

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2022/23

<p>GOVERNANCE AND AUDIT COMMITTEE</p> <p>18th JULY 2022</p>	<p>AGENDA ITEM NO. 8</p>
<p>REPORT OF THE DIRECTOR OF FINANCE AND DIGITAL SERVICES</p>	<p>DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22 – RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL</p>

Author: Paul Griffiths (Service Director – Finance & Improvement Services)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide Members with the Council’s draft Annual Governance Statement for the 2021/22 financial year.

2. RECOMMENDATIONS

In order for the Governance and Audit Committee to discharge the duties as outlined in Section B¹ of its Terms of Reference, it is recommended that Members:

- 2.1 Critically review the Annual Governance Statement (**Appendix 1**), suggest any material amendments and recommend its certification by the Leader of the Council and the Chief Executive for inclusion within the Council's 2021/22 certified draft Statement of Accounts.
- 2.2 In the event that reports from relevant External Inspectors be provided to the Council before the Statement of Accounts are approved, authorise the Director of Finance and Digital Services to include reference within the Annual Governance Statement.

¹ Governance and Audit Committee Terms of Reference (Section B) - *To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account Internal Audit’s opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control.*

3. REASON FOR RECOMMENDATIONS

- 3.1 To ensure the Council's Annual Governance Statement is reviewed and approved for inclusion within the draft statement of accounts.

4. BACKGROUND

- 4.1 Section 3.7 of the 'CIPFA / LASAAC² Code of Practice on Local Authority Accounting in the United Kingdom' states:

'The Accounts and Audit (Wales) Regulations 2018 (regulation 5) requires 'an authority to conduct a review at least once a year of the effectiveness of its system of internal control and include a statement reporting on the review within any published Statement of Accounts'.

The preparation and publication of an Annual Governance Statement in accordance with 'Delivering Good Governance in Local Government: Framework (2016)' would fulfil the statutory requirements across the United Kingdom for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review in its Statement of Accounts'.

Delivering Good Governance in Local Government: Framework 2016

- 4.2 The main principle underpinning the Framework is that local government is continuing to develop and shape its own approach to governance, taking account of the environment in which it operates. It intends to assist authorities in reviewing their own arrangements and to do this has defined Core Principles, Supporting Principles and Sub-Principles that should underpin governance arrangements.
- 4.3 The framework recommends that Annual Government Statements do not need to describe in detail the authority's governance arrangements but should provide a review of their effectiveness in supporting planned outcomes. As such the framework positions the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance processes and structures.
- 4.4 In addition to the above, CIPFA has published Bulletin 06 – 'Application of the Good Governance Framework 2020/21', providing guidance on the impact of the Covid-19 pandemic on governance in local government bodies and also the CIPFA Financial Management Code 2019, both of which should form part of local authorities' review of governance arrangements for the period April 2021 to March 2022.

² CIPFA / LASAAC – the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC)

- 4.5 The Annual Government Statement should be signed by the leading member and chief executive on behalf of the authority, be approved at a meeting of the authority and be included within the Statement of Accounts and Annual Report (either in full or summary form) of the authority.

5. DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22

- 5.1 The Council's draft Annual Governance Statement 2021/22 is set out at Appendix 1 and has been compiled in accordance with 'Delivering Good Governance in Local Government: Framework (2016)' and the CIPFA Bulletin 06.
- 5.2 The compilation of the draft Annual Governance Statement has entailed reviewing the activities in place around the Council's main governance arrangements as set out in the Local Code of Corporate Governance and associated key processes, engagement with senior officers across services in respect of these arrangements and taking account of the findings from a range of existing reports including external regulator reports. The review has also had regard to the impact of the coronavirus pandemic and cost of living crisis on the Council's governance arrangements.
- 5.3 The review has identified proposals for improvement that aim to further improve the governance arrangements in place within the Council and these are set out in Section 6 of the Annual Governance Statement.
- 5.4 Between the date of this Governance and Audit Committee meeting and the date the 2021/22 Statement of Accounts are approved, should any (relevant) reports be provided to the Council from its External Regulators, Members are requested to provide the Director of Finance and Digital Services with authority to include reference to such reports within the Annual Governance Statement. In the event that any reports identify significant governance issues then these will be considered at a Special Meeting of the Governance and Audit Committee where the implications on the overall conclusion can be debated.

6. EQUALITY AND DIVERSITY AND SOCIO-ECONOMIC DUTY IMPLICATIONS

- 6.1. There are no equality and diversity implications or socio-economic duty implications as a result of the recommendations set out in the report.

7. CONSULTATION

- 7.1 There are no consultation implications as a result of the recommendations set out in the report.

8. FINANCIAL IMPLICATION(S)

- 8.1 There are no financial implications as a result of the recommendations set out in the report.

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 The Accounts and Audit (Wales) Regulations 2018 (regulation 5) requires an authority to conduct a review at least once a year of the effectiveness of its system of internal control and include a statement reporting on the review (i.e. an Annual Governance Statement) within any published Statement of Accounts.

10. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 10.1 Delivery of all of the Council's priorities is underpinned by strong and robust governance arrangements.

WELL-BEING OF FUTURE GENERATIONS ACT

- 10.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risks to the achievement of objectives are being managed.

11. CONCLUSIONS

- 11.1 It is a legal requirement for the Council to conduct a review of its system of internal control at least once a year and report the outcome of that review in the form of an Annual Governance Statement. Once approved, the Annual Governance Statement is included within the Council's Statement of Accounts.
- 11.2 The Draft Annual Governance Statement for 2021/22 has been produced in accordance with the requirements contained within the 'Delivering Good Governance in Local Government: Framework (2016)', CIPFA Bulletin 06 and CIPFA Financial Management Code 2019, and is set out in Appendix A for consideration by the Governance and Audit Committee.

Other Information:-

Relevant Scrutiny Committee
Not applicable.

Contact Officer – Paul Griffiths

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

18th JULY 2022

**DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22 – RHONDDA CYNON
TAF COUNTY BOROUGH COUNCIL**

REPORT OF THE DIRECTOR OF FINANCE AND DIGITAL SERVICES

Author: Paul Griffiths (Service Director – Finance & Improvement Services)

Item:

**8 - DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22 – RHONDDA CYNON
TAF COUNTY BOROUGH COUNCIL**

Background Papers

None.

Officer to contact: Paul Griffiths

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22

1. INTRODUCTION

1.1 The Council's [Corporate Plan 2020 - 2024](#) 'Making a Difference' sets the overall direction for the Authority over a period of 4 years describing the vision, purpose and priorities to be delivered.

1.2 The Council's agreed vision, purpose and priorities are:

- Vision – ***To be the best place in Wales to live, work and play, where people and businesses are independent, healthy and prosperous.***
- Purpose - ***To provide strong community leadership and create the environment for people and businesses to be independent, healthy and prosperous.***
- Priorities:
 - Ensuring ***People***: are independent, healthy and successful:
 - Creating ***Places***: where people are proud to live, work and play: and
 - Enabling ***Prosperity***: creating the opportunity for people and businesses to: be innovative; be entrepreneurial; and fulfil their potential and prosper.

1.3 Underpinning the above priorities are the cross-cutting themes of '***Live within our means***' and '***Efficient and effective Council***' – both of which focus on robust financial planning and management arrangements to ensure the Council maintains its financial stability, is financially resilient and makes the best use of scarce resources.

1.4 This Annual Governance Statement sets out for the community, service users, tax-payers and other stakeholders the Council's governance arrangements together with a review of their effectiveness in managing risks of failure in delivering Corporate Plan priorities.

2. SCOPE OF RESPONSIBILITY

2.1 Rhondda Cynon Taf County Borough Council (RCT) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

2.2 In discharging this overall responsibility, the Council 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.

- 2.3 The Council, in compiling the Annual Governance Statement, has adopted the *Delivering Good Governance in Local Government: Framework (2016)* developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (Solace). In doing so, the Annual Governance Statement meets the Council's legal duty as set out in the Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 2.4 Regard has also been given to the CIPFA Bulletin 06 – 'Application of the Good Governance Framework 2020/21' in respect of conducting the review of the Council's governance arrangements for the 2021/22 financial year. This provides guidance on the impact of the continuing Covid-19 pandemic on governance in local government bodies (see paragraphs 5.3 – 5.7) and also the CIPFA Financial Management Code 2019 (see paragraphs 5.14.2 to 5.14.6), both of which should form part of local authorities' review of governance arrangements for the period April 2021 to March 2022.
- 2.5 The Council's Annual Governance Statement aims to provide an accurate representation of the governance arrangements in place for financial year ending 31st March 2022.

3. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 3.1 The governance framework comprises the systems, processes and cultural values by which the Council is directed and controlled, and the activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 3.2 For RCT governance is about ensuring that the Council does the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 3.3 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.
- 3.4 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's priorities, to evaluate the likelihood and impact of those risks materialising, and to manage them efficiently, effectively and economically.

3.5 The governance framework outlined below has been in place at RCT for the year ended 31st March 2022 (and up to the date of approval of the 2021/22 Statement of Accounts).

4. THE GOVERNANCE FRAMEWORK AND REVIEW ARRANGEMENTS

4.1 The Council has put in place a Local Code of Corporate Governance, in line with the seven principles set out in *The Delivering Good Governance in Local Government Framework (2016)*, to support its arrangements for ensuring sound governance.

4.2 The Council has responsibility for conducting, at least annually, an assessment of its governance framework including the system of internal control. Section 5 sets out a Review of Effectiveness for the 2021/22 financial year against the Local Code of Corporate Governance.

5. REVIEW OF EFFECTIVENESS

5.1 The Review of Effectiveness has entailed reviewing the activities in place around the Council's main governance arrangements, as set out in the Local Code of Corporate Governance and associated key processes, engagement with senior officers across services in respect of these arrangements and taking account of the findings from a range of existing reports including external regulator reports.

5.2 The Review of Effectiveness has also considered the impact of the Covid-19 pandemic on the Council's governance arrangements and more recently, the work being delivered by the Council to help communities manage the cost of living crisis.

Covid-19

5.3 The Covid-19 pandemic continued to be a central feature in service planning and delivery throughout 2021/22, as was the case in 2020/21, with services adapting and working flexibly to ensure the continued provision of essential services and responding to the needs of communities across the County Borough.

5.4 The committee and democratic processes of the Council were fully operational, this enabling transparent decision making, effective scrutiny and Committees fulfilling their responsibilities as set out in terms of reference.

5.5 Financial and performance management arrangements were in place to closely manage Council resources and service delivery, this being demonstrated via published quarterly / year-end performance reports and the external audit of the Council's Statement of Accounts. During this period, the Council delivered a number of financial support packages, funded by Welsh Government, to support residents and businesses, for example, Self-isolation Payments

(£4.6Million) and Emergency Non-Domestic Rates Scheme (£3.1Million) and ensured appropriate controls were in place for each package of support.

- 5.6 The pandemic also resulted in over £30Million of additional costs and income losses being incurred by the Council, for example, additional expenditure on staff cover costs for staff that were required to self-isolate, free school meal payments, additional cleaning costs and increased demand for services such as social care and homelessness; and loss of income due to the need to temporarily suspend or reduce services such as leisure centres, theatres and visitor attractions. The majority of additional costs and income loss incurred during 2021/22 was recovered via the Welsh Government Hardship Fund; however due to the Hardship Fund not continuing for 2022/23, the Council is monitoring the on-going impacts and financial implications of Covid-19 and will use any flexibility afforded within available reserves to transition any permanent additional costs into the base budget over the medium term.
- 5.7 The Council has transformed many services during the pandemic to meet the changing needs of communities through, for example, digital solutions, optimising the use of buildings and working with others. This will be an on-going programme of work and the Council will continue to analysis the impact of Covid-19 on residents and businesses, reflect required changes within its Corporate Plan priorities and ensure arrangements are underpinned by a robust governance framework.

Cost of Living Crisis

- 5.8 In March 2022 Welsh Government announced a package of measures to help people with support towards the cost of living, totalling £175Million across Wales, with Rhondda Cynon Taf allocated over £16Million. The Council has put in place appropriate internal controls to check eligibility and administer payments, when processed from April 2022 onwards, with the internal control arrangements being independently reviewed and signed off by Internal Audit.

Review of Effectiveness Against the Local Code of Corporate Governance

- 5.9 Each section of the Council's Local Code of Corporate Governance has been set out below, alongside other key governance arrangements, and a review of their effectiveness undertaken and proposals for improvement made, where deemed appropriate.

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

5.10.1 Good governance flows from a shared ethos and culture, as well as from systems and structures. As a public body, Rhondda Cynon Taf County Borough Council expects all representatives (i.e. Members and Officers) to conduct their duties with the highest levels of honesty and integrity.

Local Code of Corporate Governance Requirements	Sub-Principle ¹	Review of Effectiveness During 2021/22
Elected Councillor and Officer Codes of Conduct - setting out the standards of behaviour to be followed based on the principles of integrity, honesty, impartiality and objectivity.	Behaving with integrity	<ul style="list-style-type: none"> • The Council’s Constitution sets out the standards of behaviour expected of elected Councillors and Officers through Codes of Conduct and Rules of Procedure. • Committee meetings were held in line with the Council’s Code of Conduct, for example, declarations of interest were sought at each meeting and declarations made by elected Councillors. • All officers who started employment with the Council were provided with a local induction setting out, amongst other things, expected standards of behaviour.
Officer Guide.	Behaving with integrity	<ul style="list-style-type: none"> • Each new recruit is provided with a the ‘Basic Rules – A Guide for Employees’ booklet that gives each employee information in relation to (amongst other things) expected behaviour, use of social media, appearance and attendance. The expectations of each employee are therefore set out from the outset.
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.	Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> • The Council’s Constitution sets out the Rules of Procedure to be followed by elected Councillors and Officers when conducting the Council’s business. The arrangements, as set out in the Rules of Procedure, were compiled with during the year and publicly demonstrate an accountable and open approach in the delivery of Council services.

¹ Sub-principle – as set out in ‘*The Delivering Good Governance in Local Government Framework (2016)*’.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
<p>Standards Committee - the role of which includes, amongst other things, promoting and maintaining high standards of conduct by elected Councillors.</p>	<p>Demonstrating strong commitment to ethical values</p>	<ul style="list-style-type: none"> • A Standards Committee was in place during the year, its Terms of Reference supported by an agreed and published Work Programme for 2021/22 and the Committee met on 3 occasions. • The work programme gave focus to areas that promote high standards of conduct, for example, Public Services Ombudsman for Wales (PSOW) updates; consideration of Dispensation Applications; and reviewing and endorsing a Memorandum of Understanding developed by the Democratic Services Committee to promote diversity in democracy, promote high standards of behaviour and mutual respect between elected Councillors (the Memorandum of Understanding was subsequently endorsed by full Council in February 2022). • Information on the outcome of investigations undertaken by the PSOW relating to RCT Elected Members and Community/Town Councillors within RCT (for whom the Monitoring Officer has responsibility) were reported to the Standards Committee during the year (24th September 2021, 19th November 2021 and 16th March 2022 along with other relevant information i.e. Code of Conduct Casebook updates, Summary of Complaints and the PSOW Annual Report and Letter 2020/21).

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
<p>Comments, Compliments and Complaints – setting out how the Council handles and responds to feedback (complaints, compliments and comments).</p>	<p>Demonstrating strong commitment to ethical values</p>	<ul style="list-style-type: none"> • Arrangements were in place for Comments, Compliments and Complaints to be publicly reported and scrutinised by elected Members in the form of annual reports for the 2020/21 financial year: <ul style="list-style-type: none"> ○ Non-social services related - to the 21st September 2021 Overview and Scrutiny Committee meeting and the report concluded ‘<i>All customer feedback provides valuable information from which services can improve and develop. This data also enables services and the Council as a whole to better understand the needs of its residents and to assist in both the planning and delivery of essential services</i>’. ○ The PSOW Annual Letter to the Council and Annual Report were reported to the Council’s Cabinet on 15th November 2021. This report enabled Cabinet to further review and assess how the Council is managing, and learning from, the feedback it receives. The report highlighted that, ‘<i>in total, 5% of the Council’s cases during the period required PSOW intervention, compared against 12% as reported in the previous period, so a significant drop. The average intervention rate for local authorities was 13%</i>’. The Council has consistently been in the lower quartile, out of the 22 Welsh local authorities, in respect of the complaints it receives (as a proportion of complaints per 1,000 residents). ○ Social Services related - to the 4th October 2021 Cabinet meeting – the report concluded that Social Services continue to provide a robust and effective complaints procedure in line with the statutory requirements. • In line with the Local Government and Elections (Wales) Act 2021, the 26th May 2021 full Council meeting agreed to amend the terms of reference of the GAC to include responsibility for Complaints handling and an overview of the arrangements was reported to this Committee on 7th February 2022.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Gifts and hospitality Policy.	Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> • The Council has a Gifts and Hospitality Policy and arrangements were in place, via registers, to record gifts and hospitality in line with the Policy.
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 Council.	Respecting the rule of law	<ul style="list-style-type: none"> • The Council’s Whistle-blowing Policy and Procedure was updated and approved during the year and staff awareness was undertaken via a Council wide email to employees on 9th March 2022 and whistle-blowing was part of staff induction arrangements. • The 23rd March 2022 GAC meeting considered the Whistleblowing Annual Report 2021/22 and concluded that the Whistleblowing Policy and Procedure continues to be fit for purpose and that the Council’s whistleblowing arrangements are appropriate. • The arrangements in place demonstrate the Council’s commitment to promoting the highest standards of service and ensuring that workers know how they can bring matters of alleged wrongdoing to the attention of the Council.
Anti-fraud, Bribery & Corruption Strategy.	Respecting the rule of law	<ul style="list-style-type: none"> • Anti-fraud, Bribery and Corruption Strategy updates were reported to the GAC during the year (a mid-year update on 6th December 2021 and a year-end update including a proposed work programme for 2022/23 on 23rd March 2022). • The overall conclusion set out in the March 2022 report, based on the work undertaken during the year, was that the Council has taken necessary preventative steps to raise awareness around vigilance and appropriate sharing of intelligence across the anti-fraud network. This report was endorsed by the GAC.

5.11 Core Principle B. Ensuring openness and comprehensive stakeholder engagement

5.11.1 The Council is committed to being open and engaging effectively with stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
<p>A Publication Scheme that aims to advise citizens how to request public information the Authority holds.</p>	<p>Openness</p>	<ul style="list-style-type: none"> • The Council's website provided information on its Publication Scheme setting out the information published by the Council and how to access it, and also on the Freedom of Information Act 2000 that advised residents how to request public information that the Council may hold. <p><u>Freedom of Information</u></p> <ul style="list-style-type: none"> • The Council received 919 Freedom of Information (FOI) / Environmental Information Regulations (EIR) requests during the year. Updates were reported to the Council's Information Management Board on a quarterly basis to enable the Board to maintain an overview of the Council's compliance with the relevant legislation. • The Council received 6 complaints which had been referred to it by the ICO: 5 related to the timeliness of requests being responded to by the Council (all of which were subsequently responded to) and 1 where the ICO agreed that the Council did not hold the information. <p><u>Public Services Ombudsman for Wales (PSOW)</u></p> <ul style="list-style-type: none"> • The Ombudsman received 48 complaints relating to the Council: 37 cases where there was no investigation deemed required following review by the PSOW; 2 cases where apology letters were sent to the complainant; 7 cases referred back to be dealt with as part of the Council's complaint procedures; and 1 case on-going.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Clear and open Corporate & Service Specific Privacy Notices .	Openness	<ul style="list-style-type: none"> • The UK General Data Protection Regulation (GDPR) came into effect on the 1st January 2021 replacing the European Union GDPR. During 2021/22 the Council demonstrated compliance with the requirements of the UK GDPR: <ul style="list-style-type: none"> ○ Organisational governance was in place which included designated roles of Data Protection Officer and Senior Information Risk Owner. ○ Robust measures were in place that supported compliance with legislation, this included a Data Protection Register, Data Protection Impact Assessments, Privacy Notices, recording of personal data breaches, processing of information rights requests and appropriate interfaces with ICO.
Forward plans for Committee meetings together with the matters to be considered, where appropriate.	Openness	<ul style="list-style-type: none"> • The Council had in place published forward plans of Committee meetings together with the matters to be considered to, amongst other things, assist members of the public to engage in the democratic processes of the Council. This included for example: Full Council – work programme updates reported: 30th June 2021 and verbal updates to the 20th October 2021, 24th November, 15th December, 19th January 2022, 9th February and 9th March meetings; Cabinet – work programme updates reported: 17th June 2021, 21st September 2021 and 13th December 2021; and Overview and Scrutiny Committee - 5th July 2021 and a review of the work programme undertaken at the 9th December 2021 meeting (noting that the Overview & Scrutiny Committee also had a coordinating role to ensure there was no duplication of work across thematic scrutiny committees).

5.11.2 The Council also had in place a range of stakeholder engagement arrangements:

- Sub-principle: *Engaging Comprehensively With Institutional Stakeholders*: the Council is a substantive member of the Cwm Taf Public Services Board and actively engages to shape shared priorities, outcomes and allocation of resources, for example, the recently undertaken Well-being Assessment for Cwm Taf Morgannwg, for which the Council and its Joint Overview and Scrutiny Committee were involved in the working groups informing the work. Similar engagement takes place with Cwm Taf Morgannwg Regional Partnership Board, particularly around the allocation of the Regional Investment Funds. The Council also engages with partner organisations on specific areas where there are shared goals, such as, with the Health Service on developing an

integrated health and social care locality model and redesigning Community Mental Health Services; using RCT Neighbourhood Network Groups developed to support the Community Hub model that works with local community groups to meet identified needs, including a social prescribing model; and an integrated Substance Misuse Service and Community Safety Partnership.

- Sub-principle – *Engaging Stakeholders Effectively, Including Individual Citizens And Service Users*: the Council has a dedicated Lets Talk RCT engagement website that supports an on-going programme of engagement with residents, communities and Community Councils to find out what matters to them and use feedback to help shape services. During 2021/22 this included:
 - Lets Talk Budget – that helped inform the 2022/23 Revenue Budget Strategy.
 - Lets Talk Climate Change – this is helping to inform the Council’s programme of work to tackle climate change.
 - Lets Talk Active Travel – to inform plans for walking and cycling routes.
 - Lets Talk Welsh Language Strategy – to help inform where visitors to Rhondda Cynon Taf would like to see more Welsh language services.

5.12 Supporting Principles

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

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

5.12.1 The Council believes in open and robust decision-making arrangements to define, determine and deliver outcomes and provide opportunity for continual review to ensure outcomes are optimised.

Local Code of Corporate Governance Requirements	Sub-Principles	Review of Effectiveness During 2021/22
Performance Management Framework	Defining Outcomes / Determining Interventions / Planning Interventions	<ul style="list-style-type: none"> • The Council has in place a Performance Management Framework (PMF) that covers: the planning arrangements to enable the delivery of Corporate Plan priorities and how it will contribute to the delivery of the Cwm Taf Well-Being Plan; how the Council will meet its statutory reporting duties under the Well-being of Future Generations Act 2015; and roles and responsibilities. The Council's performance management arrangements for 2021/22 operated in line with the PMF. • The Council's three Corporate Plan priorities of People, Places and Prosperity are set out within the PMF along with the outcomes to be delivered within each priority and aligned with the performance reporting arrangements in place during the year. • The Council's Corporate Plan 2020 – 24 'Making a Difference' sets out: <ul style="list-style-type: none"> ○ The Vision for the County Borough in 2024 and the priorities and objectives it will focus on during this period. ○ Key outcomes the Council aims to deliver, across the three priorities, and the actions / interventions to be taken. ○ How the delivery of the Council's Corporate Plan will contribute to the seven national well-being goals within the Well-being of Future Generations Act 2015.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Corporate Plan and Service Delivery Plans	Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> • Corporate Plan updates were monitored and reported on a quarterly basis during the year and set out objectives and outcomes, detailed position statements on progress and exceptions to aid stakeholder scrutiny (see 'Quarterly Performance Report (including Risk Register up dates' section). • Service Delivery Plans were in place for each designated service area, following a review and sign-off process, and included detailed actions to support the delivery of Corporate Plan priority outcomes (as well as local / service specific actions and actions associated with the on-going recovery from the pandemic and key risks). Service Delivery Plans were monitored at a service level. • <u>Proposal for Improvement</u> - The collection and reporting of performance indicator information was necessarily paused during the pandemic due to the need to temporarily suspend some frontline service areas and / or changes in service delivery arrangements. For the 2022/23 financial year, the reporting of key performance indicator information should be reinstated to enable a full as picture as possible to be reported of performance.
Risk Management Strategy	Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • The Council's Risk Management Strategy was reviewed and updated in line with a 2020/21 Annual Governance Statement proposal for improvement and taking into account recommendations reported in the 2020/21 Internal Audit report 'Risk Management'. • The updated draft of the Risk Management Strategy was reviewed and endorsed by the GAC on 23rd March 2022 and will ensure the arrangements continue to be fit for purpose to support the delivery of Corporate Plan and Service priorities. • <u>Proposal for Improvement</u> – The Council's Strategic Risk Register requires review to take account of revisions incorporated within the updated Risk Management Strategy. The Strategic Risk Register should be reviewed and where appropriate, updated, taking into account the updated principles as set out in the Risk Management Strategy.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Quarterly Performance Report (including Risk Register updates)	Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • The Council’s Performance Reports were publicly reported to the Executive and the designated scrutiny committee on a quarterly basis, and provided updates on: Revenue Budget, Capital Programme and Treasury Management performance; Workforce (sickness absence and turnover) information; Corporate Plan updates for the 3 priorities of People, Places and Prosperity, and supported by detailed action plan updates for each priority; additional investment allocated to Corporate Plan priorities; Strategic Risk Register risks that could adversely impact the delivery of Corporate Plan priorities alongside mitigating actions; and enhancing the Council’s response to extreme weather events. • With specific regard to Corporate Plan priority updates reported, positive progress overall can be demonstrated alongside services continuing their recovery from the pandemic. • These arrangements were in line with the PMF and provided opportunity for stakeholders to hold the Council to account for its financial and operation performance. • In parallel with quarterly performance reporting arrangements, the GAC were provided with detailed risk management updates on 9th November 2021 (updated Strategic Risk Register for 2021/22), 7th February 2022 (Information Management) and 23rd March 2022 (updated draft Risk Management Strategy – see Risk Management Strategy section). These arrangements ensured the GAC was kept up to date with the Council’s risk profile and monitored the effectiveness of the risk management arrangements in place.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Annual Revenue Budget Strategy and three-year Capital Programme	Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • Full Council approved the 2021/22 Revenue Budget Strategy and 3-year Capital Programme (2021/22 to 2023/24) on 10th March 2021. <u>Revenue Budget Strategy 2021/22</u> • The 2021/22 Revenue Budget totalled £527.903Million, the broad objectives of which have been delivered during the year: <ul style="list-style-type: none"> ○ Support the delivery of Corporate Plan priorities (see Supporting Principles C and D - ‘Quarterly Performance Report (including Risk Register updates’). ○ Retain the support of Audit Wales for the approach the Council has adopted to securing strong financial management (see Supporting Principle F and paragraph 5.17.8). ○ Continue the delivery of our key services and protect as many local jobs as possible.- this being supported through additional investment in specific service areas and no cuts or reduction in service levels as part of the budget strategy. ○ Take a responsible approach to the level of Council Tax - supported by the Council having the lowest average Band D council tax increase for 4 years (2018/19 to 2021/22) and fifth lowest for 2022/23. • As part of formulating the 2021/22 Revenue Budget, the Council undertook a consultation exercise with local residents / stakeholders that included seeking feedback on the Council’s 3 Corporate Plan Priorities: 87% of respondents agreed with the priorities, 6% disagreed and 7% indicated ‘don’t know’. <u>Capital Programme (2021/22 to 2023/24)</u> • The Capital Programme (2021/22 to 2023/24) totalled £116.024Million and set out the capital investment priorities of the Council over a 3-year period with clear links to supporting the delivery of Corporate Plan priority areas. The programme also included £9.4Million of additional resources to support on-going improvement in services available to residents.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Medium Term Financial Plan	Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • The Council has well embedded Medium Term Financial Planning arrangements that inform budget setting arrangements and the allocation of resources, and drive a proactive approach in securing external funding. The latest Medium Term Financial Plan (July 2021) analysed the Council’s resources across Corporate Plan priority areas: 85% of the revenue budget and 98% of the capital budget were allocated to Corporate Plan priority areas. (See also section ‘Supporting Principle F’).
Scrutiny Committees	Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • The Council’s Finance and Performance Scrutiny Committee had designated responsibility, in line with its Terms of Reference, to: <ul style="list-style-type: none"> ○ Scrutinise the Council’s financial and operational performance (including Corporate Plan priority updates) on a quarterly basis. ○ Be a consultee as part of the Council’s annual budget consultation process. • Comprehensive information was reported to the Finance and Performance Scrutiny Committee to enable the Committee to fulfil its responsibilities, including training, and lines of enquiry raised by the Committee Members were addressed through the regular attendance of the relevant Cabinet Member and Council Officers. • The Council utilised its scrutiny committee arrangements to pre-scrutinise key areas of work prior to consideration by Cabinet, for example, the Overview and Scrutiny Committee pre-scrutinised the 21st Century Schools and Colleges Programme – Mutual Investment Model on 16th July 2021 and the Finance and Performance Scrutiny Committee pre-scrutinised the draft Digital Strategy 2022-2026 on 30th November 2021. • A Cwm Taf Public Services Board Joint Overview and Scrutiny Committee was in place, coordinated by the Council, to scrutinise the work of the Public Services Board and associated partnership working.

5.13 Supporting Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it

5.13.1 The Council puts in place appropriate structures and leadership, and invests in its workforce to support the achievement of its Corporate Plan and Service priorities. The arrangements are kept under on-going review to enable internal and external changes to be planned for, implemented and outcomes optimised.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Corporate and Service Self Evaluation process.	Developing the entity’s capacity	<ul style="list-style-type: none"> • The Council’s PMF sets out how it develops, plans and directs its capacity to support the delivery of Corporate Plan priorities and meet statutory requirements in respect of the Well-Being of Future Generations (Wales) Act 2015 and preparing for the introduction of the Local Government and Elections (Wales) Act 2021 through: <p><u>Service Self-Evaluation</u></p> <ul style="list-style-type: none"> ○ Completed on an annual basis (and is subject to a review, challenge and sign-off process by the Chief Executive / Senior Leadership Team) and has set out ‘How services are performing’, ‘how do they know’ and ‘what are they going to do to improve’, and taken account of key cross-cutting themes including Resources, Welsh Language and Equalities. ○ The outcome of the service self-evaluation process has informed Corporate Plan priority plans, service delivery plans (including identification of risk and mitigating actions) and individual performance review processes. ○ From a resource perspective, the Service Self Evaluation arrangements have informed medium to long term financial planning arrangements, for example: developing and delivering the Council’s digitalisation of services and asset management arrangements; an on-going focus on sustainable social services and investment in schools; further investment in public health services informed by the impact of the pandemic and also an on-going programme of work to tackle climate change; and service specific areas such as the impact of the Additional

		Learning Needs and Education Tribunal (Wales) Act 2018 Act, Flood Alleviation works and increasing the rates of recycling.
Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Corporate and Service Self Evaluation process (continued).	Developing the entity's capacity	<p><u>Corporate Assessment</u></p> <ul style="list-style-type: none"> ○ The Council's Corporate Assessment is an evaluation of the 'corporate body' of the Council and seeks to consider the extent to which corporate services are supporting the business of the Council to improve outcomes for residents and also enabling the Council to meet its statutory requirements. The last Corporate Assessment was reported in 2019 and an updated Corporate Assessment is to be reported in 2022.
Corporate Plan	Developing the entity's capacity	<ul style="list-style-type: none"> ● There continued to be strong and focussed leadership from the Cabinet and Senior Leadership Team in delivering Corporate Plan priorities, in parallel with supporting communities in their on-going recovery from the pandemic, and ensuring robust planning and monitoring arrangements were in place to enable the Council to 'live within its means'. This included: completion of key projects such as a new extra care facility in Pontypridd, a new supported accommodation scheme in Mountain Ash to support maintaining people's independence and the redevelopment of Llwynypia Courthouse (Tonypandy) providing over 100 people with flexible business space across a range of businesses; targeting resources in key areas such as vulnerable 5 to 14 year olds with care and support needs, helping children return to school who have increased anxiety levels as a result of the pandemic and helping people that are homeless; administering £27Million of financial support packages to residents and businesses, primarily funded by Welsh Government, to provide help and assistance during the pandemic and the cost of living crisis; and a focus on collaboration and partnership working such as via the Cardiff Capital Region City Deal. ● Detailed updates on the delivery of the Council's Corporate Plan priorities were reported and scrutinised by the Council's Cabinet and Finance and Performance Scrutiny Committee on a quarterly basis during the year (see also Supporting Principles C and D).

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Workforce Plan 2017-22.	Developing the entity's capacity	<ul style="list-style-type: none"> • The Council's Workforce Plan 2017-22, set priorities that align to the Council's Corporate Plan in terms of developing a flexible and agile workforce that shares organisational knowledge; recruiting and retaining the best talent to create a diverse workforce; leadership and management development; enabling a high performing, engaged and committed workforce; and supporting health and wellbeing to maximise attendance. • Workforce planning, linked to the impact of the pandemic, has been identified as a risk within the Council's Strategic Risk Register, and updates were reported on a quarterly basis during the year as part of performance reporting arrangements. • Officers across services work closely with Human Resources and Finance officers to review and reconfigure staffing structures on an on-going basis to ensure provision aligns with need and support more efficient service delivery arrangements. In parallel, there was on-going investment in apprentices and graduates in line with service workforce requirements. • During 2021/22 staff development has been supported virtually through induction sessions, Leadership and Middle Management Development Programmes, Manager Briefings, 'Joint Cabinet and Senior Officer meetings' and a range of operational training such as health and safety, information management and dignity at work. This was supported by a Training Compendium that brought together all training available within the Council.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Programme of elected Councillor and Officer training and development.	Developing the capability of the entity's leadership and other individuals	<p><u>Elected Councillors</u></p> <ul style="list-style-type: none"> • A Member survey was undertaken in April / May 2021 to ensure the Council continued to provide appropriate support to all elected Members. Overall 42 Members provided feedback that included: <ul style="list-style-type: none"> ○ 88% indicated that a hybrid approach to committee meetings would be the preference. ○ 100% of responses indicated that Members were happy with the support provided in respect of committees, scrutiny, general member support provision, member updates and research facilities. ○ 90% were content with the level of training provided. ○ Areas for development were: an etiquette policy to ensure appropriate conduct at all committee meetings is adhered to; Member updates and ward specific updates through the Members Portal. These areas of development have been progressed during the year. • There has been continued focus on supporting the capabilities of elected Members through Personal Development Reviews, specific requests from Committees and also support provided on a 1 to 1 basis. The support arrangements have included: overview of scrutiny arrangements and roles and responsibilities; refresher code of conduct training; and Welsh Language and Treasury Management training and ICT related support (bitesize courses on Zoom / Teams training, introduction to ipad and staying safe in a virtual word and digital accessibility tools). Opportunity has also been taken to deliver training both face to face and virtually. • Work continued to develop the Members Portal and access has been provided to elected Members following the Local Government elections in May 2022. • Preparatory work was undertaken on a new Member induction programme following the Local Government elections in May 2022. <p><u>Officers</u></p> <ul style="list-style-type: none"> • As set out in the 'Workforce Plan 2017-2022' section.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Schemes of Delegation	Developing the capability of the entity's leadership and other individuals	<ul style="list-style-type: none"> Part 3 of the Council's Constitution 'Responsibility for Functions' set out General Scheme of Delegation of Executive and Non-Executive Functions to Officers and these were kept under on-going review during the year.

5.14 Supporting Principle F: Managing risks and performance through robust internal control and strong public financial management

5.14.1 The Council's governance structures support robust financial and performance management arrangements to enable efficient and effective service planning and delivery and the achievement of outcomes. Risk management and robust internal control are integral parts of these arrangements.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Corporate and Service Self Evaluation process.	Managing risk	<ul style="list-style-type: none"> As set out in section 'Supporting Principle E'
Risk Management Strategy.	Managing risk	<ul style="list-style-type: none"> As set out in section 'Supporting Principles C and D'.
Service Delivery Planning.	Managing performance	<ul style="list-style-type: none"> As set out in section 'Supporting Principles C and D'.
Quarterly Performance Report (including Risk Register up dates).	Managing performance	<ul style="list-style-type: none"> As set out in section 'Supporting Principles C and D'.
Corporate Performance Report (i.e. year-end annual report).	Managing performance	<ul style="list-style-type: none"> The Council produces a year-end report that assesses the progress made to deliver Corporate Plan priorities in the previous year and also sets out its plan for the year ahead. This report was consistent with information published during the year, as part of quarterly Performance Reports, and the latest year-end report (for the 2020/21 financial year) was presented to and agreed by full Council on 20th October 2021.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Audit Committee and an Internal Audit function.	Robust internal control	<p data-bbox="904 233 1144 264"><u>Audit Committee</u></p> <ul data-bbox="864 272 2056 1155" style="list-style-type: none"> <li data-bbox="864 272 2056 416">• The Council's GAC considered and approved an Annual Report for 2021/22 on 23rd March 2022 that provided an overview of its work during the year and a self-assessment of its arrangements against the CIPFA 2017 Practical Guidance Note. The conclusions from the Annual Report were: <ul data-bbox="913 456 2056 746" style="list-style-type: none"> <li data-bbox="913 456 2056 560">○ From the review of the coverage of the GAC's work and oversight during the year, the Committee has delivered its Workplan and responsibilities in line with its Terms of Reference. <li data-bbox="913 600 2056 746">○ The outcome of the self-assessment demonstrated that the Council's GAC made good progress to implement the proposals for improvement reported in 2020/21 and has also identified a small number of new proposals for improvement to further reinforce the existing arrangements in place. <li data-bbox="864 791 1323 823">• Proposals for Improvement <ul data-bbox="913 863 2056 1155" style="list-style-type: none"> <li data-bbox="913 863 2056 1007">○ The GAC's Learning and Development Plan was put in place in March 2021. Using lessons learned from 2021/22, undertake a training needs analysis of Committee Members to inform a refreshed learning and development plan for 2022/23. <li data-bbox="913 1015 2056 1155">○ No on-line library of learning and development information in respect of role / responsibilities of GAC is available for elected Members. Develop a library of on-line learning and development information for Committee Members as part of learning and development support arrangements.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
<p>Audit Committee and an Internal Audit function (continued).</p>	<p>Robust internal control</p>	<p><u>Internal Audit</u></p> <ul style="list-style-type: none"> • A review of information presented by the Regional Internal Audit Shared Service to the GAC concluded that it was in line with the approved work programme and played a key part in enabling the Committee to fulfil its Terms of Reference. The information reported to the Committee by Internal Audit included: <ul style="list-style-type: none"> ○ The Internal Audit Charter 2021/22 that provided the Committee with information to assess the independence of the internal audit function. ○ An Internal Audit Annual Plan 2021/22 and progress updates. ○ Details of all audit assignments finalised during the year to enable the Committee to consider and gain assurance on the standard of internal control across the Council. ○ Information on the overall assessment of Internal Audit's work for 2021/22 is set out at paragraphs 5.17.4 to 5.17.7. • The last external assessment of the Internal Audit Service was undertaken in 2016/17 and was reported to the 20th March 2017 Audit Committee. This assessment concluded that there were no significant deviations from the Standards and the next external assessment is being planned for the 2022/23 financial year.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Information Management Plan (including General Data Protection Regulation - GDPR).	Managing Data	<ul style="list-style-type: none"> • The Council has an approved Digital Strategy 2022-26 that sets the direction to obtain maximum value from data and seeking to ensure decision making is fully informed by data driven approaches whilst providing appropriate protection around its integrity and confidentiality. • The Council had arrangements in place for technical and cyber assurance through secured accreditations to the Public Service Network and Cyber Essentials that provide assurance that the Council meets required standards for security. • With regard to the management of data, the Council continued to focus upon local, regional and national responses to the COVID-19 pandemic, in particular, effectively enabling services such Track, Trace Protect' (TTP), Community Resilience Hubs, Mass Testing & Vaccinations and supporting the Council's workforce. • The ICO investigated 8 cases in respect of the Council during 2021/22 and determined in all cases no further regulatory action was required and was satisfied with the Council's investigation of the breaches and the remedial measures identified. • With regard to GDPR, this is set out in 'Core Principle B'.
Budget and Policy Framework Procedure Rules and Contract and Financial Procedure Rules.	Strong public financial management	<ul style="list-style-type: none"> • The Council complied with the approved Budget and Policy Framework Procedure Rules for the 2021/22 budget setting process and was set out in the report to Cabinet on 28th January 2021. • The Council's Finance Service and Procurement Service provided support and advice to services on the Procedure Rules and the Internal Audit Service tested compliance with the Council's Procedure Rules as part of delivering the 2021/22 Internal Audit Plan (see paragraphs 5.17.4 to 5.17.7 for the overall outcome from the work of Internal audit during 2021/22). During the year, an overview of the Council's Financial Procedure Rules was provided to the GAC on 9th November 2021 to support the Committee in the delivery of its terms of reference.

Local Code of Corporate Governance Requirements	Sub-Principle	Review of Effectiveness During 2021/22
Medium Term Financial Plan (MTFP)	Strong public financial management	<ul style="list-style-type: none"> • The Council updated its MTFP and was reported to Cabinet in July 2021, full Council in September 2021, the Finance and Performance Scrutiny Committee in October 2021 and the School Budget Forum in November 2021, providing opportunity for scrutiny and stakeholder understanding of the Council’s forecasted financial position, risks and opportunities. • The Council’s MTFP updates have consistently supported: <ul style="list-style-type: none"> ○ The identification of future forecasted budget gaps (taking account of estimated expenditure requirements and funding levels) that have accurately informed savings requirements and ensured the programme of improvement and investment was affordable. ○ An on-going assessment and public reporting and scrutiny of reserve levels (including a plan to replenish general reserve balances to the minimum level as determined by the Council’s Section 151 officer over the 3-year period of the current MTFP). This approach has also enabled additional one-off investment in Corporate Plan priority areas; for 2021/22 this totalled £15.9Million and were agreed by full Council on 10th March 2021 (£9.4Million) and 29th September 2021 (£6.5Million). This additional one-off investment, along with other allocated resources, contributed to capital expenditure investment of £106Million for 2021/22 (annual capital programme investment of over £100Million delivered for each of the past 5 financial years). ○ The setting and delivery of balanced revenue budgets. <p>The consistent delivery of the above outcomes provides assurance on the robustness of the arrangements in place and a demonstrable commitment to prioritise resources to Corporate Plan areas.</p>

		<ul style="list-style-type: none"> • Audit Wales completed a ‘Financial Sustainability Assessment’ review of the Council’s arrangements and was reported to the GAC on 9th November 2021. Key information from the report: <ul style="list-style-type: none"> ○ Overall conclusion: ‘the Council continues to be well placed to manage its financial sustainability’. ○ Two proposals for improvement: <p>‘Planning Assumptions - The Council needs to be assured that it has contingency plans in place to be able to manage less positive scenarios than it planned for in its medium-term financial planning’.</p> <p>‘Medium term financial planning – discussions are on-going about the Council’s estates, workforce and digital capabilities and these need to be formalised in the Council’s financial planning arrangements’</p> • The Council set out its response to the proposals for improvement as part of a wider progress update on Audit Wales reports issued to the Council and was presented to the GAC on 23rd March 2022.
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Compliance with the CIPFA Financial Management Code of Practice

5.14.2 The CIPFA Financial Management Code (the Code) was launched in November 2019 and is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.

5.14.3 The Code sets the standards of financial management for local authorities and is based on a series of principles supported by specific standards and statements of practice which are considered necessary to provide the strong foundation to:

- Financially manage the short, medium- and long-term finances of a local authority;
- Manage financial resilience to meet foreseen demands on services; and

- Financially manage unexpected shocks in their financial circumstances.

- 5.14.4 Each local authority must demonstrate that the requirements of the Code are being satisfied, with compliance being a collective responsibility of elected members, the Chief Finance Officer and their professional colleagues in the leadership team. However, the Code is not expected to be considered in isolation and accompanying tools will form part of the collective suite of evidence to demonstrate sound decision making and a holistic view is taken. In addition, whilst the Code is designed to be flexible to the nature, needs and circumstances of individual authorities, it is up to each authority to determine the extent to which it complies with the Code and to identify what action it may wish to take to better meet the standards that the Code sets out.
- 5.14.5 Full compliance is expected for the 2021-22 financial year and in its Guidance Bulletin 06 (*Application of the Good Governance Framework 2020/21*), CIPFA has stated that Annual Governance Statements should include the conclusions of the evaluation of compliance with the Code (incorporating any actions needed to ensure compliance with the Code) and, accordingly, this is set out in paragraph 5.14.6.
- 5.14.6 The Council has undertaken an assessment of its current arrangements against the Standards set out in the Code. The assessment process has demonstrated compliance with all of the standards through a robust and accountable approach to financial management alongside sound medium term financial planning arrangements that take account of the very challenging climate the Council has and will continue to operate within. The assessment process has also identified areas for improvement, to enable existing arrangements to be further enhanced, and are included in Section 6.

5.15 Supporting Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

5.15.1 Accountability within RCT is about ensuring that those making decisions and delivering services are answerable for them, with external and internal audit being integral parts of the arrangements.

Local Code of Corporate Governance Requirements	Sub-principle	Review of Effectiveness During 2021/22
Reporting protocols and calendars (including forward looking work programmes, for example, for Cabinet and Scrutiny Committees).	Implementing good practice in transparency	<ul style="list-style-type: none"> • As set out in section ‘Core Principle B’.
Production of Annual Reports on key areas of business e.g. Corporate Parenting, Annual Equality Report.	Implementing good practice in transparency	<ul style="list-style-type: none"> • Annual Reports were prepared and publicly reported to support accountability and open and transparent performance arrangements, for example², Corporate Parenting Board Annual Report 2020/21 (Corporate Parenting Board 12th July 2021), Equality Report 2020/21 (Overview and Scrutiny Committee 28th February 2022), Vale, Valleys and Cardiff Regional Adoption Collaborative Annual Report 2020/21 (Children and Young People Scrutiny Committee 8th December 2021) and Young Carers Annual Report 2021/22 (Corporate Parenting Board 14th March 2022).

² Annual Reports – annual reports referenced in other sections of the Annual Governance Statement, for example, the Governance and Audit Committee Annual Report, have not been noted for the purposes of this section of the document.

Local Code of Corporate Governance Requirements	Sub-principle	Review of Effectiveness During 2021/22
Statement of Accounts.	Implementing good practices in reporting	<ul style="list-style-type: none"> • The external audit of the Council’s Statement of Accounts have consistently, year-on-year, received an unqualified ‘true and fair’ audit opinion (i.e. clean bill of health); the latest unqualified audit opinion, relating to the 2020/21 financial year, was reported to full Council on 29th September 2021. • During 2021/22, prior to the Council’s audited statement of accounts being approved by full Council, key arrangements included: <ul style="list-style-type: none"> ○ Reporting the Council’s certified draft statement of accounts to the 12th July 2021 GAC meeting (alongside Rhondda Cynon Taf Pension Fund, Central South Consortium Joint Education Service Joint Committee and the Annual Return for Llwydcoed Crematorium Joint Committee) to provide the Committee with opportunity to comment and consider the certified draft accounts in line with the statutory guidance as per the Local Government Measure 2011. ○ The external auditor, Audit Wales, provided a verbal update on the progress of the audit of the draft Statement of Accounts to the 13th September 2021 GAC meeting. • With regard to the statement of accounts process for the 2021/22 financial: <ul style="list-style-type: none"> ○ The Council published a notice to confirm that its draft 2021/22 Statement of Accounts had not been certified by the statutory date of 31st May, this being in line with Welsh Government’s extended deadline for the preparation and certification processes and in compliance with the Accounts and Audit (Wales) Regulations. ○ Governance arrangements are in place for the draft accounts to be reported to the GAC and for Audit Wales to provide an update on the progress of the external audit, prior to the final audited accounts being reported to full Council.

Local Code of Corporate Governance Requirements	Sub-principle	Review of Effectiveness During 2021/22
Pension Fund Committee.	Implementing good practices in reporting	<ul style="list-style-type: none"> <li data-bbox="875 272 2083 456">• The Pension Fund Statement of Accounts 2020/21 were reported to and approved by full Council on 24th November 2021 and the outcome of the external audit, undertaken by Audit Wales, was an unqualified audit opinion (i.e. a clean audit opinion). An update was reported to the Pension Fund Committee on 13th December 2021. <li data-bbox="875 496 2083 600">• A Work Programme for the 2021/22 financial year was presented to and agreed at the 13th July 2021 Pension Fund Committee and a review of reports presented during the year demonstrated delivery of the work programme.
Annual Governance Statement.	Assurance and effective accountability	<ul style="list-style-type: none"> <li data-bbox="875 647 2083 791">• A progress update on the 2020/21 Annual Governance Statement recommendations was reported to the 6th December 2021 GAC meeting. A year-end position statement is set out at Appendix A and demonstrates that all recommendations, and associated arrangements, had been implemented.
Internal Audit external assessment and Charter.	Assurance and effective accountability	<ul style="list-style-type: none"> <li data-bbox="875 834 1440 866">• As set out in 'Supporting Principle F'.

5.16 Other Key Governance Arrangements

Amgen Cymru Limited

- 5.16.1 Rhondda Cynon Taf CBC holds 100% of the voting rights of Amgen Cymru Ltd., who in turn hold 100% of the voting rights of Amgen Rhondda. The Council also holds 100% of the allotted preference shares in Amgen Rhondda Ltd. The principal activities of Amgen Cymru is to provide waste management services and waste disposal facilities. Amgen Rhondda is responsible for the stewardship of the Nant y Gwyddon landfill site.
- 5.16.2 The directors of the companies, including a non-executive director, are responsible for ensuring there are sound governance arrangements including a robust system of internal control.
- 5.16.3 The Council removed the “arm’s length” status of the companies during 2009/10, therefore many of the aspects of the Council’s governance arrangements such as policies, processes and controls apply to the companies.
- 5.16.4 During 2021/22 there have been no significant governance issues that have been identified by the Amgen Company directors, internal auditors or external auditors.

Pension Fund

- 5.16.5 Rhondda Cynon Taf County Borough Council is the Administering Authority for the Rhondda Cynon Taf Pension Fund. Whilst the governance arrangements detailed in this statement apply equally to the Council’s responsibilities to the Pension Fund there are further specific requirements for Pension Funds which are detailed in a number of key documents:
- Governance Statement of Compliance which indicates the Fund’s position against the Government’s best practice standards;
 - Governance Policy Statement which provides an overview of the management structure, decision making and employer engagement;
 - Communication Policy Statement which details the communication and information services to participating employers and scheme members;
 - Pension Fund Administration Strategy which seeks to improve efficiency in the delivery of agreed standards of quality and to ensure compliance with statutory requirements;
 - Investment Strategy Statement which details how Fund investments are managed, including the Fund’s policy on how social, environmental and corporate governance considerations are taken into account; and
 - Funding Strategy Statement which provides a summary of how we will fund our pension liabilities.
 - Pension Fund Risk Register, which identifies, prioritises and monitors risks associated with the Fund, against suitable mitigation controls.
- 5.16.6 All of these documents can be found at the following link: www.rctpensions.org.uk

5.16.7 The Public Service Pensions Act 2013 introduced a number of changes to public service pension schemes, including some significant changes for the governance of such schemes. In accordance with the Act, the Council established a Local Pension Board to assist Rhondda Cynon Taf County Borough Council in its role of Administering Authority ('Scheme Manager') in:

- Securing compliance with the Principal Regulations and any other legislation relating to the governance and administration of the LGPS;
- Securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and
- Ensuring the effective and efficient governance and administration of the LGPS by the Scheme Manager.

5.16.8 The Pension Board is made up of two employer representatives and two member representatives.

5.16.9 In 2016/17 the Council established a formal Pension Fund Committee (subject to the provisions of Section 101 of the Local Government Act 1972) to oversee its responsibilities with regard to the administration of the RCT Pension Fund. The Pension Fund Committee consists of 5 elected members and is politically balanced.

5.16.10 The Committee is responsible for the strategic management of the RCT Pension Fund with all operational matters continuing to be delegated to the Council's Chief Finance Officer (as the Section 151 Officer or in his absence the Deputy Section 151 Officer) who are supported by an Investment and Administration Advisory Panel with appropriate officer, independent advisor and professional support.

5.16.11 The Pension Fund Committee met 4 times during the 2021/22 financial year.

5.16.12 In 2017, a Joint Governance Committee (JGC) was established in accordance with an inter-authority agreement, responsible for oversight of the Wales Pension Partnership (WPP) investment pooling collaboration of the eight LGPS funds in Wales. The eight Welsh Pension Fund Committee Chairs or their nominated deputy (elected member) attend the JGC and are supported by an officer working group. In January 2018, the WPP appointed an 'Operator' to establish and run a collective investment vehicle for the sole use of the Local Government Pension Scheme (LGPS) funds in Wales.

A summary of the pooling objectives of the WPP are:

- Generate consistent net of fee excess returns;
- Diversify manager risk;
- Reduce average manager fees;
- Achieve tax efficiency by reclaiming withholding tax on dividends (for non-UK equity sub-funds);
- Meet the Government deadlines by establishing one sub fund submission to the FCA; and
- Equitably share the costs of transitioning into sub-funds.

5.17 Other Key Sources of Assurance

5.17.1 The following other key sources of assurance were in place during the 2021/22 financial year.

Chief finance Officer (Section 151 Officer)

5.17.2 The Chief Finance Officer position within the Council during 2021/22 complied with the principles outlined in the CIPFA document 'The Role of Chief Finance Officer' because the Chief Finance Officer:

- *Was a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;*
- *Was actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy; and*
- *Led the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.*

To deliver these responsibilities the Chief Financial Officer:

- *Led and directed a finance function that was resourced to be fit for purpose; and*
- *Is professionally qualified and suitably experienced.*

Monitoring Officer

5.17.3 The Monitoring Officer is required to report to the Council in any case where it appears that any proposal, decision or omission by the authority has given rise to or is likely to or would give rise to any contravention of any enactment, rule of law or code of practice or maladministration or injustice in accordance with Sections 5 and 5A of the Local Government and Housing Act 1989. During the period of the Annual Governance Statement, the Monitoring Officer did not make any such reports.

Head of the Regional Internal Audit Service

5.17.4 The Head of Internal Audit has produced a Head of Internal Audit Report for 2021/22. Subject to the GAC consideration at its meeting in July 2022, the Head of Internal Audit Report states:

- *from the work undertaken during the financial year 2021/22 and taking into account other sources of assurance, the Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2021/22 is: "Reasonable Assurance".*

- *based on the work completed by the Regional Internal Audit Shared Service for the financial year no significant cross-cutting control issues have been identified that would impact on the Council's overall control environment. The weaknesses that have been identified are service specific.*

- 5.17.5 The Head of Internal Audit's Annual Report 2021/22 confirmed overall conformance to the Public Sector Internal Audit Standards. Covid-19 continued to influence how audit work was carried out in 2021/22 and all staff have worked from home and on some occasions on a hybrid basis during the year. Audits have been conducted remotely and evidence obtained digitally. Both audit staff and auditees have all continued to adjust well to the new ways of working.
- 5.17.6 The pandemic, remote working and vacant posts did have an impact on the delivery of the internal audit plan for 2021/22 and notwithstanding this, the level of Internal Audit coverage was still sufficient for the Head of Audit to be able to give an opinion. In respect of audit coverage, Internal Audit provided assurance on the processes put in place across Council services as a result of emerging risks during the year and many of the planned reviews for 2021/22 included a Covid related element in the audit scope and objectives. Audits have taken longer than usual, in particular where services have been under more pressure, or obtaining evidence has been more time consuming. Some planned reviews were not undertaken during the year, some due to requests from services that were under intense pressure. These will be considered in the 2022/23 plan.
- 5.17.7 It is likely that the service will continue to be delivered remotely for the foreseeable future with an element of office based/face to face working as required.

External Audit

- 5.17.8 Audit Wales provided updates to full Council and the GAC to enable elected Members to review and scrutinise its work and also seek assurance from Council Officers that agreed recommendations reported by Audit Wales were being implemented by Council services. Updates included:
- Full Council - overall, compliance with statutory requirements met and no significant issues to report
 - [29th September 2021](#) – 'Audit of Accounts Report – Rhondda Cynon Taf County Borough Council'
 - [24th November 2021](#) - 'Audit of Accounts Report – Rhondda Cynon Taf Pension Fund'
 - [19th January 2022](#) – 'Audit Wales – Annual Audit Summary 2021 (Rhondda Cynon Taf County Borough Council)'
 - Governance and Audit Committee – regular and comprehensive updates reported and feedback provided to elected Members on the actions being taken by the Council to implement recommendations reported by Audit Wales in respect of Rhondda Cynon Taf County Borough Council.

- [26th April 2021](#) – ‘Audit Wales – 2021 Audit Plan Rhondda Cynon Taf County Borough Council’ and ‘Audit Wales – 2021 Audit Plan Rhondda Cynon Taf Pension Fund’
- 13th September 2021 - ‘Audit Wales - verbal update on the progress of the audit of the Draft Statement of Accounts for 2020/21’
- [9th November 2021](#) – ‘Financial Sustainability of Local Government – Covid-19 Impact, Recovery and Future Challenges’ and ‘Audit Wales Work Programme and Timetable – Rhondda Cynon Taf County Borough Council’
- [6th December 2021](#) – ‘Council Progress Update: Audit Wales – Annual Audit Summary 2020’
- [7th February 2022](#) - ‘Audit Wales Work Programme and Timetable – Rhondda Cynon Taf County Borough Council’
- [23rd March 2022](#) - Council Progress Update: Audit Wales – Annual Audit Summary 2020 and Annual Audit Summary 2021’

5.17.9 The Review of Effectiveness and proposals for improvement have been reviewed and challenged by the Council’s Senior Leadership Team and the GAC.

6. **PROPOSALS FOR IMPROVEMENT 2021/22**

6.1 Further to completing the assessment of the Council's governance arrangements, Table 1 summarises the proposals for improvement.

Table 1 – Proposals for Improvement

Core / Supporting Principle (Paragraph)	Local Code of Corporate Governance Requirement	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)
Supporting Principles: C:Defining outcomes in terms of sustainable economic, social and environmental benefits; and D: Determining the interventions necessary to optimise the achievement of the intended outcomes Paragraph 5.12.1	Corporate Plan and Service Delivery Plans	The collection and reporting of performance indicator information was necessarily paused during the pandemic due to the need to temporarily suspend some frontline service areas and / or change delivery arrangements.	For the 2022/23 financial year, the reporting of key performance indicator information should be reinstated to enable a full as picture as possible to be reported of performance.	September 2022	Service Director – Finance and Improvement Services
	Risk Management Strategy	The Council's Strategic Risk Register requires review to take account of revisions incorporated within the updated Risk Management Strategy.	The Strategic Risk Register should be reviewed and where appropriate, updated, taking into account the revisions incorporated within the updated Risk Management Strategy.	September 2022	Head of Procurement

Core / Supporting Principle (Paragraph)	Local Code of Corporate Governance Requirement	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)
<p>Supporting Principle:</p> <p>F: Managing risks and performance through robust internal control and strong public financial management</p> <p>Paragraph 5.14.1</p>	<p>Audit Committee and an Internal Audit function.</p>	<p>The GAC's Learning and Development Plan was put in place in March 2021.</p> <p>No on-line library of learning and development information in respect of role / responsibilities of GAC is available for elected Members.</p>	<p>Using lessons learned from 2021/22, undertake a training needs analysis of Committee Members to inform a refreshed learning and development plan for 2022/23.</p> <p>Develop a library of on-line learning and development information for Committee Members as part of learning and development support arrangements.</p>	<p>From September 2022</p> <p>From November 2022</p>	<p>Service Director – of Democratic Services and Communication</p> <p>Service Director – of Democratic Services and Communication</p>

Core / Supporting Principle (Paragraph)	Local Code of Corporate Governance Requirement	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)
<p>Supporting Principle:</p> <p>F: Managing risks and performance through robust internal control and strong public financial management</p> <p>Paragraph 5.14.6</p>	<p>Compliance with the CIPFA Financial Management Code of Practice</p> <p>Standard D - The authority applies the CIPFA/SOLACE <i>Delivering Good Governance in Local Government: Framework</i> (2016).</p>	<p>The structure of the 2021/22 Annual Governance Statement has been revised to more clearly align with the Council's Local Code of Corporate Governance – this process has identified areas where the Local Code can be further strengthened e.g. reflecting the Council's stakeholder engagement arrangements.</p>	<p>The Council's Local Code of Corporate Governance should be reviewed and updated, and thereafter reported to the Governance and Audit Committee for consideration / approval.</p>	<p>January 2023</p>	<p>Service Director – Finance and Improvement Services</p>
<p>Supporting Principle:</p> <p>F: Managing risks and performance through robust internal control and strong public financial management</p> <p>Paragraph 5.14.6</p>	<p>Compliance with the CIPFA Financial Management Code of Practice</p> <p>Standard E - The financial management style of the authority supports financial sustainability.</p>	<p>To ensure appropriate arrangements continue to be in place for elected Members and Budget Holders (Council Officers) to effectively fulfil the finance roles, a refreshed programme of training should be put in place.</p>	<p>Refresh training material and deliver a programme of Officer and elected Member financial awareness training (that includes an 'Introduction to Local Government Finance', 'Understanding the Council's Budgets' and 'Treasury Management').</p>	<p>From September 2022</p>	<p>Service Director – Finance and Improvement Services</p>

Core / Supporting Principle (Paragraph)	Local Code of Corporate Governance Requirement	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)
<p>Principle:</p> <p>F: Managing risks and performance through robust internal control and strong public financial management</p> <p>Paragraph 5.14.6</p>	<p>Compliance with the CIPFA Financial Management Code of Practice</p> <p>Standard G - The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.</p>	<p>The Council's Medium Term Financial Plan covers, on a high level basis, the key areas it will focus on as part of 'balancing the budget' in future budget strategies, for example, workforce, digitisation and Built Asset Review.</p>	<p>The information included within the Medium Term Financial Plan should be developed further to set out in more detail the Council's work in the key areas that will underpin future budget strategies and how they align with its medium term financial planning arrangements (this area was also reported as a recommendation by Audit Wales in its report 'Financial Sustainability Assessment – Rhondda Cynon Taf County Borough Council').</p>	<p>September 2022</p>	<p>Director of Finance and Digital Services</p>

6.2 The Council's Senior Leadership Team has accepted the proposals for improvement and is committed to their implementation during 2022/23. The Senior Leadership Team has also confirmed that an update on progress will be reported to the Council's Governance and Audit Committee during the year to enable elected Members to review and scrutinise the extent of progress being made.

Leader: _____

Chief Executive: _____

ANNUAL GOVERNANCE STATEMENT 2020/21 – YEAR-END POSITION STATEMENT

Core Principle / Area	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)	Year-End Position Statement
MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT	<p>The Council's Risk Management Strategy was last reviewed and approved by Audit Committee in December 2018.</p>	<p>The Strategy should be reviewed and where required proposed updates reported to the Governance and Audit Committee for consideration. In addition, as part of the review, regard should be given to the findings and recommendations included within the 2020/21 Internal Audit report 'Risk Management'.</p>	<p>December 2021</p>	<p>Head of Procurement Delivery</p>	<p>Completed – updated Risk Management Strategy reported to and endorsed at the 23rd March 2022 Governance and Audit Committee meeting</p>
	<p>Where core financial system internal audit reports are presented to Audit Committee, no separate overview of the required internal controls is provided to aid Members understanding of the area (as originally intended as part of the 2020/21 work programme)</p>	<p>As part of compiling the 2021/22 Governance and Audit Committee work programme, finalised internal audit assignments for core financial systems should be supplemented by a more detailed overview of the area prior to the assignment being presented to Committee. This is to aid Members understanding of the main internal control requirements for key financial systems.</p>	<p>From October 2021</p>	<p>Coordinated by the Service Director – Finance and Improvement Services</p>	<p>No core financial system audits completed during the year – however, arrangements have been put in place in readiness for 2022/23</p>

Core Principle / Area	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)	Year-End Position Statement
MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT	<p>Although an overview of the Council's Contract Procedure Rules was presented to the Audit Committee in 2020/21, no overview of the Financial Procedure Rules was presented.</p>	<p>As part of the learning and development of Governance and Audit Committee Members, an overview of the Council's Financial Procedure Rules should be built into the 2021/22 Work Programme to support Members understanding of these requirements.</p>	November 2021	Service Director – Finance and Improvement Services	Completed – an overview of the Council's Financial Procedure Rules was presented to the 9 th November 2021 Governance and Audit Committee meeting
	<p>In addition, it was noted that a review of the information contained within both documents was not reviewed and reported to Audit Committee during 2020/21.</p>	<p>A review of the content of the Contract and Financial Procedure Rule documents should be undertaken and updates reported to the Governance and Audit Committee for consideration / approval (where deemed required).</p>	December 2021	Service Director – Finance and Improvement Services and Head of Procurement Delivery	Completed – a review of the Contract and Financial Procedure Rule documents have been undertaken and no material updates are deemed required (noting that both documents are subject to on-going review and updating)

Core Principle / Area	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)	Year-End Position Statement
MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT	<p><u>Compliance with the CIPFA Financial Management Code of Practice</u></p> <ul style="list-style-type: none"> • Standard C - Governance and Financial Management Style ○ No Council wide review of officer schemes of delegation has been undertaken during the past financial year. ○ Currently, progress updates in relation to Audit Wales recommendations are reported to Audit Committee annually. 	<p>Officer Schemes of Delegation should be reviewed and where required updated, approved by the Designated Officers and re-issued to post-holders.</p> <p>Updates on the progress being made by the Council to implement Audit Wales recommendations should be timetabled within the Governance and Audit Committee work programme for 2021/22 and provide a mid-year and year-end update of progress.</p>	<p>January 2022</p> <p>November 2021 / March – April 2022</p>	<p>Coordinated by the Director of Legal Services</p> <p>Director of Finance and Digital Services</p>	<p>Completed (noting that this area is subject to on-going review and updating)</p> <p>Completed – progress updates reported to the 6th December 2021 and 23rd March 2022 Governance and Audit Committee meetings</p>

Core Principle / Area	Issue Identified	Recommendation	Timescale for Implementation	Responsible Officer(s)	Year-End Position Statement
MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT	<p><u>Compliance with the CIPFA Financial Management Code of Practice</u></p> <ul style="list-style-type: none"> • Standard G - The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members ○ The Council's forward-looking planning period covers 3 / 4 years as part of its Medium-Term Financial Plan. 	<p>As part of the Council's on-going forward planning arrangements, information on the longer-term outlook (5 years+) should be considered and relevant updates reported as appropriate.</p>	<p>March 2022</p>	<p>Director of Finance and Digital Services</p>	<p>Completed - incorporated into the Council's latest Medium Term Financial Plan 2021/22 to 2024/25 - as reported to Cabinet on 20th July 2021, full Council on 29th September 2021 and to the Finance and Performance Scrutiny Committee on 21st October 2021</p>
IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY	<p>As part of the suite of information on the Council's Governance web-age, it is noted that the Local Code of Corporate Governance was published in 2019 and has not been reviewed since this time.</p>	<p>The Council's Local Code of Corporate Governance should be reviewed and where proposed updates are deemed necessary, an updated document reported to the Council's Governance and Audit Committee for consideration / approval.</p>	<p>February 2022</p>	<p>Head of Procurement Delivery</p>	<p>Completed – noting that a further update will be actioned in 2022/23 to take account of the findings of the 2021/22 Annual Governance Statement Review of Effectiveness</p>