional Working and in light of any recommendations agreed by Joint Committee following the independent review.</p> <p>Consideration will also be given to whether the business planning cycle can be more closely aligned to the budget setting process within Welsh Government.</p>			
Developing the capability of entity's leadership and other individuals	5.7.4	Ensuring elected Members are kept up to date with changes to performance measures.	Build on the programme of training and support for elected Members to support understanding of the changes to performance measures and the information that will	July 2019	Temporary Assistant Director	Implemented

Core Principle / Area	Para No.	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer	Status
			be available to scrutiny groups in light of these changes.			
Managing Risk	5.8.3	Ensure the CSC's risk policy is further developed to prioritise attention on key risks.	Moving into the 2019/20 business planning window, the reporting of risk will become more focussed, building on the proposal from directors to remove the need to report on risks considered of low likelihood and impact. This will ensure that the risk change template will focus on risks considered, medium, high or critical.	November 2019	Operations Manager	Implemented
	5.8.9	The CSC should report on a periodic basis, for example annually, its work and performance around Information Management and provide opportunity for review and scrutiny by the Joint	<ul style="list-style-type: none"> • SIRO schedule agreed with RCT CBC. • Update all General Protection registers. • Update the Information Sharing Protocols. • Update all related data retention policies. 	November 2019	Operations Manager	In progress

Tudalen 91

Core Principle / Area	Para No.	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer	Status
		Education Committee.				

The independent auditor's report of the Auditor General for Wales to the members of Central South Consortium Joint Education Service Joint Committee

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Central South Consortium Joint Education Service Joint Committee for the year ended 31st March 2020 under the Public Audit (Wales) Act 2004.

The Central South Consortium Joint Education Service Joint Committee financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Central South Consortium Joint Education Service Joint Committee as at 31st March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Central South Consortium Joint Education Service Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about Central South

Consortium Joint Education Service Joint Committee ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The responsible financial officer is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020;
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Central South Consortium Joint Education Service Joint Committee and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
or
- I have not received all the information and explanations I require for my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Central South Consortium Joint Education Service Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, set out on page 10 and 11, the responsible financial officer is responsible for the preparation of the statement of accounts, Central South Consortium Joint Education Service Joint Committee, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the Central South Consortium Joint Education Service Joint Committee ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Anthony J Barrett
For and on behalf of the Auditor General for Wales
XX September 2020

24 Cathedral Road
Cardiff
CF11 9LJ

Glossary of Terms

Accrual

An accrual is a sum shown in the accounts representing income or expenditure relating to the accounting period, which had not actually been received or paid as at the date of the Balance Sheet.

Actuary

An actuary is an individual or organisation that calculates insurance premiums and liabilities and pension obligations.

Audit

An audit is an independent examination of activities.

Budget

A budget (or estimate) is a plan of income and spending. Actual expenditure is subsequently monitored against this plan.

Capital Expenditure

Capital expenditure is spending on long-term assets. These are assets that will be used for several years in the provision of services and are items such as buildings, equipment and vehicles.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is responsible for issuing financial guidance to public bodies.

Creditor

A creditor is an organisation/individual owed money by the Council at the end of the financial year for goods/services received.

Current Assets

These are short-term assets that are available for the Council to use in the following accounting period.

Current Liabilities

These are short-term liabilities that are due for payment by the Council in the following accounting period.

Debtor

A debtor is an organisation/individual who owes the Council money at the end of the financial year for goods/services received.

Defined Benefit Scheme

A defined benefit pension scheme is one that bases retirement benefits upon Career Average Re-valued Earnings.

Defined Contribution Scheme

A defined contribution scheme is a type of retirement plan in which the amount of the employer's annual contribution is specified. Benefits are based on the amounts credited to these accounts (through employer

contributions and, if applicable, employee contributions) plus any investment earnings. Only employer contributions to the account are guaranteed, not the future benefits.

Depreciation

Depreciation is the estimated loss in value of tangible long-term assets that are presented in the Balance Sheet.

Earmarked Reserves

These are reserves set aside for a specific purpose.

Financial Year

This is the accounting period. For local authorities it starts on 1st April and finishes on 31st March of the following year.

HMRC

Her Majesty's Revenue and Customs.

International Accounting Standard (IAS)

Financial Regulations to be followed as set by the International Accounting Standards Board (IASB).

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards are produced by the IASB (International Accounting Standards Board) with the aim of ensuring consistency within the countries adopting the standards.

Inventories

Inventories are raw materials purchased for day-to-day use. The value of these items that have not been used at the end of the financial year are shown as current assets in the Balance Sheet.

Leasing

This is a method of financing expenditure by paying the owner to use property or equipment for a number of years.

Lessee

User or renter of the leased asset or property. In case of capital leases, the lessee is also the 'debtor' to the lessor.

Lessor

Owner or the title holder of the leased asset or property. The lessor is also the lender and secured party in case of capital leases and operating leases.

Liability

A liability is an obligation to transfer economic benefits as a result of past transactions or events.

Long-Term Asset

These are assets that are used in the provision of services (usually for more than one year).

Net Realisable Value

The selling price of an asset, reduced by the relevant (direct) cost of selling it.

Operating Leases

These are leases where risks of ownership of the asset remain with the owner.

Post Balance Sheet Events

Post Balance Sheet items are those that arise after the Balance Sheet date. These are items that did not exist at the time the Balance Sheet was prepared but should be disclosed if they are relevant to the understanding of the accounts.

Projected Unit Method

An actuarial method of calculating the liabilities of a pension scheme which allows for projected future increases in pensionable pay up to retirement or date of leaving service.

Provision

A provision is an obligation to transfer economic benefits as a result of past events where a reliable estimate can be made of the obligation, but the amount or timing of which cannot yet be determined accurately.

Related Party

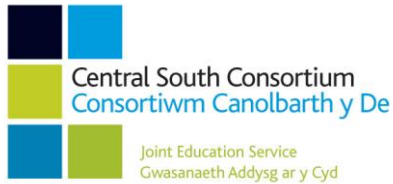
A related party exists where there is control or influence by one party over another.

Strain on Funds

When an employee retires early and is immediately paid a pension, without actuarial reduction, the lost contribution income and interest cost arising from the associated earlier increased cash flow is referred to as pension strain cost. The pension strain cost is determined by actuarial calculation.

Welsh Government (WG)

The Welsh Government is the devolved Government for Wales. The Welsh Government consists of the First Minister, Welsh Ministers, the Counsel General and Deputy Ministers. They are supported by Civil Servants who work across devolved areas of public life such as health, education and the environment.



CENTRAL SOUTH CONSORTIUM REPORT FOR JOINT COMMITTEE

15TH JUNE 2020

JOINT EDUCATION SERVICE

REPORT OF THE MANAGING DIRECTOR – 2019/20 INTERNAL AUDIT REPORT

Author: Louise Blatchford, Deputy Managing Director

1. PURPOSE OF REPORT

- 1.1 To consider the Internal Audit report issued by Rhondda Cynon Taf County Borough Council's Internal Audit Service to the Central South Consortium during 2019/20.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review the Internal Audit Report issued during 2019/20 and determine whether there are any matters of governance or an internal control nature that require further action or attention.

3. BACKGROUND INFORMATION

- 3.1 The Central South Consortium is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of those functions.
- 3.2 One aspect of governance is the system of internal control and Rhondda Cynon Taf County Borough Council's Internal Audit Service undertake audit work each year to independently assess the adequacy of this area from a financial administrative perspective. This work is undertaken in line with the Legal Agreement for the Central South Consortium.

- 3.2 Members will be aware the Central South Consortium is also responsible for undertaking an assessment of its governance arrangements each year, including the system of internal control, the findings from which are set out in an Annual Governance Statement (AGS). The conclusions from Internal Audit's work during 2019-20 will form part of the AGS for this period (with the AGS being reported to the 15th June 2020 Joint Committee meeting).

4. INTERNAL AUDIT REPORT ISSUED IN 2019/20

- 4.1 For the 2019/20 financial year, Rhondda Cynon Taf County Borough Council's Internal Audit Service reviewed one core financial system in line with its approved Annual Audit Plan. Details of the outcome of the review are set out in Table 1 and a copy of the full report is included at Appendix 1.

Table 1 – Internal Audit Report Issued in 2019/20

Internal Audit Report Issued	Conclusions	Number of Recommendations Reported	Number of Recommendations Implemented
General Ledger	Effective	0	0

5. CONCLUSIONS

- 5.1 Internal Audit play an important role in providing independent assurance on the systems of internal control operating within the Central South Consortium.
- 5.2 Based on the work undertaken by Rhondda Cynon Taf County Borough Council's Internal Audit Service during the year, no recommendations for improvement were deemed necessary in respect of the Consortium's internal control arrangements.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

15th JUNE 2020

CENTRAL SOUTH CONSORTIUM JOINT COMMITTEE

List of background papers

Freestanding matter

Officer to Contact:

Louise Blatchford
Tel no. 01443 281400

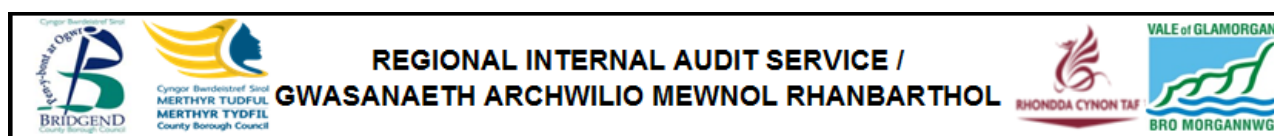
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Rhondda Cynon Taf CBC
Internal Audit Final Report

CSC - GENERAL LEDGER

MANAGEMENT IN CONFIDENCE

Date of Audit:-	March / April 2020
Auditor(s):-	Andrew Hopkins – Lead Auditor Lisa Cumpston - Review Manager
Report Distribution:-	Louise Blatchford – Deputy Managing Director Craig Flynn – Senior Accountant Alyson Price – Assistant Business Manager (See full distribution list in Section 3)
Date of Issue:-	7th May 2020



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3. Audit Approach	3
4. Audit Opinion	4

1. INTRODUCTION

- 1.1 The Central South Consortium Joint Education Service (CSC) has been set up by the 5 Local Authorities of Bridgend, Cardiff, Merthyr Tydfil, Rhondda Cynon Taf, and Vale of Glamorgan, working in partnership to deliver ambitious new arrangements for school improvement.
- 1.2 The Consortium went into operation with effect from September 2012, and covers the needs of all schools and pupils in the region. The purpose of the Consortium has been defined as to raise standards and build upon success through purposeful collaboration between Local Authorities, effective partnership with schools and a rigorous pursuit of excellence.
- 1.3 This Internal Audit review focused on the general ledger.
- 1.4 The purpose of the general ledger is to record all financial transactions and provide information for the preparation of Management Accounts, Final Accounts and Financial Returns. In order to maintain proper financial control and protect the integrity of the Ledger, it is essential that adequate accounting routines are in operation.

2. SCOPE & OBJECTIVES

- 2.1 The checklist for the general ledger comprises of 30 standards. Audit testing was carried out on these standards for transactions undertaken in 2019/20.
- 2.2 The primary purpose of the audit review was to provide management with an opinion on the adequacy and effectiveness of the internal control systems operating within the general ledger. The objective of the review was to:
 - Assess the standards set out in the checklist and conclude on the adequacy and effectiveness of the controls in operation.

3. AUDIT APPROACH

- 3.1 Having agreed the objectives, fieldwork took place.
- 3.2 A draft report was prepared and provided to management for review and comment with an opportunity given for discussion or clarification if required.
- 3.3 This final report has been issued electronically to the following Officers:
 - Managing Director (Central South Consortium).
 - Deputy Managing Director (Central South Consortium).
 - Director of Finance & Digital Services (Rhondda Cynon Taf County Borough Council).
 - Service Director – Finance & Improvement Services (Rhondda Cynon Taf County Borough Council).
- 3.4 This Internal Audit report should be presented to the Central South Consortium Joint Education Service Committee.

4. AUDIT OPINION

- 4.1 Overall the control environment for the General Ledger and Accounting framework is considered to be effective with Civica Financials being used which meets statutory, management accounting and reporting requirements.
- 4.2 Civica Financials is able to provide revenue, capital and joint committee accounts as required by statute.
- 4.3 The budget for 2019/20 was agreed by the Joint Committee on the 19th December 2018. Civica Financials was updated with the agreed budgets to enable accurate budget monitoring to take place on 30th April 2019 (core budget) and 13th November 2019 (grants budget).
- 4.4 Ledger input / output is controlled, secure, timely and appropriate to the needs of all users. In particular, Feeders and Journal Transfers are promptly and accurately actioned by officers with delegated responsibility and evidence to support these transactions was always retained.
- 4.5 All transactions in Civica Financials have a clear audit trail, which highlights each transaction's unique reference number, date / time, and the identity of the individual who carried out the transaction.
- 4.6 Civica Financials is able to apply its own validity tests on data received from feeder systems to ensure codings are correct. Any invalid codes entered into Civica Financials are promptly investigated and rectified from suspense codes by authorised officers to ensure that the budgetary information in the system is accurate and up to date.
- 4.7 There are no findings or recommendations contained in this report.

ACKNOWLEDGEMENTS

A number of staff gave their time and cooperation during the course of this review. Internal Audit would like to record its thanks to all individuals concerned.



**CENTRAL SOUTH CONSORTIUM
REPORT FOR JOINT COMMITTEE**

15TH JUNE 2020

JOINT EDUCATION SERVICE

**REPORT OF THE MANAGING DIRECTOR – 2019/20 FREEDOM OF
INFORMATION REQUESTS (FOIs)**

Author: Louise Blatchford, Deputy Managing Director

1. PURPOSE OF REPORT

- 1.1 To consider the Freedom of Information Requests received and responded to by Central South Consortium during 2019/20.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Review the Freedom of Information Requests received and responded to by Central South Consortium during 2019/20 and determine whether there are any matters arising that require further action or attention.

3. BACKGROUND INFORMATION

- 3.1 The Central South Consortium is responsible for adhering to the Freedom of Information Act 2000 which enforces rights of access applicable to all information held by public authorities. The Act applies to all information no matter how recent or how old, held by Central South Consortium, in a recorded form, at the time a request is received.
- 3.2 Responding to a Freedom of Information Request in accordance with the Act is a statutory obligation and there are consequences for Central South Consortium if it fails to comply with those obligations.

3.3 All Freedom of Information requests must adhere to the following restrictions :-

- Must be in writing, which includes faxes, e-mails and those made via social media
- Must give a name and correspondence address for the applicant. Again, an e-mail address will suffice.
- Must describe the information being requested. However, the applicant does not have to say why they require the information.

3.4 All staff within Central South Consortium will comply with the Act and be able to correctly identify a Freedom of Information Request when received. Such requests should be forwarded to the Central South Consortium Communications Team to ensure the request is logged and acknowledged. A clear decision-making structure has been established, to ensure that decisions relating to the release, or withholding, of information are taken at the appropriate level. The key steps that have to be incorporated into the process are:

- Receiving and acknowledging the requests
- Transferring to appropriate officers
- Considering whether any relevant exemptions apply
- Consulting with third parties
- Estimating and recovering costs (if applicable)
- Tracking progress
- Producing partially disclosed documents
- Authorisation to release response
- Despatching to applicant within the timeframe i.e. 20 working days

4 FREEDOM OF INFORMATION REQUESTS 2019/20

4.1 For the 2019/20 financial year, Central South Consortium have received 2 Freedom of Information Requests. A summary of the requests are set out in Table 1. For ease of reference, Table 1 also notes the appendix referenced to the full requests received (that are appended to this report)

Table 1 – 2019-20 Freedom of Information Requests

Date Received	Nature of Request	Date Response sent - within Timeframe?	Appendix Reference
15/05/2019	Expenditure on PDG CLA conference	06/06/2019 Yes, within timeframe	1
17/10/2019	CSC budget and spend including income for 2018/19, 2017/18 and 2016/17	04/11/2019 Yes, within timeframe	2

4.2 All Freedom of Information Requests were dealt with within the required timescales and no subsequent queries were received.

5 CONCLUSIONS

5.1 Central South Consortium is in compliance with the Freedom of Information Act 2000 and recognises the importance of its obligations.

Appendix 1

Request

Please note this was a further request in response to information that was shared with this person during the previous financial year.

(Translated into English below as original email was received in Welsh)

Annwyl Lloyd

Ymddiheuriadau am yr oedi wrth gysylltu nol. Mae'r cyfanswm o'r gynhadledd PDG CLA yn Stadiwm Dinas Caerdydd dipyn yn uwch nag enghreifftiau eraill. A fyddai modd rhoi ffigurau mwy manwl o'r gwariant hwnnw os gwelwch yn dda – gan gynnwys:

1) Ydy hyn yn cynnwys costau rhyddhau staff neu gyflogau athrawon llenwi?

Mae nodyn o dan y tabl yn dweud: *Where applicable **Total Expenditure** includes the cost to release school based staff to attend the conference/event.*

2) Dyddiad a hyd y gynhadledd

3) Nifer oedd yn bresennol

Many thanks

XXXXXXX

Dear Lloyd

Apologies for the delay in getting back to you. The total for the PDG CLA conference in the Cardiff City Stadium is quite a bit higher than the other examples. Would it be possible to give more accurate figures of that spending please, including:

1) Does this include the costs of releasing staff or salaries for supply teachers?

A note under the table says: *Where applicable **Total Expenditure** includes the cost to release school based staff to attend the conference/event.*

2) Date and length of the conference

3) Numbers of attendees

Many thanks

XXXXXXX

Response

Hello,

Unfortunately the costs of PDG CLA conference were overstated due to an oversight, the tables have now been corrected as per below. The reason this Conference cost are much are higher than the other events is due to the PDG Conference being arranged to cover 2 foci thus was a full day event. Also, due to the importance of staff turnout at the event CSC made the decision to pay staff supply for schools to release their teachers to attend, this is not standard approach for our events.

In relation to your specific queries :-

1) Does this include staff release costs or teachers' salaries? Staff release costs

A note under the table states: Where applicable *Total Expenditure includes the cost to release school based staff to attend the conference/event.*

2) Date and duration of conference - 1 day conference - 29th January 2018

3) Number of people present – 132 school delegates

1. Details of individual conferences/staff events including 1) name/type of event 2) location 3) total expenditure 4) specific spend on food and refreshments

Where applicable **Total Expenditure** includes the cost to release school based staff to attend the conference/event.

Details of Individual conferences / Staff Events				
Name	Type of event	Location	Total Expenditure	Specific spend on food and refreshments
HLTA Conference	Conference	Raddison Blue Hotel, Cardiff	£ 9,022	£ 3,600
PDG CLA	Conference	Cardiff City Stadium	£ 39,331	£ 7,555
MFL KS2 Event	Conference	Cardiff City Stadium	£ 9,460	£ 4,830
EAL Conference	Conference	Cardiff City Stadium	£ 19,419	£ 5,160
ALN Conference	Conference	CSC - Ty Dysgu	£ 3,854	£ 2,595
Governor Conference	Conference	Cardiff City Stadium	£ 15,080	£ 10,500

2. Details of payments to **guest speakers/hosts** at your events including 1) name of recipient 2) nature of contribution 3) location of event 4) fee

Details of payments to guest speakers/hosts at your events				
Name	Nature of contribution	Location of event	Fee - Guest Speakers	Fee - Hosts
HLTA Conference	Keynote speaker	Raddison Blue Hotel, Cardiff	£ 1,403	£ 738
PDG CLA	Keynote speaker	Cardiff City Stadium	£ 964	£ 5,171
MFL KS2 Event	n/a	Cardiff City Stadium	£ -	£ 4,535
EAL Conference	n/a	Cardiff City Stadium	£ -	£ 3,855
ALN Conference	n/a	CSC - Ty Dysgu	£ -	£ 1,194
Governor Conference	n/a	Cardiff City Stadium	£ -	£ 2,705

Key	
HLTA	Higher Level Teaching Assistant
PDG	Pupil Development Grant
CLA	Children Looked After
MFL	Modern Foreign Languages
EAL	English as an Additional Language
ALN	Additional Learning Needs

Appendix 2

Request

Good afternoon,

I am writing to you to invoke my right to request the following information under the freedom of information act:

The Central South Consortium Budget and spend including income for the following years: 2018/19, 2017/18 and 2016/17.

Please use this email address for correspondence: xxxxxxxx

Many thanks,

XXXXXXXX

Response

Dear XXXXXXXX

Thank you for your freedom of information request. Please find the information you requested regarding Central South Consortium budget and spend including income for the following years: 2018/19, 2017/18 and 2016/17 in the table below:

	2016/2017		2017/2018		2018/2019	
	Budget	Spend / Income	Budget	Spend / Income	Budget	Spend / Income
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Employees	6,756	6,782	6,988	6,955	6,622	6,762
Premises	593	593	562	517	286	317
Transport	74	58	51	51	55	48
Supplies & Services	76,643	76,894	75,662	75,826	74,957	75,464
Support Services	1,253	1,139	348	348	120	123
Third Party Payments	160	152	122	118	437	437
	85,479	85,618	83,733	83,815	82,477	83,151
Income						
Local Authority Contributions	- 4,195	- 4,195	- 3,986	- 3,986	- 3,906	- 4,557
Grants & Other Income	- 81,284	- 81,423	- 79,747	- 79,836	- 78,571	- 78,595
	- 85,479	- 85,618	- 83,733	- 83,822	- 82,477	- 83,152

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

15th JUNE 2020

CENTRAL SOUTH CONSORTIUM JOINT COMMITTEE

List of background papers

Freestanding matter

Officer to Contact:

Louise Blatchford
Tel no. 01443 281400

Ar gyfrif paragraff(au) 14 Rhan 1 o Atodlen 12A
o Deddf Llywodraeth Leol 1972.

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