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Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr  
Bridgend County Borough Council



Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont, CF31 4WB / Civic Offices, Angel Street, Bridgend, CF31 4WB

*Rydym yn croesawu gohebiaeth yn Gymraeg. Rhowch wybod i ni os mai Cymraeg yw eich dewis iaith.*

*We welcome correspondence in Welsh. Please let us know if your language choice is Welsh.*



**Cyfarwyddiaeth y Prif Weithredwr / Chief Executive's Directorate**  
Deialu uniongyrchol / Direct line /: 01656 643148 / 643694 / 643513  
Gofynnwch am / Ask for: Gwasanaethau Democrataidd

Ein cyf / Our ref:  
Eich cyf / Your ref:

**Dyddiad/Date:** Dydd Mawrth, 15 Ebrill 2025

Annwyl Cyngorydd,

**PWYLLGOR LLYWODRAETHU AC ARCHWILIO**

Cynhelir Cyfarfod Pwyllgor Llywodraethu ac Archwilio Hybrid yn Siambr y Cyngor - Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr, CF31 4WB / O Bell Trwy Timau Microsoft ar **Dydd Iau, 24 Ebrill 2025 am 10:00.**

**AGENDA**

- 1 Ymddiheuriadau am absenoldeb  
Derbyn ymddiheuriadau am absenoldeb gan Aelodau.
- 2 Datganiadau o fuddiant  
Derbyn datganiadau o ddiddordeb personol a rhagfarnol (os o gwbl) gan Aelodau / Swyddogion yn unol â darpariaethau'r Cod Ymddygiad Aelodau a fabwysiadwyd gan y Cyngor o 1 Medi 2008.
- 3 Cymeradwyaeth Cofnodion 3 - 14  
I dderbyn am gymeradwyaeth y Cofnodion cyfarfod y 30/01/25.
- 4 Cofnod Gweithredu'r Pwyllgor Llywodraethu ac Archwilio 15 - 20
- 5 Adroddiadau Pwyllgor Llywodraethu ac Archwilio Cymru 21 - 74

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13	<u>Materion Brys</u>	

I ystyried unrhyw eitemau o fusnes y, oherwydd amgylchiadau arbennig y cadeirydd o'r farn y dylid eu hystyried yn y cyfarfod fel mater o frys yn unol â Rhan 4 (pharagraff 4) o'r Rheolau Trefn y Cyngor yn y Cyfansoddiad.

**Nodyn:** Bydd hwn yn gyfarfod Hybrid a bydd Aelodau a Swyddogion mynychu trwy Siambr y Cyngor, Swyddfeydd Dinesig, Stryd yr Angel, Pen-y-bont ar Ogwr / o bell Trwy Timau Microsoft. Bydd y cyfarfod cael ei recordio i'w drosglwyddo drwy wefan y Cyngor. Os oes gennych unrhyw gwestiwn am hyn, cysylltwch â [cabinet\\_committee@bridgend.gov.uk](mailto:cabinet_committee@bridgend.gov.uk) neu ffoniwch 01656 643148 / 643694 / 643513 / 643159.

Yn ddiffuant

**K Watson**

Prif Swyddog, Gwasanaethau Cyfreithiol a Rheoleiddio, AD a Pholisi Corfforaethol

## **Dosbarthiad:**

Cynghorwyr:

M L Hughes	MJ Williams
RM Granville	S Easterbrook
S J Griffiths	N Clarke
R J Smith	C Davies

Aelodau Lleyg:

G Chapman	B Olorunnisola
A Bagley	D Austin

**COFNODION CYFARFOD Y PWYLLGOR LLYWODRAETHU AC ARCHWILIO A GYNHALIWDYD AR FFURF HYBRID YN SIAMBR Y CYNGOR - Y SWYDDFEYDD DINESIG, STRYD YR ANGEL, PEN-Y-BONT AR OGWR, CF31 4WB AR DDYDD IAU, 30 IONAWR 2025 AM 10:00**

Yn bresennol

G Chapman - Cadeirydd.

C Davies

M L Hughes

R M Granville

N Clarke

Yn Bresennol yn Rhithiol

S J Griffiths

M J Williams

Aelodau Lleyg - yn Bresennol yn Rhithiol:

B Olorunnisola

A Bagley

D Austin

Mynychwyr:

J Spanswick

J Gebbie

Ymddiheuriadau am Absenoldeb

S Easterbrook a R J Smith

Datganiadau o Fuddiant

Dim un

Swyddogion:

Chris Morris	Cyfrifydd
Oscar Roberts	Prentis Gweinyddu Busnes - Gwasanaethau Democrataidd
Stephen Griffiths	Swyddog Gwasanaethau Democrataidd - Pwyllgorau
Carys Lord	Prif Swyddog - Cyllid, Tai a Newid
Deborah Exton	Dirprwy Bennaeth Cyllid
Nigel Smith	Rheolwr Grŵp - Prif Gyfrifydd
Rachel Keepins	Rheolwr Gwasanaethau Democrataidd
Samantha Clements	Archwilio Cymru
Joan Davies	Dirprwy Bennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol
Alex Rawlin	Rheolwr Polisi Corfforaethol a Pherfformiad
Andrew Wathan	Pennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol
Janine Nightingale	Cyfarwyddwr Corfforaethol - Cymunedau
Philip O'Brien	Rheolwr Trawsnewid Digidol a Gwasanaethau Cwsmer
Kate Pask	Rheolwr Perfformiad Corfforaethol

194. Cymeradwyo Cofnodion

Penderfyniad	Derbyn Cofnodion cyfarfod 28 Tachwedd 2025 fel rhai gwir a chywir.
Dyddiad y Penderfyniad	30 Ionawr 2025

195. Cofnod Gweithredu'r Pwyllgor Archwilio a Llywodraethu

Penderfyniad	<p>Diben yr adroddiad hwn oedd darparu Cofnod Gweithredu'r Pwyllgor Archwilio a Llywodraethu i'r Aelodau a'u diweddarau ar gydweithrediad rhwng y Pwyllgor a'r Pwyllgorau Craffu.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"><li>• Diolchodd y Cadeirydd i'r Rheolwr Gwasanaethau Democrataidd am alw'r cyfarfod hynod gynhyrchol ynghyd â'r Cadeiryddion Craffu ar 9 Rhagfyr 2024.</li><li>• Rhoi'r camau gweithredu cytunedig ar waith mewn perthynas â'r Milltiroedd a Deithiwyd o'r Cartref i'r Gwaith yng Ngherbydau'r Cyngor. Cyflwynodd y Cyfarwyddwr Corfforaethol - Cymunedau drosolwg o'r materion a wynebodd y gwasanaeth wrth roi'r camau gweithredu cytunedig ar waith ac</li></ul>
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	<p>amlinellodd ffordd ymlaen, gan gynnwys cyflwyno polisi mwy cadarn a chynnal adolygiad o'r fflyd.</p> <ul style="list-style-type: none"><li>• Mewn ymateb i'r cais gan y Rheolwr Gwasanaethau Democrataidd mewn perthynas â'r atgyfeiriad yng nghyfarfod diwethaf y Pwyllgor ym mis Tachwedd 2024, y dylai Partneriaeth Prosesu Cosbau Cymru (PPCC) gael ei hatgyfeirio i'r pwyllgor craffu perthnasol, nododd y Cadeirydd bod hwn yn wasanaeth a ddarparwyd i gonsortiwm o gynghorau gan un awdurdod lleol, sef Cyngor Sir Ddinbych, a bod yr Aelodau am wybod a oedd opsiynau eraill, yn ogystal â phwy oedd yn gyfrifol am sicrwydd ansawdd a monitro, ac ai dyma'r ffordd fwyaf cost effeithiol o ddarparu'r gwasanaeth.</li></ul> <p><u>PENDERFYNWYD:</u></p> <p>Nododd y Pwyllgor y Cofnod Gweithredu a'r dull arfaethedig ar gyfer cydweithrediad rhwng y Pwyllgor Craffu a Llywodraethu a'r Pwyllgorau Archwilio a chynigiodd sylwadau, fel bo'n briodol.</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

196. Adroddiadau Pwyllgor Archwilio a Llywodraethu Archwilio Cymru

Penderfyniad	<p>Diben yr adroddiad hwn oedd cyflwyno un adroddiad i'r Pwyllgor gan Archwilio Cymru ar 'Cynaliadwyedd Ariannol Llywodraeth Leol.'</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"><li>• Bod yr adroddiad yn cynnwys gwybodaeth ddifrifol iawn a'i bod yn glir bod y risgiau ynghylch y gwasanaethau a ddarparwyd gan y cynghorau'n cael eu tanbrisio ar bob lefel o lywodraeth yng Nghymru a'r DU. Nid o ganlyniad i gamreoli neu weithrediadau aneffeithiol oedd y pwysau costau. Yn hytrach, canlyniad i newid diwylliannol a demograffeg oedd hyn, anghenion plant a phobl hŷn, o ofal cymdeithasol yn gyffredinol, ac er bod y materion yn hawdd eu rheoli yn y tymor byr, nid yw'r dull presennol yn gynaliadwy yn yr hirdymor. Roedd angen mynd ati i feddwl mewn ffordd strategol a oedd yn llawer mwy hirdymor a chreadigol.</li><li>• P'un a oedd Llywodraeth Cymru wedi ymateb i'r adroddiad. Nododd y cynrychiolydd o Archwilio Cymru nad oedd yn ymwybodol o unrhyw ymateb hyd yma.</li><li>• Bod yr adroddiad yn dangos bod gan gynghorau yng Nghymru lawer yn gyffredin a bod pob un ohonynt yn wynebu'r un problemau a phwysau. Er, yn ddiddorol, dengys hefyd bod Pen-y-bont ar Ogwr mewn sefyllfa ffafriol iawn o gymharu ag awdurdodau lleol eraill. Mewn ymateb, nododd y cynrychiolydd o Archwilio Cymru ei bod yn anodd cymharu cynghorau oherwydd y gwahaniaethau</li></ul>
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	<p>mewn demograffeg a chymhlethdod y materion y bu'n rhaid iddynt eu rheoli o ran darparu eu gwasanaethau, ond bod y data hwnnw ar gael pe bai'r Cyngor yn awyddus i gymharu ei hun â chynghorau eraill.</p> <ul style="list-style-type: none"> <li>• Mae angen ystyried sut y gellir annog sefydliadau partner i weithio a chynllunio ar y cyd ar gyfer y dyfodol.</li> <li>• Mewn ymateb i'r drafodaeth, bu i'r Prif Swyddog - Cyllid, Tai a Newid, atgoffa'r Aelodau po bellaf allan yr ewch chi o ran cynllunio, y prinaf yw'r wybodaeth ac mae'r tybiaethau y mae'n rhaid eu gwneud yn llai seiliedig ar dystiolaeth a mwy ar ddyfalu. Y broblem yw mai setliadau blynyddol yn unig drwy Lywodraeth Cymru sydd ar hyn o bryd, felly byddai amcanu saith mlynedd i'r dyfodol yn heriol.</li> <li>• Bod Deddf Cenedlaethau'r Dyfodol wedi gofyn i awdurdodau lleol ystyried lle byddant o bosib ymhen hanner can mlynedd.</li> </ul> <p><u>PENDERFYNWYD:</u></p> <p>Nododd y Pwyllgor yr adroddiad gan Archwilio Cymru ar 'Cynaliadwyedd Ariannol Llywodraeth Leol.'</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

**197. Asesiad Risg Corfforaethol**

Penderfyniad	<p>Diben yr adroddiad hwn oedd darparu diweddariad o Asesiad Risg Corfforaethol i'r Pwyllgor, Adolygir yr Asesiad Risg Corfforaethol gan y Pwyllgor Llywodraethu ac Archwilio fel rhan o fframwaith Asesiad Perfformiad Corfforaethol chwarterol y Cyngor. Mae'r Asesiad Risg Corfforaethol wedi ei ystyried a'i adolygu mewn ymgynghoriad gyda'r Bwrdd Rheoli Corfforaethol. Mae pob risg wedi'i diweddaru i adlewyrchu'r risgiau corfforaethol presennol sy'n cael eu rheoli gan yr Awdurdod.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> <li>• Diolchodd un o'r Aelodau i'r swyddogion am gyflwyno adroddiad a oedd yn llawer haws i'w ddarllen na'r rhai blaenorol.</li> <li>• Roedd angen ystyried a dadansoddi ymhellach ar ddau fater, gan fod disgwyl iddynt ddod yn faterion pwysig yn yr hirdymor: yn gyntaf, pe na bai'r cyngor yn gallu cyflawni trawsnewid a newid mawr o ran gwasanaeth, yn cynnwys prosiectau ac arbedion ariannol cytunedig (COR-2019-02); ac yn ail, bregusrwydd ariannol yr ysgolion yn y Fwrdeistref (EDFS-2024-01).</li> </ul>
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	<ul style="list-style-type: none"> <li>• O ystyried y newidiadau demograffeg ac anghenion cymhleth rhai plant, byddai'n well darparu llawer o'r gwasanaethau sydd eu hangen i'w cefnogi nhw fel rhan o weithrediad canolog yn hytrach na chael eu trefnu gan ysgolion unigol.</li> <li>• Bod, y tu hwnt i'r prif risgiau corfforaethol, amrywiaeth o gyfrifoldebau a gwasanaethau statudol llai ond sy'n llawn mor bwysig y mae'n rhaid i'r cyngor eu goruchwyllo ond sy'n fwyfwy anodd i'w rheoli a'u darparu. Roedd hi'n ofynnol i bob maes gwasanaeth asesu risg y tebygolrwydd o fethu neu beidio â chyflawni er mwyn sicrhau bod gwasanaeth cyffredinol yn parhau ar waith. Roedd yn rhaid gwneud penderfyniadau anodd a chytbwys drwy'r amser.</li> <li>• Roedd angen gwneud mwy o ran recriwtio a chadw ac o ran gweithio gyda Chyflogadwyedd Pen-y-bont ar Ogwr.</li> </ul> <p><b><u>PENDERFYNWYD:</u></b></p> <p>Ystyriodd y Pwyllgor yr Asesiad Risg Corfforaethol (Atodiad A); a chytunodd y Pwyllgor ar y newidiadau a gynigwyd ym mharagraff 3.2 cyn cyflwyno'r Asesiad Risg Corfforaethol am gymeradwyaeth ar 26 Chwefror.</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

**198. Strategaeth Rheoli'r Trysorlys 2025-26**

Penderfyniad	<p>Diben yr adroddiad hwn oedd cyflwyno drafft o Strategaeth Rheoli'r Trysorlys 2025-26 (TMS). Mae'r TMS yn ymgorffori'r Strategaeth Fenthycy, Strategaeth Fuddsoddi a Dangosyddion Rheoli'r Trysorlys.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> <li>• Statws buddsoddiadau di-drysorlys, eiddo buddsoddi, gwerth £4.990 miliwn ar 31 Mawrth 2024, ac a fyddai'n fanteisiol eu gwerthu nhw, er eu bod yn cynhyrchu incwm i'r Cyngor. Mewn ymateb, cynigiodd y Prif Swyddog - Cyllid, Tai a Newid, anfon nodyn i'r Aelodau yn crynhoi statws presennol yr eiddo buddsoddi sy'n berchen i'r Cyngor.</li> <li>• Diolchodd un o'r Aelodau i'r swyddogion am ymateb i'r cais am gynnwys rhestr termau gyda'r adroddiad.</li> </ul> <p><b><u>PENDERFYNWYD:</u></b></p>
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	Rhoddodd y Pwyllgor ystyriaeth i'r copi drafft o Strategaeth Rheoli'r Trysorlys ar gyfer 2025-26 ac argymhellodd bod y copi terfynol a chyfredol o Strategaeth Rheoli'r Trysorlys, sy'n adlewyrchu'r wybodaeth ariannol ddiweddaraf sydd ar gael fel ag yr oedd ar 31 Rhagfyr 2024, yn cael ei gyflwyno i'r Cyngor i'w gymeradwyo ar 26 Chwefror 2025.
Dyddiad y Penderfyniad	30 Ionawr 2025

**199. Datganiad o Gyfrifon 2023-24: Gwersi a Ddysgwyd**

Penderfyniad	<p>Diben yr adroddiad oedd cyflwyno'r gwersi a ddysgwyd i'r Pwyllgor yn dilyn cwblhau'r archwiliad o Ddatganiad Cyfrifon 2023-24. Cafodd Datganiad Cyfrifon 2023-24 y Cyngor ei gymeradwyo gan y Pwyllgor Llywodraethu ac Archwilio ar 28 Tachwedd 2024 a'i gymeradwyo gan Archwilydd Cyffredinol Cymru ar 29 Tachwedd 2024. Bydd angen i'r Datganiad o Gyfrifon 2024-25 a archwiliwyd gael cymeradwyaeth gan y Pwyllgor Llywodraethu ac Archwilio erbyn 31 Hydref 2025, cyn dyddiad ei gyhoeddi.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> <li>Datblygiad diweddar y Cyd-bwyllgor Corfforaethol (CJC) ar gyfer Prifddinas-Ranbarth Caerdydd, ac a ellid gwneud mwy i hysbysu Aelodau, swyddogion a'r gymuned ehangach am ei waith; a ph'un a oes angen inni gyfrifo amdano mewn gwahanol ffyrdd mewn dogfennau fel y Datganiad o Gyfrifon. Mewn ymateb, nododd y Rheolwr Grŵp - Prif Gyfrifydd y byddai'r cyfrifyddu, mewn gwirionedd, yr un fath gan y byddai ein helpen ni o'r CJC yn cael ei chynnwys yn ein datganiad o gyfrifon.</li> <li>Nododd y Prif Swyddog - Cyllid, Tai a Newid y byddai'n fanteisiol cael aelod yn briffio ar y CJC er mwyn amlinellu'n union pa newidiadau a wnaed, yn cynnwys y strwythurau llywodraethu, a lle'r Fwrdeistref Sirol oddi mewn iddo.</li> <li>Y materion ynghylch rhoi argymhelliad Archwilio Cymru ar waith mewn perthynas â chyflyno System Rheoli Asedau (AMS), a'r mesurau dros dro sy'n cael eu cyflwyno i osgoi rhai o'r heriau a gododd y llynedd.</li> <li>Diolchodd y Cadeirydd i swyddogion a chydweithwyr Archwilio Cymru am eu gwaith ar y Datganiad o Gyfrifon a nododd bod angen ystyried sut y gellid dod â'r Cofnodion o strwythurau llywodraethu'r CJS i'r Cyngor er mwyn galluogi'r Aelodau i ystyried materion a datblygiadau hollbwysig. Roedd hwn yn fater i'r Prif Swyddog - Gwasanaethau Cyfreithiol a Rheoleiddio, AD a Pholisi Corfforaethol i'w ystyried yn y lle cyntaf.</li> </ul>
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	<u>PENDERFYNWYD:</u>  Nododd y Pwyllgor yr adroddiad.
Dyddiad y Penderfyniad	30 Ionawr 2025

## 200. Cwynion Corfforaethol

Penderfyniad	<p>Diben yr adroddiad hwn oedd darparu diweddariad i'r Pwyllgor ar y broses bresennol a chynnig ffordd y caiff holl gwynion corfforaethol eu monitro, eu cofnodi a'u hadrodd wrth symud ymlaen.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> <li>• Pwysigrwydd cofnodi cwynion a wneir i gynghorwyr.</li> <li>• Yr angen am ddiffiniad cadarn o gŵyn, gan ystyried y rhoddir system newydd i reoli cwynion ar waith. Y byddai'n fanteisiol trafod y mater hwn gydag Ombwdsmon Gwasanaethau Cyhoeddus Cymru.</li> <li>• Yr angen i sicrhau bod amserlenni cytunedig ar gyfer datrys cwyn yn cael eu bodloni a bod y rhesymau'n cael eu cofnodi a'u trafod lle nad yw hyn yn bosibl. Ymatebodd y Rheolwr Grŵp - Trawsnewid, Gwasanaethau Cwsmeriaid a Phartneriaethau i hyn drwy ddweud y byddai'r system newydd yn galluogi'r Cyngor i awtomeiddio rhai o'r prosesau a reolir yn anawtomataidd ar hyn o bryd, gan gynnwys categoraiddio cwynion, anfon cwynion ymlaen i gael eu datrys gan meysydd gwasanaeth penodol, a'r broses uwchgyfeirio. Byddai'r system wedyn yn gallu cynhyrchu adroddiadau perfformiad a fyddai'n galluogi'r Pwyllgor Llywodraethu ac Archwilio i ystyried a mynd ar drywydd methiannau difrifol.</li> <li>• Bod angen rhoi sylw i faterion yn ymwneud â chostau diffyg cydymffurfio o ran gwasanaethau y mae'r Cyngor yn eu cynnig.</li> <li>• Bod angen sicrhau bod cynifer â phosib o swyddogion sy'n delio'n uniongyrchol â chwynion yn cael eu cynnwys yn y system newydd, a'u bod yn gweithredu fel tîm rhithiol i sicrhau bod y system gwynion yn gweithredu mewn ffordd gyson ac eglur.</li> <li>• Bod cofnodi canmoliaeth hefyd yn bwysig. Gallai canmoliaeth weithredu fel catalydd i gefnogi diwylliant cadarnhaol yn yr awdurdod lleol, gan leihau amrywiant a hybu arloesedd.</li> <li>• Pwysigrwydd cynnal y system newydd a sicrhau parhad y gwasanaeth os bydd swyddogion yn gadael yr awdurdod.</li> </ul>
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	<p><u>PENDERFYNWYD:</u></p> <p>Nododd y Pwyllgor fod y broses cwynion corfforaethol wedi cael ei hadolygu a bod proses newydd a datrysiaid digidol ar fin cael eu datblygu, a gofynnwyd i gael diweddariad ar y cynnydd o ran gweithredu'r system newydd yng nghyfarfod y Pwyllgor ar 19 Mehefin.</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

## 201. Cyflwyniad ar y Safonau Archwilio Mewnol Cyffredinol (GIAS)

Penderfyniad	<p>Pwrpas yr adroddiad hwn oedd darparu cyflwyniad i Aelodau ar y Safonau Archwilio Mewnol Cyffredinol (GIAS) newydd, a fydd yn disodli Safonau Archwilio Mewnol y Sector Cyhoeddus. Bydd y GIAS yn dod i rym yn y sector cyhoeddus ar 1 Ebrill 2025. Dyma'r prif newidiadau:</p> <ul style="list-style-type: none"> <li>• 'mandad' ar gyfer archwilio mewnol; mewn llyw leol, mae'r mandad ar gyfer archwilio mewnol yn dod o reoliadau statudol.</li> <li>• strategaeth archwilio mewnol</li> <li>• dewrder proffesiynol ac amheuaeth broffesiynol</li> <li>• Cynlluniau Archwilio Mewnol yn cefnogi'r gwaith o gyflawni amcanion y seydliad.</li> </ul> <p>Wrth ymateb i'r adroddiad, gofynnodd y Cadeirydd i gael y sleidiau PowerPoint wedi'u rhannu ag Aelodau'r Pwyllgor. Dywedodd hefyd y gellid darparu cyflwyniad byr arall petai unrhyw beth arall yn codi yn ystod y misoedd nesaf.</p> <p><u>PENDERFYNWYD:</u></p> <p>Nododd Aelodau'r Pwyllgor gynnwys yr adroddiad a'r cyflwyniad.</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

## 202. Cynnydd yn Erbyn y Cynllun Archwilio Mewnol Seiliedig ar Risg 2024-25

Penderfyniad	Diben yr adroddiad hwn oedd darparu datganiad sefyllfa i'r Aelodau ar y cynnydd sy'n cael ei wneud yn erbyn y gwaith archwilio o fewn y Cynllun Archwilio Mewnol Seiliedig ar Risg 2024-25 a gymeradwywyd.
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	<p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"><li>Gan ystyried y targed o 80% ar gyfer cwblhau archwiliadau erbyn diwedd y flwyddyn, p'un a fyddai'r rhai na chaiff eu cwblhau yn destun pryder. Mewn ymateb, nododd Pennaeth y Gwasanaeth Archwilio Mewnol Rhanbarthol (RIAS) nad oedd hi'n glir eto pa archwiliadau fyddai'n rhan o'r 20%, ond bod RIAS yn gweithio i sicrhau bod cymaint o archwiliadau â phosibl yn cael eu cwblhau. Os oes unrhyw rai heb eu cwblhau, byddai hyn yn cael ei adrodd i'r Pwyllgor er mwyn asesu a oes angen i unrhyw rai gael eu nodi fel blaenoriaeth ar gyfer gweithredu yn y cynllun 2025-26.</li><li>Statws yr archwiliad sy'n ymwneud â chynllunio dilyniant busnes, y rhoddwyd barn cyfyngedig iddo. Mewn ymateb, nododd Pennaeth y RIAS bod yr adroddiad drafft wedi'i gyhoeddi ac y byddai'n dod ag o gerbron y Pwyllgor ar ôl iddo gael ei gwblhau.</li></ul> <p><u>PENDERFYNWYD:</u></p> <p>Nododd Aelodau'r Pwyllgor gynnwys yr adroddiad a'r cynnydd a wnaed yn erbyn y Cynllun Archwilio Mewnol Seiliedig ar Risg 2024-25.</p>
Dyddiad y Penderfyniad	30 Ionawr 2025

203. Adroddiad Monitro Argymhellion Archwilio Mewnol

Penderfyniad	<p>Diben yr adroddiad hwn oedd darparu datganiad sefyllfa i Aelodau'r Pwyllgor ar yr argymhellion archwilio mewnol a wnaed, a weithredwyd ac nad ydynt wedi'u rhoi ar waith fel ag yr oeddent ar 31 Rhagfyr 2024, ac ystyried y wybodaeth a ddarparwyd o ran statws yr argymhellion blaenoriaeth uchel a chanolig a wnaed gan y Gwasanaeth Archwilio Mewnol Rhanbarthol.</p> <p>Wrth ymateb i'r adroddiad, tynnodd y Cadeirydd sylw at nifer o argymhellion a oedd heb eu rhoi ar waith o ran milltired o'r cartref i'r gwaith, diogelwch a mynediad i adeiladau'r Cyngor, ysgol Gynradd Gatholig y Santes Fair, a chaffael. Dywedodd fod angen monitro'r rhain yn ofalus, ac y byddai diweddariad yn cael ei rannu yng nghyfarfod nesaf y Pwyllgor.</p> <p><u>PENDERFYNWYD:</u></p> <p>Nododd yr Aelodau gynnwys yr adroddiad ac gwnaethant ystyried y wybodaeth a ddarparwyd o ran statws</p>
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	yr argymhellion blaenoriaeth uchel a chanolig a wnaed gan y Gwasanaeth Archwilio Mewnol Rhanbarthol.
Dyddiad y Penderfyniad	30 Ionawr 2025

14. Diweddariad ar y System Dracio Reoleiddiol

Penderfyniad	<p>Pwrpas yr adroddiad hwn oedd darparu diweddariad i'r Pwyllgor ar y System Dracio Reoleiddiol a ddiweddarwyd hyd at ddiwedd chwarter 2 o 2024-25.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"><li>• Bod yr adroddiad yn awgrymu bod materion heb eu datrys o ran y broses ar gyfer ystyried atgyfeiriadau o'r Pwyllgor Llywodraethu ac Archwilio i bwyllgorau craffu. Cadarnhaodd y Rheolwr Gwasanaethau Democrataidd hyn, gan dynnu sylw eto at y dull cydweithredol a ddisgrifir yn y Cofnod Gweithredu, a drafodwyd yn gynharach yn y cyfarfod.</li><li>• Bod yr adroddiad yn nodi bod nifer o gamau i'w cwblhau yn dilyn arolygiadau/archwiliadau gan rai o'r prif reoleiddwyr gwasanaethau llywodraeth leol.</li><li>• Dywedodd y cadeirydd fod y system dracio reoleiddiol yn gweithio, gan ei bod yn galluogi Aelodau i fonitro cynnydd yn erbyn argymhellion mewn ffordd eglur a chryno.</li><li>• Dywedodd y Prif Swyddog - Cyllid, Tai a Newid nad oedd yn siwr a oedd yr holl naratifau yn gyfredol ac y byddai'n mynd â'r system dracio at y Bwrdd Rheoli Corfforaethol i gael y wybodaeth ddiweddaraf. Byddai diweddariadau a diwygiadau, gan gynnwys y rhai sy'n seiliedig ar ddata C3, wedi eu cofnodi yn yr adroddiad nesaf a gyhoeddir.</li><li>• Dywedodd y Cadeirydd fod angen i swyddogion cyfrifol fod yn atebol am roi'r camau cytunedig ar waith.</li><li>• A fyddai'n bosib gosod yr adroddiad wedi'i ddiweddarau fel yr eitem sylweddol gyntaf ar yr agenda ar gyfer cyfarfod nesaf y Pwyllgor.</li></ul> <p><u>PENDERFYNWYD:</u></p> <p>Ystyriodd y Pwyllgor bwyntiau'r crynodeb a'r system dracio reoleiddiol fanwl, gan godi materion sy'n destun pryder i fynd ar eu trywydd. Gofynnodd yr Aelodau i gael gweld adroddiad wedi'i ddiweddarau yng nghyfarfod nesaf y Pwyllgor ym mis Ebrill 2025.</p>
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Dyddiad y Penderfyniad	30 Ionawr 2025
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## 205. Blaenraglen Waith 2024-25 a 2025-26

Penderfyniad	<p>Pwrpas yr adroddiad hwn oedd ceisio cymeradwyaeth ar gyfer fersiwn wedi'i diweddaru o Flaenraglen Waith 2024-25 a fersiwn ddrafft o Flaenraglen Waith 2025-26.</p> <p>Mewn ymateb i'r adroddiad, cyflwynodd a thrafododd yr Aelodau nifer o faterion, gan gynnwys y canlynol:</p> <ul style="list-style-type: none"> <li>• Y posibilrwydd y bydd angen cyfarfod arbennig i ystyried rhai materion yn fanylach. Dywedodd y Cadeirydd y byddai'n trafod hyn gyda'r Prif Swyddog - Cyllid, Tai a Newid.</li> <li>• Bod angen rhoi sylw i ddull gweithredu y Cyngor o ran cynllunio a meddwl strategol hirdymor. Dywedodd y Cadeirydd y byddai'n trafod hyn gyda'r Prif Swyddog - Cyllid, Tai a Newid.</li> </ul> <p><u>PENDERFYNWYD:</u></p> <p>Ystyriodd a chymeradwyodd y Pwyllgor y fersiwn wedi'i diweddaru o Flaenraglen Waith 2024-25 a'r fersiwn ddrafft o Flaenraglen Waith 2025-26, ar yr amod fod yr adroddiadau ychwanegol canlynol yn cael eu hychwanegu ar agendâu dau gyfarfod:</p> <p>24 Ebrill 2025</p> <ul style="list-style-type: none"> <li>• Diweddariad ar y System Dracio Reoleiddiol.</li> </ul> <p>19 Mehefin 2025</p> <ul style="list-style-type: none"> <li>• Adroddiad ar filltiredd o'r Cartref i'r Gwaith.</li> <li>• Adroddiad cynnydd ar weithredu'r system gŵynion newydd.</li> </ul>
Dyddiad y Penderfyniad	30 Ionawr 2025

## 206. Eitemau Brys

Penderfyniad	Dim
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Dyddiad y Penderfyniad	30 Ionawr 2025

Er mwyn edrych ar y drafodaeth bellach a gafwyd ar yr eitemau uchod, cliciwch y [ddolen](#) hon

Daeth y cyfarfod i ben am 12:59.

# Agenda Item 4

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE ACTION RECORD</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY</b>
<b>Responsible Officer:</b>	<b>STEPHEN GRIFFITHS</b>  <b>INTERIM SCRUTINY OFFICER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<b>This report seeks to update Members of the Governance and Audit Committee on follow-up actions or further information requested on reports considered by Members and/or requested by Committee, including any other related information in relation to previous agenda items.</b>

## **1. Purpose of Report**

- 1.1 The purpose of this report is to provide Members with an update on the Governance and Audit Committee Action Record.

## **2. Background**

- 2.1 An Action Record has been devised to assist the Committee in tracking the decisions made by the Committee in the exercise of its functions.

## **3. Current situation / proposal**

- 3.1 In order to assist the Governance and Audit Committee in ensuring that decisions made by the Committee are actioned and implemented, the Action Record is attached at **Appendix A**. The Action Record will be presented to each meeting of the Committee for approval.

## **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

**5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

**6. Climate Change Implications**

- 6.1 There are no climate change implications arising from this report.

**7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no safeguarding or corporate parent implications arising from this report.

**8. Financial Implications**

- 8.1 There are no financial implications arising from this report.

**9. Recommendation**

- 9.1 The Committee is recommended to note the Action Record and provide any comments, as appropriate.

**Background documents**

None.

Number	Date of Committee	Item	Lead	Target Date	Action	Date for action to be brought to GAC.	Response
1.	6 Jun 24	Regional Internal Audit Service Charter 2024-25	Head of RIAS/ Chief Officer - Finance, Housing & Change/ Democratic Services Manager	Jul 24	Members requested a training event to include, if possible, representatives from Audit Wales.	Apr 25	<p><b>ACTIONED</b> – The Democratic Services Manager has sent out recordings of previous Audit training such as Treasury Management training, as a refresher and for those who may have been unable to attend the training.</p> <p>The Democratic Services Manager to work with Chief Officer – Finance, Housing &amp; Change to engage with Committee and coordinate and arrange further identified training required on internal &amp; external audit.</p>
2.	19 Jul 24	Porthcawl Harbour Return	Chief Officer – Legal & Regulatory Services, HR & Corporate Policy/ Democratic Services Manager	Sep 24	Members requested that the Subject Overview and Scrutiny Committee 3 look at the operation and performance, especially in respect to the Council's commitments and liabilities, of Porthcawl Harbour.	Apr 25	<p><b>ACTIONED</b> – The Corporate Overview and Scrutiny Committee reported all Scrutiny Committee Recommendations to Cabinet on 6 Feb 2024, including Recommendation 39 regarding Budget savings proposal: COM 10 Porthcawl Harbour Return.</p> <p>The Committee supported the proposal to review berthing fees for Porthcawl Marina, with agreement that the Council should not be subsidising this. The Committee were of the view, and therefore recommended, that this could be considered further, if not this year, for future years, to explore if there was any potential to increase the berthing fees for the marina as a method of income generation for the Authority. (SOSC3).</p> <p>Cabinet provided the following response on 20 February 2024:</p> <p>Noted – a further review of berthing fees at the Porthcawl Marina will be undertaken to look at whether full cost recovery is possible.</p> <p><u>Update:</u> An update has been requested and will be provided to Governance and Audit Committee (GAC) as soon as possible.</p>
3.	28 Nov 24	Monitoring Report - Corporate Complaints	Chief Officer – Legal & Regulatory Services, HR & Corporate Policy/ Democratic Services Manager	Jan 25	Members requested that the Wales Penalty Processing Partnership (WPPP) be referred to the relevant scrutiny committee, and that the findings are reported back to the Governance and Audit Committee.	Apr 25	<p><b>ACTIONED</b> –</p> <p>9 Dec 24 - Chair of GAC met with Scrutiny Chairs and agreed more detail and clarification to be requested from GAC regarding the reason for the referral.</p> <p>30 Jan 24 – GAC provided clarification regarding the WPPP - that a service was being provided to a consortium of councils by one local authority and so referring it for scrutiny of whether there were other options, querying the responsibility for quality assurance and monitoring, and whether it was the most cost-effective way of providing the service.</p> <p>17 March 25 - Corporate Overview and Scrutiny Committee (COSC) considered the referral from GAC and requested that the item be scoped out further by Scrutiny Officers to then be considered by the Scrutiny Chairs as to how to progress the item. The requested information has been collated by the Scrutiny Team for discussion at the next Scrutiny Chairs meeting.</p> <p>An update will be provided to GAC as soon as possible.</p>

4.	28 Nov 24	Internal Audit Recommendation Monitoring	Chief Officer - Finance, Housing & Change/ Chief Officer – Legal & Regulatory Services, HR & Corporate Policy/ Corporate Director – Communities	Apr 25	Members requested that a report is submitted to the meeting on 24 Apr 25, outlining what has been done to ensure that the issues raised about parking enforcement have been dealt with in full.	Apr 25	<b>ACTIONED</b> – An update will be provided as part of the Internal Audit Recommendation Monitoring report at the meeting on 24 April 2025.
5.	30 Jan 25	Statement of Accounts 2023-24: Lessons Learned	Chief Officer – Legal & Regulatory Services, HR & Corporate Policy/ Chief Officer - Finance, Housing & Change	Apr 25	<p>That a Member briefing on the Corporate Joint Committee (CJC) be considered to outline exactly what changes have taken place, including the governance structures, and how the County Borough fits into it.</p> <p>Consideration could be given to inviting a representative of the CJC to be questioned by Members of GAC.</p> <p>There was a need to consider how the Minutes from the governance structures of the CJC could be brought into the Council for Members to consider significant issues and developments.</p>	Apr 25	<b>ACTIONED</b> – The Democratic Services Manager has been in touch with the CJC monitoring officer to try and arrange member training on the CJC for all our Members. Discussions on the best way forward are ongoing. An update will be provided at the meeting of the Committee on 19 June 2025.
6.	30 Jan 25	Global Internal Audit Standards (GIAS) Presentation	Head of RIAS	Jan 25	The Chair requested that the PowerPoint slides used for the presentation be shared with Members	Jan 25	<b>ACTIONED</b> – The slides were circulated to Members on 30 January 2025.
7.	30 Jan 25	Internal Audit Recommendation Monitoring Report	Head of RIAS	Apr 25	The Chair drew attention to a number of outstanding recommendations in respect of security and access to Council buildings, Saint Mary's Catholic Primary School, and procurement. He indicated that these needed to be monitored closely, and an update should be provided at the next meeting of the Committee.	Apr 25	<b>ACTIONED</b> – Updates will be provided as part of the Internal Audit Recommendation Monitoring report at the meeting on 24 April 2025.
8.	30 Jan 25	Regulatory Tracker Update	Chief Officer – Legal & Regulatory Services, HR & Corporate Policy	Apr 25	Members requested that an updated report be submitted to the next meeting of the Committee in April 2025.	Apr 25	<b>ACTIONED</b> – An updated report will be submitted to the meeting of the Committee on 24 Apr 25.

9.	30 Jan 25	Internal Audit Recommendation Monitoring Report	Head of RIAS	Apr 25	The Chair drew attention to the outstanding recommendation in respect of home to work mileage.	Jun 25	<b>ACTIONED</b> – A report on the implementation of agreed actions in regard to Home to Work Mileage will be submitted to the meeting of the Committee on 19 June 2025.
10.	30 Jan 25	Corporate Complaints	Chief Officer – Legal & Regulatory Services, HR & Corporate Policy	Jun 25	Members requested that a progress report on the implementation the new complaints system be submitted to meeting of the committee in June 2025	Jun 25	<b>ACTIONED</b> – A progress report on the implementation of the new complaints system will be submitted to the meeting of the Committee on 19 June 2025.

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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>AUDIT WALES GOVERNANCE AND AUDIT COMMITTEE REPORTS</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>DEBORAH EXTON DEPUTY HEAD OF FINANCE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• The Council's external auditors, Audit Wales, undertake a range of financial and performance audit work during the financial year.</li> <li>• They publish a number of reports in respect of the audit work undertaken. Some of the reports are national across all local authorities and others are local and specific to Bridgend.</li> <li>• Audit Wales also present a quarterly work programme and timetable to the Governance and Audit Committee to outline work completed, audits in progress and those still due to be undertaken.</li> <li>• This report provides details of the quarterly update on the Work Programme and Timetable as at the end of March 2025, along with the Annual Audit Summary 2024 and Detailed Audit Plan 2025.</li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to submit to the Committee three reports from Audit Wales.

## 2. Background

- 2.1 Audit Wales undertakes a programme of work during the year to help the Auditor General discharge his duties under the Public Audit (Wales) Act 2004. The Auditor General's functions include auditing accounts and undertaking local performance audit work at a broad range of public bodies, alongside conducting a programme of national value for money examinations and studies. The Auditor General also assesses the extent to which public bodies are complying with the

sustainable development principle when setting and taking steps to meet their well-being objectives.

- 2.2 Part 2 of the 2004 Act sets out the powers and duties of the Auditor General to undertake studies in relation to local government bodies in Wales. The most widely used of these provisions is section 41, which requires the Auditor General to undertake studies designed to enable him to make recommendations for, among other things, improving the value for money in the provision of services.
- 2.3 In accordance with Section 89 of the Local Government and Elections (Wales) Act 2021 the Authority is required to keep under review the extent to which it is exercising its functions effectively, using its resources economically, efficiently and effectively and ensuring its governance is effective for securing these performance requirements.

### 3. Current situation / proposal

- 3.1 Audit Wales has produced three reports for the Governance and Audit Committee to consider:-
  - **The Audit Wales Work Programme and Timetable - (Appendix A)** - under the Local Government and Elections (Wales) Act 2021, the Auditor General is required to produce a work programme update for each financial year for each principal council covering both his functions and those of 'relevant regulators' (Care Inspectorate Wales and Estyn). At the meeting of the Governance and Audit Committee in July 2021, Audit Wales reported that they will provide an updated version of this report to the Council on a quarterly basis. **Appendix A** is an updated position as at 31st March 2025.
  - **Bridgend County Borough Council – Annual Audit Summary 2024 - (Appendix B)** - This is Audit Wales' audit summary for Bridgend County Borough Council. It shows the work completed since the last Annual Audit Summary, which was presented to the Committee in July 2024. The audit summary forms part of the Auditor General for Wales' duties.
  - **Bridgend County Borough Council – Detailed Audit Plan 2025 - (Appendix C)** - The Outline Audit Plan specifies the Auditor General's statutory responsibilities as the Council's external auditor and to fulfil his obligations under the Code of Audit Practice. It also sets out details of the audit team and key dates for delivering the audit team's activities and planned outputs.

### 4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an Equality Impact Assessment

in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

**5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

**6. Climate Change Implications**

- 6.1 There are no climate change implications arising from this report.

**7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no safeguarding or corporate parent implications arising from this report.

**8. Financial Implications**

- 8.1 There are no financial implications arising from this report.

**9. Recommendation**

- 9.1 That the Committee notes the Audit Wales Governance and Audit Committee Reports at **Appendix A**, **Appendix B** and **Appendix C**.

**Background documents**

None

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## Audit Wales Work Programme and Timetable – Bridgend County Borough Council

**Quarterly Update: 31 March 2025**

### Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in April 2024.	April 2025	Complete

### Financial Audit work

Description	Scope	Timetable	Status
<b>Audit of the Council's 2024-25 statement of accounts</b>	We are required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness'. and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Authority.	31 October 2025	Planning work and interim audit testing is in progress
<b>The limited assurance audits of Coychurch Crematorium and Porthcawl Harbour 2024-25 accounts</b>	Per the Accounts and Audit (Wales) Regulations 2014 both bodies are classed as smaller bodies, and a limited set of audit procedures is required. Neither body is subject therefore to a full audit.	31 October 2025	Not started

Description	Scope	Timetable	Status
<b>Certification of the Council's 2024-25 grant claims and returns</b>	<p>We are required to certify three grant claims administered by the Council.</p> <ul style="list-style-type: none"> <li>• Housing Benefit Subsidy</li> <li>• National Non-Domestic Rates</li> <li>• Teachers' Pension Return</li> </ul> <p>Pooled Budgets</p>	Various – November 2025 onwards	Not started
<b>Certification of the Council's 2023-24 grant claims and returns</b>	<p>We are required to certify three grant claims administered by the Council.</p> <ul style="list-style-type: none"> <li>• Housing Benefit Subsidy</li> <li>• National Non-Domestic Rates</li> <li>• Teachers' Pension Return</li> </ul> <p>Pooled Budgets</p>	Various – November 2024 onwards	Complete

## Performance Audit work

2023-24 Performance Audit work	Scope	Timetable	Status
<b>Assurance and Risk Assessment</b>	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.	Ongoing	Complete
<b>Thematic review – commissioning</b>	A review focusing on how councils' arrangements for commissioning, apply value for money considerations and the sustainable development principle.	March 2024– March 2025	Underway
<b>Thematic review – Financial Sustainability</b>	A review of the council's financial sustainability, including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.	March – July 2024	Final report issued 11th September 2024  National Summary published December 2024
<b>Setting of Wellbeing Objectives</b>	A review to assess the extent to which Bridgend County Borough Council has acted in accordance with the sustainable development principle when setting its well-being objectives	April – September 2024	Final report issued 1 <sup>st</sup> October 2024

2023-24 Performance Audit work	Scope	Timetable	Status
Local project	Review of Decision-Making Arrangements to establish whether the Council has put in place proper decision-making arrangements to secure value for money in the use of its resources.	May- October	Final report issued 17 <sup>th</sup> September 2024



<b>2024-25 Performance Audit work</b>	<b>Scope</b>	<b>Timetable</b>	<b>Status</b>
<b>Assurance and Risk Assessment</b>	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.	Ongoing	Corporate Management Board Workshop 12th February 2025
Local project - Review of Decision-Making Arrangements (contd.)	Review of Decision-Making Arrangements to establish whether the Council has put in place proper decision-making arrangements to secure value for money in the use of its resources.	May- October	Final report issued 17 <sup>th</sup> September 2024
Local project - Review of Risk Management Arrangements	A review to assess the Council's Risk Management Arrangements.	March -June 2025	Project Brief issued 17 <sup>th</sup> March 2025

## Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Bridgend County Borough Council Council
<b>Temporary Accommodation</b>	Examining the costs, demand and how services are working together to progress the response to temporary accommodation.	Report publication planned for summer 2025	Fieldwork underway  Surveys have been issued to Heads of Housing and Section 151 Officers at each principal council.	Interviews at the following councils: <ul style="list-style-type: none"> <li>Conwy</li> <li>Pembrokeshire</li> <li>Cardiff</li> <li>Newport</li> <li>Wrexham</li> </ul>
<b>Capital Planning in Local Government</b>	Examining whether capital investment in the asset base in local government is able to keep pace with demand.	Fieldwork January to April and report in Summer 2025	Fieldwork underway.	Interviews at the following councils: <ul style="list-style-type: none"> <li>Anglesey</li> <li>Neath Port Talbot</li> <li>Powys</li> <li>Rhondda Cynon Taf</li> <li>Swansea</li> <li>Torfaen</li> </ul>
<b>Children's Services</b>  (Replacing Financial constraints/ discretionary local government services)	Scoping underway with a likely focus on the costs and demand for services, and how councils and their partners are working to improve the value for money of services.	To be confirmed	Scoping	To be confirmed



## Estyn

During the autumn term, we inspected Newport LGES. We also carried out an inspection of the local authority's youth work. We identified strong practice in the provision in Newport, especially in areas relating to supporting school finances, many aspects of school improvement and ALN as well as their work in developing Welsh-medium education. We highlighted the impact of strong leadership at the director level and her impact on the quality and delivery of the key functions relating to her role.

We carried out a monitoring visit of Torfaen LGES as part of our follow-up process for an authority causing significant concern. The visit evaluated their progress against the recommendations from the core inspection. We found that Torfaen LGES had made sufficient process in addressing key elements of the recommendations and was removed from follow-up. The key factor in securing the improvement has been the increase in leadership capacity at Chief Executive and Director level which has had a substantial impact on securing important progress in relation to expectations, processes and delivery.

We carried out an enhanced link inspector visit to Denbighshire in October, which focused on specific aspects of attendance and additional learning needs.

During the spring term, we carried out an inspection of Powys LGES and youth work. We judged that Powys LGES requires significant improvement and will therefore require monitoring by Estyn. The Youth Service at Powys is generally strong.

We undertook an enhanced link inspector visit to Bridgend which focused on their Welsh in Education Strategic Plan (WESP) and their work on improving attendance. We also contributed to CIW's joint inspection of child protection arrangements in Pembrokeshire and their follow-up work on a Rapid Review of safeguarding.

## Care Inspectorate Wales (CIW)

	Scope	Timetable	Status
<b>CIW planned work 2025-26</b> <b>Thematic reviews –</b> <b>Regional Adoption</b> <b>Collaborative (RAC)</b> <b>Inspections</b>	CIW will complete five inspections covering all of Wales. Inspections will be conducted across the five regional adoption collaboratives: we will draw on the themes nationally into a national report.	April 2025 – December 2025	Inspections pending
<b>Community Learning</b> <b>Disability Team (CLDT)</b> <b>Community Mental Health</b> <b>Inspections</b>	In 2025-26, we will continue an annual programme of joint work focusing on CLDT and Community Mental Health Team (CMHT)	July 2025 – February 2026	Inspections pending

	Scope	Timetable	Status
<b>Joint Inspectorate Review of Child Protection Arrangements</b>	Joint Inspectorate Review of Child Protection Arrangements: Pembrokeshire	March 2025	Inspection delivery
<b>Deprivation of Liberty Safeguards (Dols)</b>	<u>National review of the use of Deprivation of Liberty Safeguards (DoLS) in Wales 2023-24   Care Inspectorate Wales</u> Annual Monitoring Report for Health and Social Care 2023-24	February 2025	Published
<b>Annual Report</b>	<u>Chief Inspector's Annual Report 2023-2024</u>	November 2024	Published
<b>Mental health support for children and young people</b>	<u>Joint Review: How are healthcare, education, and children's services supporting the mental health needs of children and young people in Wales?</u>	November 2024	Published
<b>Quarter 4 Inspections</b>	Improvement Check: Denbighshire County Council children's services	February 2025	Not yet published
	Performance Evaluation Inspection: Newport City Council adult services	February 2025	Not yet published
	Cardiff Community Mental Health Team (CMHT)	March 2025	Inspection pending

	Scope	Timetable	Status
	Local Authority Improvement Check: Monmouthshire County Council	March 2025	Inspection pending
Performance review of Local Authorities and Cafcass Cymru	<p><u>How we inspect local authority services and CAFCASS Cymru</u></p> <p>We continue to inspect Local Authorities in line with our updated Code of Practice for our local authority inspection activity   Care Inspectorate Wales</p> <p><u>We have revised our Code of Practice</u></p>	November 2024	Published
Quarter 3 Inspections	<p><u>Local authority improvement check: Isle of Anglesey County Council adult services</u></p> <p><u>Newtown Community Mental Health Team</u></p> <p><u>Local authority assurance check: Neath Port Talbot adult services</u></p> <p><u>Performance Evaluation Inspection (PEI): Carmarthenshire County Council's children's services</u></p> <p><u>Local authority assurance check letter: Caerphilly adult services   Care Inspectorate Wales</u></p>	<p>August 2024</p> <p>October 2024</p> <p>November 2024</p> <p>December 2024</p> <p>November 2024</p>	<p>Published</p> <p>Published</p> <p>Published</p> <p>Published</p> <p>Published</p>

	Scope	Timetable	Status
	<a href="#">Local authority improvement check letter: Cyngor Gwynedd adult services   Care Inspectorate Wales</a>	October 2024	Published

## Audit Wales national reports and other outputs published in the last year

Report title	Publication date and link to report
Financial Management and Governance – Lessons from Audit for Community and Town Councils in Wales	<a href="#">March 2025</a>
The Biodiversity and Resilience of Ecosystems Duty	<a href="#">March 2025</a>
Addressing workforce challenges in NHS Wales	<a href="#">February 2025</a>
Cancer services in Wales	<a href="#">January 2025</a>
Local Government Financial Sustainability	<a href="#">December 2024</a>
Local Government Financial Sustainability Data tool update now includes data from the draft 2023-24 accounts	<a href="#">December 2024</a>
National Fraud Initiative in Wales 2022-23	<a href="#">October 2024</a>
Active travel ( <a href="#">report</a> and <a href="#">data tool</a> )	<a href="#">September 2024</a>
Governance of Fire and Rescue Authorities	<a href="#">September 2024</a>
Affordable housing	<a href="#">September 2024</a>
NHS finances – and data tool update to 31 March 2024	<a href="#">August 2024</a>
Digital by design? – Lessons from our digital strategy review across councils in Wales	<a href="#">August 2024</a>



Report title	Publication date and link to report
Councils use of performance information: service user perspective and outcomes – A summary of findings from our review at Welsh councils	<a href="#"><u>July 2024</u></a>
The Welsh Government's support for TVR Automotive Ltd	<a href="#"><u>July 2024</u></a>
A465 Section 2 – update	<a href="#"><u>June 2024</u></a>
Community Pharmacy data matching pilot	<a href="#"><u>May 2024</u></a>
Governance of National Park Authorities	<a href="#"><u>April 2024</u></a>

## Audit Wales national reports and other outputs (work in progress/planned)<sup>1, 2</sup>

Title	Indicative publication date
Findings from sustainable development examinations (statutory report under the Well-being of Future Generations Act)	Late April 2025
Welsh Government capital and infrastructure investment	May 2025
Designating Sites of Special Scientific Interest – Natural Resources Wales	Spring 2025 (aim to complete during Spring but may not be published on website until later)
Challenges for the cultural sector (financial sustainability focus)	Spring 2025 (local audit work at Welsh Government arm's length bodies largely complete but reports will be published on website)
Findings from GP registration data matching pilot	Spring 2025
Further and higher education funding and oversight – Commission for Tertiary Education and Research	Spring 2025 (for initial phase of work on setting of well-being objectives – further work to follow)

<sup>1</sup> We will continue to keep our plans under constant review, taking account of the evolving external environment, our audit priorities, the context of our own resourcing and the capacity of audited bodies to engage with us. Follow-up work could also lead to other outputs, as may other investigative audit work and local audit work, where we consider there is merit in a national summary output of some kind.

<sup>2</sup> Our [Annual Plan 2025-26](#) also provides an updated list of work in progress and lists plans for new work to start during 2025-26 which will be added to this paper in due course. Where national/thematic work has progressed through the planning stage, a brief summary about its focus and planned timetable is also now available on our [website work programme pages](#).

<b>Title</b>	<b>Indicative publication date</b>
Urgent and emergency care (national messages)	Spring 2025
New Velindre Cancer Centre	Summer 2025
The senior public service	To be confirmed (scoping)
Rebalancing care and support	Autumn 2025
Tackling NHS waiting lists (local audit work at health boards)	Autumn 2025 (local work to be completed by June 2025)
Access to education for children with Additional Learning Needs	To be confirmed (scoping)
Support for business	To be confirmed (scoping)
Support for bus and rail services	To be confirmed (scoping)
Progress with investment in school and college buildings through the Sustainable Communities for Learning Programme	To be confirmed (scoping)
NHS bodies' approaches to digital transformation (local audit work)	To be confirmed (local audit work rolling out from April 2025)
NHS bodies' cost savings arrangements	Spring 2025 (local audit reporting complete)

## Good Practice Exchange events and resources

Title	Link to resource
<b>Event resources: From firefighting to future-proofing: The cost of failure in financial management and governance</b>	<a href="#">The cost of failure in financial management and governance</a>
<p>We are in the process of finalising dates for our forthcoming events which will include the following themes:</p> <ul style="list-style-type: none"> <li>• Tackling fraud and error</li> <li>• The complex public service landscape</li> <li>• The workforce of the future</li> <li>• Upping the bandwidth on digital transformation</li> <li>• Zeroing in on the sustainable development principle</li> <li>• Putting value for money to the test</li> </ul>	<p>We will share booking details shortly.</p>
<b>Podcast:</b> Listen to our new podcast episode on avoiding failure in financial management and governance	<a href="#">Podcast: The Cost of Failure in Governance</a>



## Bridgend County Borough Council Annual Audit Summary 2024

Date Published: March 2025

This is our audit summary for Bridgend County Borough Council. It shows the work completed since the last Annual Audit Summary, which was issued in April 2024. Our audit summary forms part of the Auditor General for Wales' duties.



More information about these duties can be found on our [website](#).

### About the Council

#### Some of the services the Council provides



#### Key facts

The Council is made up of 51 councillors who represent the following political parties:

- Labour 24
- Independent 19
- Labour and Co-operative 3
- Llynfi Independents 3
- Conservative 1
- Plaid Cymru 1

The Council spent £342 million on providing services<sup>1</sup> during 2023-24<sup>2</sup>.

<sup>1</sup> We define spending on services as the cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest.

<sup>2</sup> Source: 2023-24 Statement of Accounts

## Key facts

As at 31 March 2024, the Council had £76 million of useable financial reserves<sup>3</sup>. This is equivalent to 21% of the Council's annual spending on services<sup>4</sup>.

Bridgend County Borough Council has 7% of the most-deprived 10% of areas in Wales, this is the 11th highest of the 22 unitary councils in Wales<sup>5</sup>.

Bridgend County Borough Council's population is projected to increase by 6% between 2024 and 2043 from 149,200 to 158,700, including a predicted 2% decrease in the number of children, a 1% increase in the number of the working-age population and a 28% increase in the number of people aged 65 and over<sup>6</sup>.

## The Auditor General's duties

### We completed work during 2023-24 to meet the following duties

- **Audit of Accounts**

Each year, the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.

- **Value for money**

The Auditor General examines whether the Council has put in place arrangements to get value for money for the resources it uses, and he has to be satisfied that it has done this.

- **Sustainable development principle**

Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

<sup>3</sup> We define useable financial reserves as reserves usable for revenue costs, where the purpose is not protected by law. This is the total of the general fund, earmarked reserves and schools' balances. It excludes Housing Revenue Account reserves, capital receipts and capital grants unapplied.

<sup>4</sup> Source: 2023-24 Statement of Accounts

<sup>5</sup> An area in this context is defined as a 'Lower Super Output Area'. Source: Stats Wales

<sup>6</sup> Source: [Stats Wales, Population Projections](#)

## What we found

### Audit of Bridgend County Borough Council's 2023-24 Accounts



**To meet the Auditor General's duties we complete specific projects, but we also rely on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). We take the findings of our audit work into account when assessing whether the Council has put in place arrangements to secure value for money. Our findings and conclusions are summarised below.**

Each year, we audit the Council's financial statements.

#### **For 2023-24:**

- the draft statements were presented for audit on 17 July 2024. This was after the deadline of 30 June 2024 set by the Welsh Government.
- the quality of the draft statements presented for audit was generally good.
- the Auditor General gave an unqualified true and fair opinion on the Authority's financial statements on 29 November 2024, before the deadline agreed with the Welsh Government of 30 November 2024.
- the Authority's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements prepared by the Authority and with our knowledge of the Authority.
- a number of changes were made to the Authority's financial statements arising from our audit work, which were reported to the Audit Committee in our Audit of Financial Statements Report in November 2024.
- in addition to the Auditor General's responsibilities for auditing the Council's financial statements, he also has responsibility for the certification of a number of grant claims and returns. Our work to date has not identified any significant issues.
- the Auditor General issued the certificate confirming that the audit of accounts for 2023-24 has been completed.

## **Assurance and risk assessment review**

We reviewed the arrangements the Council has put in place to secure value for money in the use of its resources in line with the Auditor General's duties. Our assessment is also used to inform our work planning for future years.

## **Financial Sustainability**

During 2024, we reviewed the Council's financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term. We found that the Council understands its financial position with good arrangements to support its financial sustainability which it flexes and adapts, but is at the early stage of developing its long-term approach.

## **Local project – Setting of Well-being Objectives**

We conducted this review to assess the extent to which Bridgend County Borough Council has acted in accordance with the sustainable development principle when setting its well-being objectives. We found that the Council has applied the sustainable development principle when setting its well-being objectives, but there are opportunities to build on how it involves citizens and how it intends to work with partners.

## **Local project – Review of decision-making arrangements**

We reviewed decision-making arrangements to establish whether the Council has put in place proper decision-making arrangements to secure value for money in the use of its resources. We found that the Council generally has proper decision-making arrangements in place but weaknesses in forward planning and pre-decision scrutiny are undermining their effectiveness.



## National reports and products published in 2024

As well as local work at each council, each year, we also carry out studies across the local government sector to make recommendations for improving value for money. We published the following reports in 2024 which may be useful to the Council and can be found on our website.

Report title	Publication date and link to report
Local Government Financial Sustainability	<a href="#">December 2024</a>
Local Government Financial Sustainability Data tool update now includes data from the draft 2023-24 accounts	<a href="#">December 2024</a>
National Fraud Initiative in Wales 2022-23	<a href="#">October 2024</a>
Active travel (report and data tool)	<a href="#">September 2024</a>
Governance of Fire and Rescue Authorities	<a href="#">September 2024</a>
Affordable housing	<a href="#">September 2024</a>
Digital by design? – Lessons from our digital strategy review across councils in Wales	<a href="#">August 2024</a>
Councils' use of performance information: service user perspective and outcomes – A summary of findings from our review at Welsh councils	<a href="#">July 2024</a>
Governance of National Park Authorities	<a href="#">April 2024</a>
Supporting Ukrainians in Wales	<a href="#">March 2024</a>
From firefighting to future-proofing – the challenge for Welsh public services	<a href="#">February 2024</a>
Planning for sustainable development – Brownfield regeneration	<a href="#">January 2024</a>

## **Planned work for 2024-25**

We also looked at the key challenges and opportunities facing the Council. These could have an effect on the Council's ability to meet its legal obligations in relation to the sustainable development principle and the use of its resources.

Our planned work for 2024-25 includes:

- Assurance and risk assessment
- Risk management arrangements
- Review of decision-making arrangements (continued)

The Auditor General is independent of government and was appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, fire and rescue authorities, national parks, and community councils. He also conducts local government value for money studies, assesses compliance with the remaining requirements of the Local Government (Wales) Measure 2009 and may undertake special inspections under the Local Government and Elections (Wales) Act 2021.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission, and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

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# **Bridgend County Borough Council – Detailed Audit Plan 2025**

Audit year: 2024-25

Date issued: April 2025

Document reference: 4805A2025



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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

# Introduction



**Adrian Crompton**

Auditor General  
for Wales

I am pleased to share my 2025 Audit Plan. The Plan sets out how I will undertake your audit.

My audit team has developed the Plan following a structured and risk-based planning process, which will remain ongoing throughout the audit. My Code of Audit Practice provides further detail on how my audit and certain other functions are to be carried out by my auditors.

At the core of all our work is our commitment to maintaining the highest standards of professional integrity, objectivity, independence and audit quality. Our three lines of assurance model (page 27) sets out how we will ensure those standards of quality are met. Our latest annual quality report, Audit Quality Report 2024, provides more information about our audit quality arrangements.

My audit team will work constructively with your staff to understand the issues you are facing, ensure the audit process operates as smoothly as possible, and provide valuable insights about any areas for improvement.

For this year of audit we are required to implement a new auditing standard on the audit of groups which will see us adopting a more risk-based approach to that work. At this stage we do not anticipate this will have a significant impact on our audit, but my team will discuss the changes with your management team.

My local performance audit work programme, as outlined in this Plan, sits alongside other national audit work that may include coverage of your organisation. Local performance audit work may also inform wider national reporting.

Should you have any questions about your audit my audit team will be happy to discuss them with you. They will also keep you regularly updated as work progresses.



# Our aims and ambitions

## Our purpose



Assure people that public money is being managed well



Explain how that money is being spent



Inspire the public sector to improve

## Our vision



Fully exploiting our unique perspective, expertise and depth of insight



Strengthening our position as an authoritative, trusted and independent voice



Increasing our visibility, influence, and relevance



Being a model organisation for the public sector in Wales and beyond

## Our areas of focus



A strategic, dynamic, and high-quality audit programme



A targeted and impactful approach to communications and influencing



A culture and operating model that enables us to thrive

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and Our [Strategy 2022-27](#).

# Financial audit work

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## Audit of financial statements

I am required to issue a report on your financial statements which includes an opinion on their 'truth and fairness' and their proper preparation in accordance with accounting and legal requirements.

I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#).

In addition to my responsibilities for auditing the Council's financial statements, I also have responsibility for:

- certifying a return to the Welsh Government which provides information about the Council to support preparation of Whole of Government Accounts;
- responding to questions and objections about the accounts from local electors (additional fees will be charged for this work, if necessary);
- the certification of the annual returns for Coychurch Crematorium Joint Committee and Porthcawl Harbour Authority; and
- the certification of a number of grant claims and returns as agreed with the funding bodies.

There have been no limitations imposed on me in planning the scope of this audit.

## Group Accounts

The Council's accounts contain the transactions and balances of South East Wales Corporate Joint Committee (SEWCJC).

My audit team will undertake procedures to ensure the consolidation of the transactions and balances of SEWCJC in the Council's accounts is materially accurate.

## Certification of grant claims and returns

I have also been requested to undertake certification work on the Council's grant claims, which I anticipate will include housing benefits, teachers' pensions, non-domestic rates and pooled budget returns.

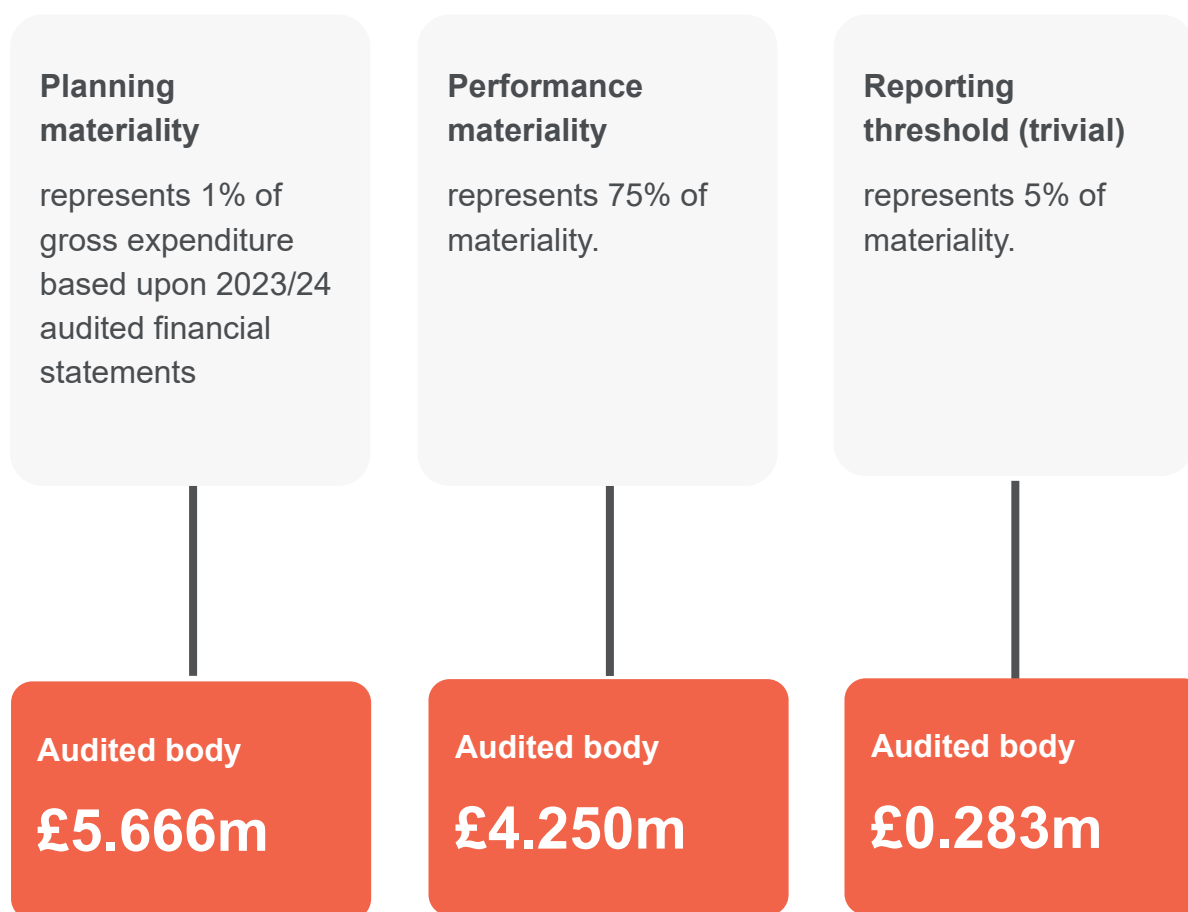
## Financial statements materiality

I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material and correct misstatements, that is, those that might result in a reader of the accounts being misled. Materiality applies not only to financial misstatements, but also to disclosure requirements and adherence to the applicable accounting framework and law.

I set planning and performance materiality to:

- Determine the level of misstatement that could cause the user of the accounts to be misled;
- Assist in the scoping of our audit approach and resultant audit tests;
- Determine sample sizes;
- Assess the effect of known and likely misstatements in the financial statements; and
- Report to those charged with governance any unadjusted misstatements above a trivial level, our reporting threshold.

The levels at which I judge such misstatements to be material is set out on the following page.



There are some areas of the accounts that may be of more importance to the user of the accounts, and we have set a lower materiality level for these:

<b>Remuneration report</b> £1,000	<b>Related party disclosures</b> £10,000 (individuals) £5.666m (other bodies)
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My audit team will assess materiality levels throughout the audit.

## Significant financial statements risks

Significant risks are identified risks of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk or those which are to be treated as a significant risk in accordance with the requirements of other International Standard on Auditing (ISAs). The ISAs require us to focus more attention on these significant risks.

### Risk of management override

The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].

#### Our planned response

My audit team will:

- test the appropriateness of journal entries and other adjustments made in preparing the financial statements;
- review accounting estimates for bias; and
- evaluate the rationale for any significant transactions outside the normal course of business.

## Other areas of focus

I set out below other identified risks of material misstatement which, although not determined to be significant risks as above, I would like to bring to your attention.

### Valuation of pension fund net liability/surplus

The Local Government Pension scheme (LGPS) pension fund liability as reflected in the financial statements are material estimates.

The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation.

The impact of economic conditions, particularly interest rate levels also have a significant impact on the liability.

There are also several legal cases potentially impacting on the valuation of the net liability.

There is a risk therefore that the liability/surplus is materially misstated.

### **Our planned response**

My audit team will:

- evaluate the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary's work;
- assess the competence, capabilities and objectivity of the actuary who carried out the valuations;
- assess the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability;
- test the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary;
- assess the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor's expert) and undertaking any additional procedures required; and
- assess whether any legal cases could have a material impact on the net liability, and if so, confirm that this has been appropriately recognised and disclosed within the financial statements.

### **Valuation of land and buildings**

- The value of land and buildings reflected in the balance sheet and notes to the accounts are material estimates.
- Land and buildings are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions, and changes in these can result in material changes to valuations.
- Assets are required to be revalued every five years, but values may also change year on year, and there is a risk that the carrying value of assets recognised in the accounts could be materially different to the current value of assets as at 31 March 2025, particularly in the current economic environment.

My audit team will:

- review the information provided to the valuer to assess for completeness
- evaluate the competence, capabilities and objectivity of the professional valuer
- test a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable, and the revaluations have been correctly reflected in the financial statements; and
- test the reconciliation between the financial ledger and the asset register.

### Senior officer remuneration

There is a risk that these are not appropriately disclosed in the financial statements as remuneration paid to senior officers continues to be of high interest and is material by nature.

Even though there are no significant changes in senior officers for 2024-25, there is a risk that even low value errors in the disclosure could result in a material misstatement.

### Our planned response

My audit team will:

- understand any movements in the senior management team during 2024-25;
- ensure that remuneration disclosed is consistent with supporting evidence;
- ensure that amounts paid are consistent with those approved by the Council; and
- ensure that disclosures are complete based on the team's knowledge and are prepared in accordance with requirements.

### Implementation of International Accounting Standard (IFRS) 16 - Leases

Local Government bodies are required to adopt IFRS16 Leases from 1 April 2024.

This significantly changes the accounting treatment and disclosures required for leased assets and means that most leases will result in an asset and liability on balance sheets.

There is a risk that the requirements of the IFRS are not appropriately adopted and as a result the financial statements are materially misstated.

### **Our planned response**

My audit team will:

- review the Councils working papers to ensure that all leases falling within the scope of the Standard have been included in calculations;
- test a sample of asset and liability calculations to ensure that the assumptions are reasonable, and the calculations have been correctly prepared; and
- confirm that asset and liability values have been correctly accounted for and disclosed in the financial statements.

### **South East Wales Corporate Joint Committee (SEWCJC) transactions and balances**

The transactions and balances of SEWCJC may need to be recognised in the financial statements of the Council.

The Council will need to decide how to account for these in its financial statements and accounting for such arrangements is complex and requires judgement. The SEWCJC transactions and balances are also becoming increasingly complex and therefore there is a risk of material misstatement in the Council's financial statements.

### **Our planned response**

My audit team will:

- review the Council's judgement relating to how the SEWCJC will be accounted for and confirm that this complies with the requirements of the Local Government Code; and



- review the process of consolidation into the Council's financial statements to confirm that transactions, balances and disclosures are complete and accurate.

## **Related party disclosures**

The financial statements must disclose any related party relationships along with the transactions and balances between the Council and the other body/party.

The Council has many relationships that could be considered a related party. Many are well known for example, Welsh Government as funder.

However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature

There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.

### **Our planned response**

My audit team will:

- review the Council's process for identifying related party relationships and associated transactions and balances;
- undertake procedures to confirm the completeness of related party relationships; and
- ensure disclosures are complete, accurate, consistent with evidence and are in accordance with the Local Government Code.

## Financial statements audit timetable

Below is a timetable showing the key stages of the audit and our key audit deliverables that we will provide to you.

### Exhibit 1: Financial statements audit timetable

<b>Planning</b>  <b>January to March 2025</b>	Planning meeting High level risk assessment procedures Fraud risk assessment Accounting estimates planning IT environment risk assessment Indicative audit fee Draft Detailed Audit Plan
<b>Interim</b>  <b>February to April 2025</b>	Information flows Detailed risk assessment procedures IT controls review Develop testing strategy Early sample testing
<b>Fieldwork</b>  <b>July to September 2025</b>	Update risk assessment Audit of financial statements to include narrative report and annual governance statement Complete audit testing Evaluate audit findings Audit closure meeting
<b>Reporting</b>  <b>October to November 2025</b>	Audit of Accounts Report Recommendations for improvement Present findings to those charged with governance Auditor General certification Annual Audit Summary Post project learning








# Performance audit work

## Proper arrangements

As set out in the Code of Audit Practice, I must satisfy myself that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources ('value for money'), and conclude accordingly.

I do this by undertaking an appropriate programme of performance audit work each year. I base my work programme on an assessment of risks of the Council and the wider Local Government sector in Wales not having the proper arrangements in place, with the work typically focusing on the areas of greatest risk.

In designing the programme, my auditors must have considered corporate and service level arrangements, including:

- |   |   |
|---|---|
|  Strategic planning              |  Asset management      |
|  Financial planning              |  Collaborative working |
|  Performance and risk management |  Overall governance.   |
|  Workforce planning              |   |

My auditors will also have taken account of relevant work that is being undertaken or planned by other audit, regulatory and inspection bodies at the Council.

I conduct my performance audit work using the ISSAI 3000 standard developed by the International Organisation of Supreme Audit Institutions (INTOSAI). INTOSAI is a global umbrella organisation for the performance audit community. It is a non-governmental organisation with special

consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

## Well-being of future generations

Section 15 of the Well-being of Future Generations (Wales) Act 2015 (the Act) requires me to carry out examinations of public bodies for the purposes of assessing the extent to which a body has acted in accordance with the sustainable development principle when setting well-being objectives and taking steps to meet those objectives.

The **Sustainable development principle** is defined as acting in a manner...

...which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.'

To do this, they must take account of the '**five ways of working**'.



Long-term



Prevention



Intergration



Collaboration



Involvement

I must carry out these examinations at each public body covered by the Act at least once during a specified period.

These could be stand-alone examinations as part of my performance audit programme. However, where relevant and appropriate to do so, my auditors will integrate the work required into other planned performance audit work for the Council. My auditors will continue to engage closely with the Office of the Future Generations Commissioner for Wales to help coordinate our respective activities.

## Planned performance audit work

I set out below details of my performance audit work.

## Local audit work

My team is currently considering undertaking reviews in the following areas:

- Counter fraud arrangements
- Planning Services
- Disabled Facilities Grants (DFGs). My team is exploring doing a review of DFGs across the South East Wales region.

My team is likely to focus on two of the areas above and will confirm the areas and exact focus of the work through their liaison meetings with officers and via the work programme timetable updates. However, my planning might also highlight other areas worthy of review so my work programme will remain flexible.

### **Thematic review - Responding to workforce pressures in local government**

Local audit work across the 22 principal councils that will look at arrangements to secure appropriate and cost-effective resourcing of their services. This will include how councils are adapting to a changing employment market, and ways of working, when combined with financial constraints.

## Timing of Performance Audit Work

My team will work with officers in the Council to arrange exact timescales for the individual projects and will be communicated regularly through our work programme update paper. My auditors aim to substantially complete the performance audit work set out in this plan by the end of June 2026.

## Other statutory audit functions

In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. The Public Audit (Wales) Act 2004 sets out these responsibilities:

- Section 30 Inspection of documents and questions at audit; and
- Section 31 Right to make objections at audit.

As this work is reactive, I have made no allowance in the fee below. If I do receive questions and objections, my auditors will discuss the potential impact on audit fees with the Chief Officer, Finance, Housing and Change.

## Audit fee

In January 2025 we published our [2025-26 Fee Scheme](#) following approval by the Senedd Finance Committee which details the average increase to fee rates of 1.7%.

The actual fee that any individual audited body will pay depends not just on our fee rates but on the quantum of work and the skill mix required.

In 2022-23 you will recall that we implemented a fundamentally different audit approach for our financial audit work, required by new international auditing standards. This required a richer, more costly skill mix that was reflected in higher fees. We have now reviewed the implementation of this new audit approach and identified efficiencies which allow us to provide a refund of £6,800 against the 2024 audit of the financial statements fee and to reduce our fee for the audit of the 2025 financial statements by 3%.

The average fee increase has been applied as an estimate to the other areas of my audit work.

**Your estimated total audit fee: £386,443**

Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without my auditors first discussing them with the Chief Officer Finance, Housing and Change. **Exhibit 2** sets out a further breakdown of your estimated audit fee.

**I base my audit fee on the following assumptions:**

- The agreed audit deliverables set out the expected working paper requirements to support the financial statements and include timescales and responsibilities.
- The audit requirements of my individual performance audit projects are met by the audited body, or suitable alternative arrangements are put in place that satisfy the needs of my audit team.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

## Exhibit 2: Breakdown of my estimated audit fee for 2025 (and 2024 for comparison)

### Estimated fee for 2025 (£)<sup>1</sup>

Audit of financial statements <sup>2</sup>	Performance audit work <sup>3</sup>	Grant certification work <sup>4</sup>	Other financial audit work <sup>5</sup>
£223,838	£114,362	£46,559	£1,684
<b>Total fee: £386,443</b>			

### Estimated fee for 2024 (£)<sup>2, 3</sup>

Audit of financial statements	Performance audit work	Grant certification work	Other financial audit work
£223,954	£112,450	£39,794	£1,656
<b>Total fee: £377,854</b>			

<sup>1</sup> The fees shown in this document are exclusive of VAT.

<sup>2</sup> The 2024 audit fees remain an estimate until all performance audit work is complete

<sup>3</sup> Includes a refund of £6,800 due to efficiencies in the audit of financial statements work.



## Audit team

My audit team will continue to work and engage remotely using technology, but some on-site audit work will resume where it is appropriate to do so.

Audited bodies have a responsibility to ensure the safety and wellbeing of Audit Wales staff when they are on your premises.

The main members of my team, together with their contact details, are summarised in **Exhibit 3**.

### Exhibit 3: My local audit team

<b>Engagement Director</b>	Anthony Veale <a href="mailto:anthony.veale@audit.wales">anthony.veale@audit.wales</a>	
	<b>Financial Audit</b>	<b>Performance Audit</b>
<b>Engagement Lead</b>	Anthony Veale <a href="mailto:anthony.veale@audit.wales">anthony.veale@audit.wales</a>	Gary Emery <a href="mailto:gary.emery@audit.wales">gary.emery@audit.wales</a>
<b>Audit Manager</b>	David Williams <a href="mailto:david.williams@audit.wales">david.williams@audit.wales</a>	Sara-Jane Byrne <a href="mailto:sara-jane.byrne@audit.wales">sara-jane.byrne@audit.wales</a>
<b>Audit lead</b>	Lucy Herman <a href="mailto:lucy.herman@audit.wales">lucy.herman@audit.wales</a>	Samantha Clements <a href="mailto:samantha.clements@audit.wales">samantha.clements@audit.wales</a>

The only known threat to our independence which I need to bring to your attention relates to Lucy Herman, the Financial Audit Lead who is related to an employee of the Council. Our compliance and Ethics department has already undertaken a detailed review and has concluded that the possibility of this relationship impacting on our audit of the financial statements is remote. However, we have taken appropriate steps to

minimise risks by allocating work appropriately and ensuring additional review is undertaken where required.

I can confirm that my other team members are all independent of the Council and your officers.

# Audit quality

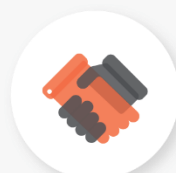
Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



## Our People

- Selection of right team
- Use of specialists
- Supervisions and review



## Arrangements for achieving audit quality

### Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



## Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

## Supporting you

Audit Wales has a range of resources to support the scrutiny of Welsh public bodies, and to support them in continuing to improve the services they provide to the people of Wales.

Visit our [website](#) to find:



Our [publications](#) which cover our audit work at public bodies.



Information on our upcoming work and forward work programme for [performance audit](#).



[Data tools](#) to help you better understand public spending trends



Details of our [Good Practice](#) work and events including the sharing of emerging practice and insights from our audit work.



Our [newsletter](#) which provides you with regular updates on our public service audit work, good practice, and events.



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Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>REGULATORY TRACKER</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER - LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY</b>
<b>Responsible Officer:</b>	<b>ALEX RAWLIN POLICY AND PUBLIC AFFAIRS MANAGER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The regulatory tracker forms part of the Council's Performance Management Framework.</b>
<b>Executive Summary:</b>	<p><b>The regulatory tracker has been updated to the end of quarter 3 of 2024-25. As at end quarter 3 –</b></p> <ul style="list-style-type: none"> <li><b>• 11 inspections are included on the tracker</b></li> <li><b>• 3 new inspections have been added</b></li> <li><b>• No inspections have been removed</b></li> <li><b>• 6 recommendations have been closed</b></li> <li><b>• 80 recommendations are on the tracker</b></li> </ul> <p><b>This report also provides clarity on two issues raised at Governance and Audit Committee (GAC) in January 2025.</b></p> <ul style="list-style-type: none"> <li><b>• The process for ensuring the regulatory tracker is properly updated each quarter and any changes to target dates are minimal.</b></li> <li><b>• The process agreed between the GAC chair and Scrutiny chairs for referring audits from GAC to Scrutiny and providing updates on those audits.</b></li> </ul>

## **1. Purpose of Report**

- 1.1 The purpose of this report is to provide an update to the Governance and Audit Committee on the Regulatory Tracker updated to the end of quarter 3 (Q3) of 2024-25 and issues raised on the Regulatory Tracker reported to the committee in January 2025.

## **2. Background**

- 2.1 A report to the Governance and Audit Committee (GAC) on 10 November 2022 proposed that a 'regulatory tracker' be created to monitor progress against recommendations from all inspections/audits completed by key

regulators of local government services, including Audit Wales, Care Inspectorate Wales (CIW), and Estyn. An updated 'regulatory tracker' is considered at GAC twice yearly. This report covers up to the end of quarter 3 of 2024-25.

- 2.2 The performance judgements for recommendations within the regulatory tracker are awarded by applying the following key as prescribed within the Performance Management Framework, which provides clear definitions for the Blue, Red, Amber, Yellow, Green (BRAYG) statuses.

	<b>What does this Status mean?</b>		
	<b>How are we doing</b>	<b>Commitments, projects or regulatory improvements</b>	<b>Performance Indicators</b>
<b>COMPLETE (BLUE)</b>	Not applicable	Project is completed	Not applicable
<b>EXCELLENT (GREEN)</b>	Very strong, sustained performance and practice	As planned - within timescales, on budget, achieving outcomes	On target AND performance has improved / is at maximum
<b>GOOD (YELLOW)</b>	Strong features, minor aspects may need improvement	Minor issues. One of the following applies – deadlines show slippage, project is going over budget or risk score increases	On target
<b>ADEQUATE (AMBER)</b>	Needs improvement. Strengths outweigh weaknesses, but important aspects need improvement	Issues – More than one of the following applies - deadlines show slippage, project is going over budget or risk score increases	Off target (within 10% of target)
<b>UNSATISFACTORY (RED)</b>	Needs urgent improvement. Weaknesses outweigh strengths	Significant issues – deadlines breached, project over budget, risk score up to critical or worse	Off target (target missed by 10%+)

- 2.3 A report to the Governance and Audit Committee (GAC) on 30 January 2025 provided an update on the regulatory tracker up to the end of quarter 2 of 2024-25. The discussions of the committee raised two significant issues –

- A need to understand the process used by Corporate Management Board (CMB) and senior officers for making decisions on addressing



recommendations of audits, and the target dates for completing these actions.

- A need to understand the detail of the process agreed between the Governance and Audit Committee Chair and Scrutiny Chairs for referring audits from GAC to Scrutiny and providing updates on those audits.

### 3. Current situation / proposal

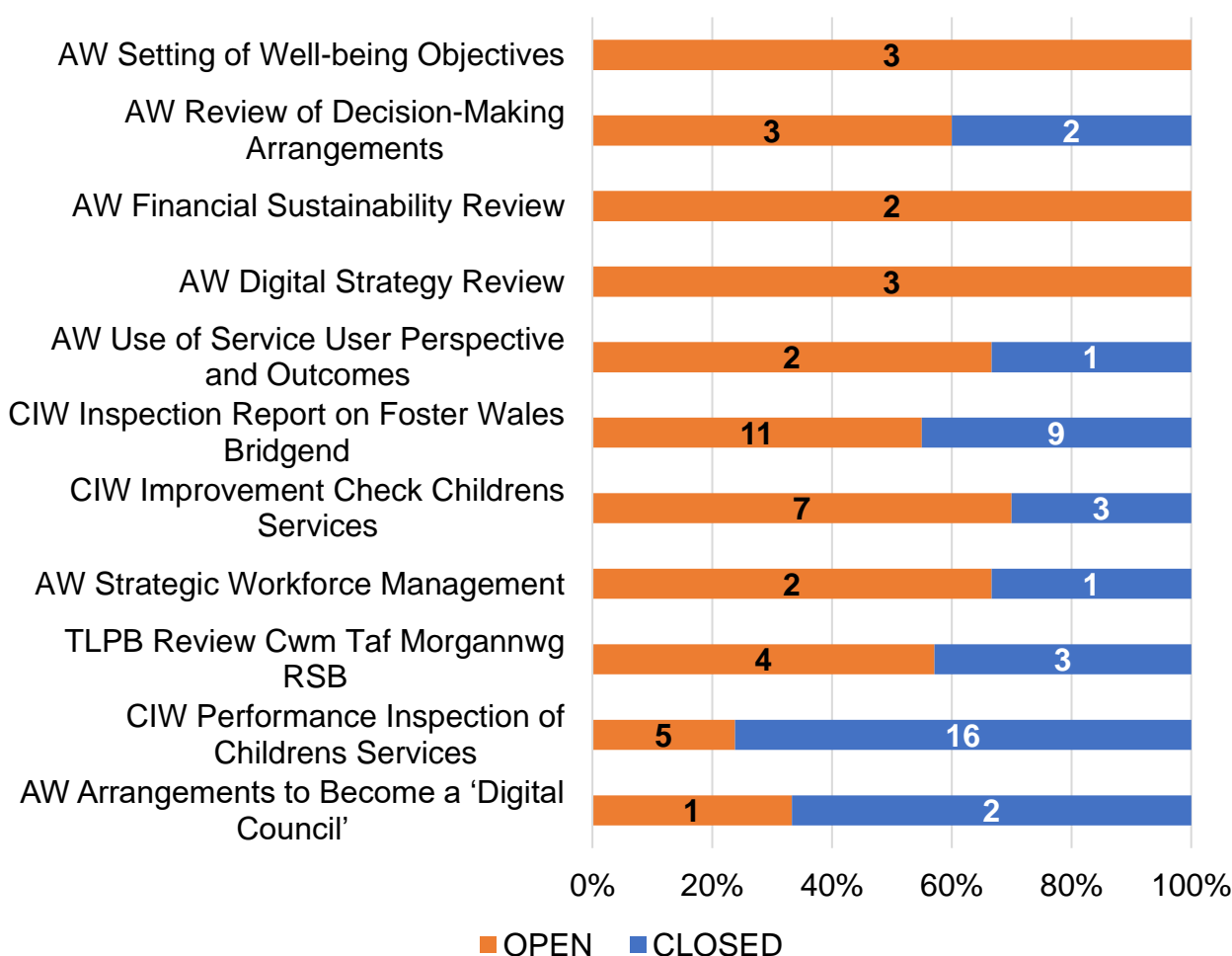
- 3.1 Paragraphs 3.3 to 3.7 below summarise details of the full Regulatory Tracker document at Q3, and changes since the last report to this committee in January 2025 for quarter 2 (Q2) 2024-25.
- 3.2 **Appendix 1** is an extract of the full tracker document showing red and amber recommendations only, and **Appendix 2** is a summary of recommendations closed in the previous period (since the last report produced for Q2 2024-25).
- 3.3 There are currently 80 regulator recommendations for the Council included on the full tracker report from 11 Audits/Inspections. As the Performance Team is no longer reporting the entire tracker to the Governance and Audit Committee, these are summarised on the following table –

Audit/Inspection	Recommendations
Audit Wales, Setting of Well-being Objectives	3
Audit Wales, Review of Decision-Making Arrangements	5
Audit Wales, Financial Sustainability Review	2
Audit Wales, Digital Strategy Review	3
Audit Wales, Use of Service User Perspective and Outcomes	3
CIW Inspection Report on Foster Wales Bridgend	20
CIW Improvement Check Visit to Children's Social Care Services	10
Audit Wales, Springing Forward, Strategic Workforce Management	3
Transformational Leadership Programme Board, Baseline Governance Review Cwm Taf Morgannwg Regional Partnership Board	7
Care Inspectorate Wales (CIW) Performance Evaluation Inspection of Children's Services	21
Audit Wales, Review of Arrangements to Become a 'Digital Council'	3

- 3.4 Since the previous report to the Governance and Audit Committee on 30 January 2025, 3 new audit/inspections have been added to the tracker:
- Audit Wales, Digital Strategy Review (3 recommendations)
  - Audit Wales, Review of Decision-Making Arrangements (5 recommendations)
  - Audit Wales, Setting of Well-being Objectives (3 recommendations)
- 3.5 Since the previous report 6 recommendations have been closed. Final commentary is included in **Appendix 2**. They are –
- CIW Inspection Report on Foster Wales Bridgend (1 recommendation closed, 11 remain open)
  - Transformational Leadership Programme Board, Baseline Governance Review Cwm Taf Morgannwg Regional Partnership Board (1 recommendation closed, 4 remain open)
  - Audit Wales, Review of Arrangements to Become a ‘Digital Council’ (1 recommendation closed, 1 remains open)
  - Audit Wales, Use of Service User Perspective and Outcomes (1 recommendation closed, 2 remain open)
  - Audit Wales, Review of Decision-Making Arrangements (2 recommendations closed, 3 remain open)
- 3.6 A breakdown of the open/closed status for the 80 current recommendations is below. This has also been summarised by audit / inspection to draw the Governance and Audit Committee’s attention to specific areas of concern.

Date	Recommendations	Open	Closed	% Open
12/01/2023	66	48	18	72.73
15/07/2023	82	38	44	46.34
25/01/2024	58	33	25	56.90
19/07/2024	67	38	29	56.72
30/01/2025	69	38	31	55.07
<b>24/04/2025</b>	<b>80</b>	<b>43</b>	<b>37</b>	<b>53.75</b>

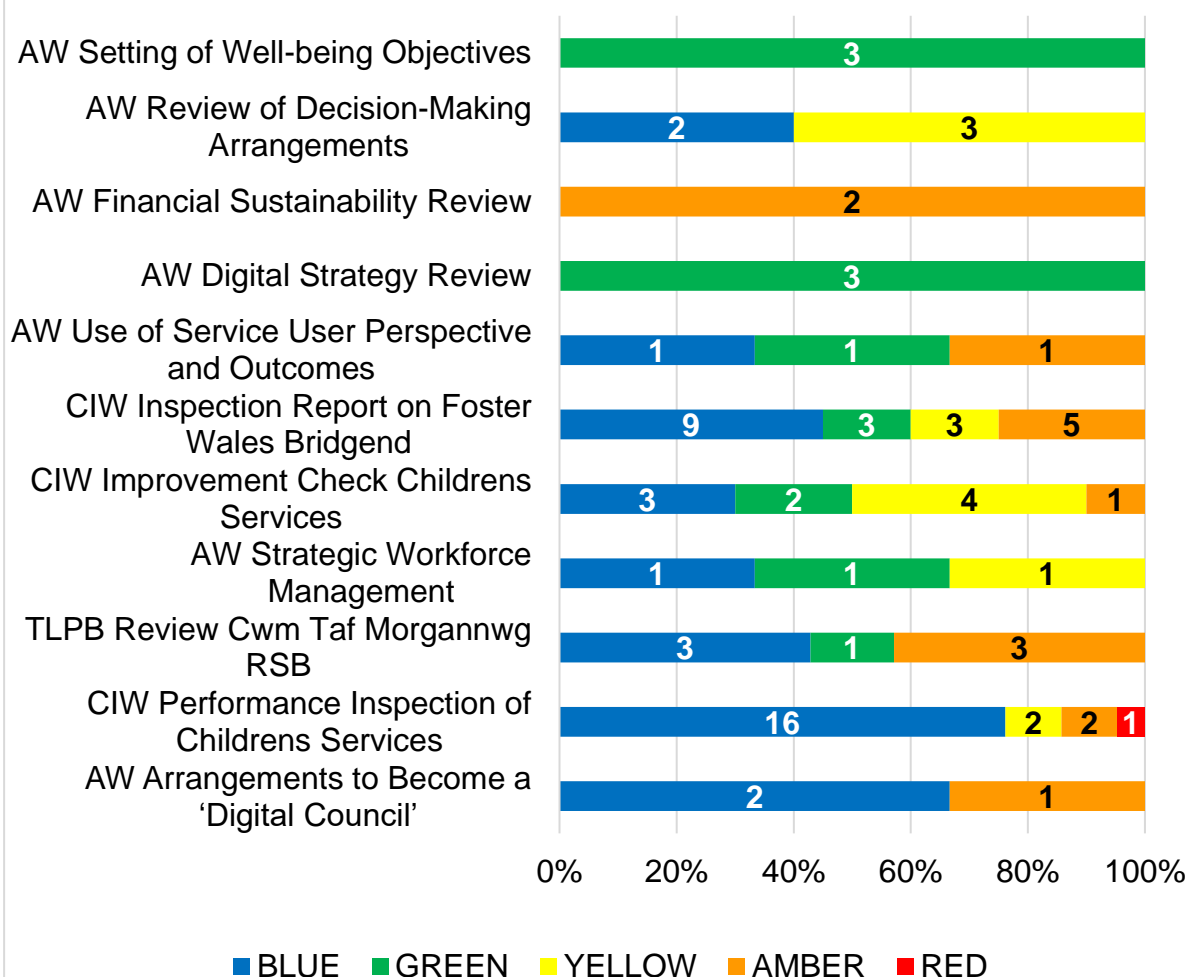
### Recommendations Open/Closed by Audit/Inspection



3.7 A breakdown of red, amber, yellow, green, blue status for recommendations is below. This has also been summarised by audit / inspection to draw Governance and Audit Committee's attention to specific areas of concern.

Date	Recommendations	Blue	Green	Yellow	Amber	Red	No status
12/01/2023	66	18	26	n/a	14	1	7
15/07/2023	82	44	22	0	15	1	0
25/01/2024	58	25	17	0	15	1	0
19/07/2024	67	29	18	1	17	2	0
30/01/2025	69	31	11	1	25	1	0
<b>24/04/2025</b>	<b>80</b>	<b>37</b>	<b>14</b>	<b>13</b>	<b>15</b>	<b>1</b>	<b>0</b>

## Summary of BRAYG Status by Audit/Inspection



- 3.8 On 12 March 2025, Corporate Management Board (CMB) considered the points and recommendations made by Governance and Audit Committee (GAC) at their January meeting. CMB agreed to consider the regulatory tracker twice yearly, before it is submitted to GAC. CMB also agreed to minimise any changes to target dates on the regulatory tracker.
- 3.9 In preparing information for GAC, the performance team have reexamined the dates of updates. The team concluded that GAC would receive a more up to date set of information by changing their regulatory tracker updates to April and October (rather than the current updates in January and July). It is therefore proposed that the committee alter their regulatory tracker consideration to April and October sessions.
- 3.10 As reported at the last meeting, a meeting took place between the GAC and Scrutiny Chairs on 9 December 2024, to make the referral arrangement more systematic. In that meeting, there was a joint understanding of the need for a

collaborative approach between Scrutiny and Governance and Audit Committee, but a recognition that their roles are different. The Statutory and Non-Statutory Guidance for the LG Act 2000, the LG (Wales) Measure 2011 and the LGE (Wales) Act 2021 states:

*‘The governance and audit committee role should be more to seek assurance that the budgetary control systems (as an internal control) of the council are working, rather than the actual scrutiny of spend. This may serve as acceptable demarcation between the role of the governance and audit committee and that of an overview and scrutiny committee’.*

3.11 The group discussed referrals made from the GAC to Scrutiny. They noted that Scrutiny Forward Work Programmes (FWP) are often very full and focused on key policy and strategic items, often pre-decision which have time constraints upon them relating to Cabinet decisions. It was agreed that it is ultimately for the Scrutiny Committee to determine if and when items get added to their FWP, utilising the criteria and agreed priorities. The Scrutiny Chairs and GAC Chair will meet on a regular basis throughout the year to assist them in this collaborative approach, whereby they can go through any referrals, clarify any queries and agree approaches. The group agreed that –

- A paragraph be included in the Scrutiny Committee’s Forward Work Programme Update report which highlights collaborative working and picks up on any Audit or Inspection referrals. The relevant Scrutiny Committee will then consider the referral(s) and whether it / they meet the criteria for the committee’s FWP. If an item does, Members will then determine where it fits, in terms of prioritisation, against other items already on the Scrutiny Committee’s FWP.
- To help develop a strong collaborative relationship between Scrutiny and GAC, collaboration and communication is key. It was requested that GAC provide as much detail as possible to their referral, so the Scrutiny Committee can clearly understand the rationale and risk associated with item and prioritise accordingly. Similarly, it was requested that clear communication back to GAC via the Action Tracker be provided on the reasons why any item would not be incorporated into a Scrutiny FWP.
- Feedback to GAC will be provided via the GAC Action Record with a summary of the Committee’s response. This could include feedback stating that the item is already included on the FWP or has been considered recently. Where it may be the latter, links will be provided in the action record to evidence the report and the outcome.
- The regulatory tracker is reported to Corporate Overview and Scrutiny Committee (COSC), twice a year, following its consideration at GAC. It was further agreed that any new inspection reports received by GAC are sent for information to the appropriate Scrutiny Committee as a link in their FWP report. Members of that Committee can then determine if they want

to consider the report in detail, which could be accompanied by any comments and referrals from GAC.

- 3.12 These agreed measures have now been actioned as evident from the (COSC) FWP Update report from 17th March 2025 as well as GAC's Action Record report to this meeting.
- 3.13 There are numerous examples of Scrutiny's involvement in monitoring recommendations in the tracker – not always as an individual item. Examples of this include the Placement Sufficiency and Support recommendations (PR3) where Subject Overview and Scrutiny Committee (SOSC 2) received the Commissioning Strategy on 19 Feb 2024, as well as the Children's Placement Commissioning Strategy on 13 March 2025. The Scrutiny Committee consistently raise the subject of sufficiency of placements when considering any Safeguarding item as well as on receipt of the Director of Social Services' Annual Report.
- 3.14 On recommendations relating to recruitment and workforce, the Workforce Recruitment and Retention report was presented to COSC in March 2023, followed by the Workforce Strategy in September 2023, and an update report on Strategic Workforce Plans in March 2024. SOSC 2 also received the Authority's 3 Year Sustainability Plan in Children's Services in July 2023, the focus of which was the safe reduction and usage of agency staff and growing our own social workforce.
- 3.15 Similarly, there are numerous examples of COSC and Scrutiny committee consideration of broader performance and budget issues related to the regulatory tracker. For example, on carers assessments, staff sickness and disabled facilities grants

#### **4. Equality implications (including Socio-economic Duty / Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 This report forms part of the measurement of progress against the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Council's Corporate Plan 2023-28:-

- 1. A county borough where we protect our most vulnerable

2. A County Borough with fair work, skilled, high-quality jobs and thriving towns
3. A County Borough with thriving valleys communities
4. A County Borough where we help people meet their potential
5. A County Borough that is responding to the climate and nature emergency
6. A County Borough where people feel valued, heard and part of their community
7. A County Borough where we support people to live healthy and happy lives

## **6. Climate Change Implications**

- 6.1 There are no specific implications of this report on climate change.

## **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no specific implications of this report on safeguarding or corporate parenting.

## **8. Financial Implications**

- 8.1 There are no financial implications associated with these arrangements.

## **9. Recommendation**

- 9.1 The Governance and Audit Committee is recommended to: -
- Consider the updated process for CMB consideration of the regulatory tracker.
  - Agree to change regulatory tracker updates at GAC to April and October each year.
  - Consider the scrutiny arrangements at paragraphs 3.10-3.15.

## **Background documents**

None.

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Name of Audit / regulator	Recommendation / proposal for improvement	Responsible Officer	Delivery Date	Action Update Q3 2024-25	BRAYG Q3 24-25
Audit Wales, Financial Sustainability Review (Aug 2024)	R1 To strengthen the Council's approach to financial sustainability, the Council should develop a savings plan across the timescale of the MTFP, to clearly show how the funding gap will be addressed or clearly communicate the challenge where this is not possible	Carys Lord	Feb-25	The level of savings that the Council will have to make in the coming 3 years are significant. The MTFS presented to Council in February 2025 for approval was developed following completion of the following: <ul style="list-style-type: none"><li>• A detailed review of current year spend across all service areas</li><li>• A more detailed review of some areas of spend to identify further efficiencies or a change in the operating model for that service.</li><li>• A profile of anticipated savings over the life of the MTFP</li><li>• Identification of areas requiring further review</li></ul>	AMBER
	R2 The Council should strengthen its arrangements to ensure the impact of its financial position and MTFP on communities and on the delivery of its well-being objectives is reported to members to enable them to monitor and address any impacts.	Carys Lord	Mar-25	Budget briefings are now in place for elected members on a quarterly basis. Details on the budget proposals will be shared with all elected members to enable them to comment on issues and identify the implications.	AMBER
CIW Inspection Report on Foster Wales Bridgend (Jan 2024)	R5 There are shortfalls in the service considering the needs of all household members and carers capacity (matching)	Group Manager (GM) Placement and Provider Services	Mar-24	The Quality Assurance (QA) Officer highlighted inconsistencies in their report around the use of the matching forms. The new team manager (TM) is now in post across general fostering and will ensure more consistency. New delivery date - 31/03/2025	AMBER
	R9 As part of the matching process key information is shared during planning meetings, however, these meetings are not completed consistently.	GM Placement and Provider Services	Quarterly	Inconsistency has been highlighted in QA officer report. New TM has the report and will implement the recommendations in the next quarter. New delivery date - 31/03/2025	AMBER
	R10 Children who need long term care, are matched with carers, without a thorough assessment of their long-term needs, how these change over time, carers commitment and understanding of these needs.	GM Placement and Provider Services	Mar-24	A matching process is now in place however consistency in this being followed is still an issue. In 2024 the permanent manger resigned, and interim management arrangements prevented the robust oversight this required. A permanent full time team manager is now in post who can drive this forward in the next quarter. New delivery date - 31/03/2025	AMBER
	R12 Feedback from foster carers has been mixed regarding the foster carer charter implementation, information sharing and decision-making needing to be improved.	GM Placement and Provider Services	Jun-24	This has not been achieved due to a lack of implementation as with other aspects of the service. This is largely attributable to changes at both team manager and group manager level. Both posts have now been filled and work is underway to embed this into practice. New delivery date - 31/03/2025	AMBER
	R19 Some foster carers report training does not meet their needs fully as they care for children with more complex needs.	GM Placement and Provider Services	Mar-24	Training is part of the remodelling fostering board which will drive these changes in the next quarter. Next steps - Training Needs Analysis completion; Consultation with Foster Carers Spring/Summer 2025	AMBER
Audit Wales, Use of Service User Perspective and Outcomes (Jan 2024)	R1 Information on the perspective of the service user <ul style="list-style-type: none"><li>• The Council should strengthen the information it provides to its senior leaders to enable them to understand how well services and policies are meeting the needs of service users.</li></ul>	Alex Rawlin	Apr-25	We are participating in the new Welsh Council's Performance Information Community of Practice aimed at enhancing the quality of performance information and providing opportunities to review performance management arrangements, share best practices, and collaborate on data development. The National Resident Survey (WLGA/Data Cymru) ran in the Autumn and findings will now be analysed. Revised delivery date April 2026	AMBER
CIW Improvement Check Children's Social Care Services (Nov 2022)	PR8 - Ensure children are not placed in unregistered services and must continue its efforts to identify suitable, registered placements	GM Commissioning	Continuous	This continues to be an area of pressure with the fragility in the market for placements for children. We continue to monitor high-cost placements on a monthly basis and plans are in place to assist move on when it is safe and possible to do so. Operating without Registration (OWRs) are only used when all other options have been explored and no alternative is available. New delivery date - 31/03/2025	AMBER

Name of Audit / regulator	Recommendation / proposal for improvement	Responsible Officer	Delivery Date	Action Update Q3 2024-25	BRAYG Q3 24-25
Transformational Leadership Programme Board – Baseline governance Review – Cwm Taf Morgannwg Regional Partnership Board (Aug 2022)	<b>R4 Risk Management</b> Our work found areas of risk management that need to be improved, particularly in relation to regional workforce planning. The TPLB should strengthen regional risk management arrangements by improving the identification and prioritisation of shared risks and ensuring mitigating actions are robust and clearly articulated.	Head of Regional Commissioning Unit	ongoing	Regional Integration Fund (RIF) is now entering 3rd year of 5 year funded program. Number of sustainability risks post RIF that need to be planned for in year. More work still being done to develop integrated pathways that will inform RIF priority investment. Housing with Care Funding (HCF) approved for 2025/26 at the same level as 2024/25. New delivery date - 31/03/2025	AMBER
	<b>R6 Use of Resources</b> Improving the health and social care outcomes of the region will require efficient and effective use of combined resources. Our work found that there had been some limited examples of pooled budgets and other arrangements for sharing resources. The TPLB needs to explore more innovative ways of sharing and pooling core resources across the region to maximise its impact and outcomes for the Cwm Taf Morgannwg population	Head of Regional Commissioning Unit	2023-24	Additional Capacity identified to support completion of memorandum of understanding and Section 33 agreement. Ongoing discussions regarding changes required to existing legal agreements across the region. New delivery date 31/03/2025	AMBER
	<b>R7 Regional Workforce Planning</b> Like many parts of the public sector, the region is experiencing significant workforce challenges. The TLPB needs to consider how it can facilitate a regional and strategic approach to addressing these challenges and to help it deliver its priorities.	Head of Regional Commissioning Unit	ongoing	Detailed exercise identifying grant funded posts across the region currently being undertaken at part of Quarter 3 RIF monitoring. This will provide a detailed understanding of capacity and any capacity gaps in implementing integrated pathways. New delivery date 31/03/2025	AMBER
CIW, Performance Evaluation Inspection of Children's Services (May 2022)	PE8 - Consistent offer of a carers assessment	Dep HoS/GM Case Management and Transition/ Carers Development Officer	Mar-23	Carers Action Plan currently being updated and to be competed and ready for implementation by March 25. New delivery date 31/03/2025	AMBER

Page 87	Name of Audit / regulator	Recommendation / proposal for improvement	Responsible Officer	Delivery Date	Action Update Q3 2024-25	BRAYG Q3 24-25
		PR3 - Placement sufficiency and support	HoS/GM Placements and Provider Services	Mar-23	<p>A Business Justification Case has been developed and approved by the relevant boards in respect of increasing capacity of provision in this area.</p> <p>Property has been identified for a multi-occupancy residential service and offer accepted pending minister approval and planning. Search continues for the second property. Revenue funding to be secured to continue to run our existing provision to full capacity and open new services. The regional children's board have also agreed an ambition to develop a regional residential accommodation facility for children and young people with complex emotional wellbeing needs. To support this, three Project Managers will work with partners to develop facilities across CTM; one will focus on children's residential accommodation, and the other two will be available to support the findings in the 10-year Regional Capital Strategy. In relation to fostering dedicated recruitment officer is in place to coordinate recruitment activities that are scheduled throughout the year with support from Foster Wales. Whilst there are increases in the number of assessments, we are not recruiting sufficient carers to achieve a net gain of placements.</p> <p>A Fostering Board is being established to enhance recruitment and retention of foster carers within BCBC alongside the ongoing work of foster Wales.</p> <p>A Regional Approach to the recruitment and support of parent and child carers has been drafted alongside 'Support Care', which aims to provide fostering support to children in the care of their family to prevent them from becoming care experienced. Both drafts will be subject to foster carer consultation prior to presentation to Cabinet for consideration.</p> <p>Additionally, we are seeking to enhance peer support to foster carers by adopting the Pioneer Carer Scheme. This will increase the support available to carers by having a more targeted approach that utilises the skill sets of specific carers.</p> <p>New delivery date - 31/03/2025</p>	RED
		W2 - Facilitation of supervised contact	GM Case Management & Transition/GM Locality Hubs/Contact Monitoring Officer	Mar-23	<p>The contact service manager commences in post in February. A senior contact worker will be appointed in March to ensure there is sufficient capacity, venues and oversight to provide families with positive environments when having time together. New delivery date - 31/03/2025</p>	AMBER
	Audit Wales, Review of Arrangements to Become a 'Digital Council' (June 2021)	P1 The Council could improve its digital strategy	Martin Morgans	Dec-24	<p>We are in final stages for completing the strategy and looking to go to consultation in March 2025.</p>	AMBER

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Name of Audit / regulator	Recommendation / proposal for improvement	Responsible Officer	Delivery Date	Action Update Q3 2024-25	BRAYG Q3 24-25
Audit Wales, Review of Decision-Making Arrangements (Oct 2024)	R2 – The Council should ensure that its scheme of delegation is updated, to mitigate the risk of decisions being taken without the proper authority.	Kelly Watson	Oct-24	The scheme is reviewed and updated regularly. Changes were made to reflect changes to Cabinet portfolios and reported to Cabinet on 24th September 2024 for approval. The updated scheme has been published.	BLUE
	R5 – The Council should ensure that Members receive, and are encouraged to access, a relevant training programme to ensure they are well equipped to understand and undertake their role. This should include focussed training for specific roles, e.g. charring skills.	Kelly Watson	Dec-24	The Council has an Elected Member Learning and Development Strategy, and the Democratic Services Committee receive regular reports on training. Members will continue to be canvassed on training requirements and where appropriate these will be incorporated into the training programme to ensure it remains relevant. Standards Committee will monitor training completion and where appropriate will link in with Group Leaders to promote completion. Training has started to be delivered as per R3 above and further sessions are scheduled.	BLUE
CIW Inspection Report on Foster Wales Bridgend (Jan 2024)	R14 The current recording systems do not support effective oversight and smooth operation of the service. Some key information, including the DBS checks for foster carers support networks are not monitored effectively.	Group Manager Placement and Provider Services	Sep-24	Closed. Regular meetings in place to develop oversight. Business support arrangements in place to review DBS checks. Ongoing monitoring being provided by Group Manager Provider Services.	BLUE
Audit Wales, Use of Service User Perspective and Outcomes (Jan 2024)	R3 Quality and accuracy of data • The Council needs to assure itself that it has robust arrangements to check the quality and accuracy of the service user perspective and outcomes data it provides to senior leaders.	Alex Rawlin	Sep-24	The Performance Team have worked with Directorate Performance Champions and collating officers to improve data validation and sign-off processes, the quality of supporting evidence provided, and are routinely testing performance data to ensure accuracy. PI audits will continue over the summer.	BLUE
Transformational Leadership Programme Board – Baseline governance Review – Cwm Taf Morgannwg Regional Partnership Board (Aug 2022)	<b>R5 Regional Commissioning Unit</b> Our work found that the lack of capacity within the RCU was leading to some delays in progressing actions. The work of the RCU is crucial to the continuing success of the TPLB. The TPLB needs to consider how it can build capacity and maximise resources to support the TPLB and minimise overreliance on a small team.	Head of Regional Commissioning Unit	2023-24	Action complete. Final post to be filled Feb 2025 (LD programme Manager)	BLUE
Audit Wales, Review of Arrangements to Become a 'Digital Council' (June 2021)	P3 - The Council should consider improving communication with staff / members to evoke the culture necessary to change	Martin Morgans	Dec-23	The findings from the pilot outlined that the methodology to access was challenging due to variations of devices owned by participants i.e. varying types and ages. It had a significant impact with the deployment which led to inconsistencies and some participants could not install the necessary secure access (authentication application). Therefore, the pilot has been ceased. Currently reviewing an alternative methodology which we hope to pilot in June following updates to a supplier application which is outlined on their development programme once this is confirmed we will initiate a new pilot.	BLUE

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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>SELF-ASSESSMENT APPROACH FOR 2024 / 25</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY</b>
<b>Responsible Officer:</b>	<b>ALEX RAWLIN POLICY AND PUBLIC AFFAIRS MANAGER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The Performance Framework (of which self-assessment is part) forms part of the Policy Framework.</b>
<b>Executive Summary:</b>	<b>This report outlines an approach to the development of the Council’s self-assessment 2024/25.</b>

## 1. Purpose of Report

- 1.1 The purpose of this report is to reflect on the self-assessment 2023/24 and present the Governance and Audit Committee (GAC) with a proposed approach to the development of the self-assessment 2024/25.

## 2. Background

- 2.1 The Local Government and Elections (Wales) Act 2021 set out a new local government improvement regime. One of the requirements of the Act is for the council to make and publish a self-assessment report once each financial year. The self-assessment report has to set out conclusions on whether the council met the ‘performance requirements’ during that financial year, and actions needed to improve. The ‘performance requirements’ focus on -
- Are we exercising our functions effectively;
  - Are we using our resources economically, efficiently and effectively;
  - Is our governance strong.
- 2.2 The Council published its first self-assessment in October 2022 based on performance in 2021/22. The process was new, but based on existing data, reports and meeting fora where possible. Feedback on the report was generally positive in terms of the honesty and transparency of ratings, length of the report and simplicity of the language. Some members felt that annual performance data should have been published alongside the self-assessment.



- 2.3 The Council published its second self-assessment in December 2023 based on performance in 2022/23. Reflecting on the first self-assessment, some changes were made, including –
- Using information from the newly developed regulatory tracker,
  - Publishing performance information alongside the self-assessment,
  - Adding case studies to the document.
- 2.4 The Council published its third self-assessment in October 2024, based on performance in 2023/24. This was the first time that the self-assessment reviewed performance against the Council's new Corporate Plan 2023-28. Reflecting on the second self-assessment, some changes were made, including –
- Including more comprehensive information on major consultation and engagement activity around the Council throughout the year;
  - Scoring wellbeing objectives and aims using a more objective and agreed process;
  - Including a section on how well we performed against improvement activities from the previous self-assessment;
  - Embedding self-assessment in the quarterly performance process so that large parts of the report write themselves and are familiar to members.
- 3. Current situation / proposal**
- 3.1 It is proposed that the performance section of the self-assessment report follow the same process as in 2023/24. This section would again include -
- A performance overview summarising performance against the whole corporate plan, using two graphs showing -
    - How are we doing on our commitments / projects?
    - How are we doing on our performance indicators?
  - A performance section for each wellbeing objective to include -
    - A single graph that shows - How are we doing on our commitments / projects and our performance indicators (PIs)?
    - A summary of the aims with a Red Amber Yellow Green (RAYG) rating for each and a short narrative section
    - Regulators Assurances
    - Consultation and Engagement Activities (this year to include a more in-depth consideration of work alongside staff and trade unions to fulfil the Council's social partnership duty reporting requirement – see paragraph 3.4)
    - What will we do to improve?
    - Case Studies
- 3.2 It is proposed that the same methodology be used for developing a RAYG rating for each of the wellbeing objectives and aims. This means that the RAYG would be objective and based on performance on the commitments and PIs. This would provide useful information to the public about how we are doing at a strategic level (but beyond the Wellbeing Objective level).



- 3.3 The approach gives a score to each commitment and performance indicator based on their RAYG rating. The individual scores are then combined to give an overall score for the aim (as a proportion of the maximum), using the approach provided in the performance framework. This methodology worked well last year, and improvements have been made to ensure it is more accurate this year. After a score for each aim is developed, a narrative for each aim will be developed pulling information on commitments and PIs directly from the end of year performance dashboards and testing this with Heads of Service and Corporate Management Board (CMB).
- 3.4 Since 1 April 2024 the Council has been subject to the Social Partnership duty under the Social Partnership and Public Procurement (Wales) Act 2023 (SPPP Act). The Council's first Social Partnership Annual Report is required as soon as is possible after the end of financial year, explaining action to comply with the duty in the preceding 12 months. It is proposed to include this information in the Corporate Self-Assessment as it is so closely aligned with existing content, particularly the consideration of consultation and engagement work completed in the year. This section would therefore be extended slightly to cover –
- Evidence of work with staff and Trade Unions on how the council will achieve its wellbeing objectives in the year (particularly budget setting)
  - Evidence of how the council worked with staff and Trade Unions to agree last year's self-assessment
  - How frequently the Council met with Trade Unions as part of its Social Partnership duty
  - Any training provided to employees / trade union representatives on how the Social Partnership Duty is being implemented; and
  - Any interesting case studies of work related to the Social Partnership Duty.
- 3.5 It is proposed that our assessment of progress against the second performance requirement on use of resources follows the same process as last year. Firstly, it is proposed that the 7 use of resources templates are reviewed and updated by the lead officers. All of the 7 areas have been included in the work of Audit Wales in the past three years, and in many cases reviewed, discussed and followed-up by the Governance and Audit Committee or Corporate Overview and Scrutiny Committee, so there is significant additional evidence to draw on. These 7 will then be collated by the performance team for scrutiny and challenge.
- 3.6 The third performance requirement, on governance, is largely covered by the annual governance statement (AGS) which is scrutinised by the Governance and Audit Committee. We propose that this document will be summarised by the performance team as in previous years.
- 3.7 The draft findings from each of the three performance requirements will be brought together into a single presentation for officer scrutiny and challenge in the first instance. This will be discussed and moderated by Heads of Service at their meeting on 25 June 2025 and CMB on 2 July 2025.

- 3.8 The moderated findings will then be brought together into a single draft report for Cabinet and CMB (CCMB) on 8 July and Corporate Overview and Scrutiny Committee (COSC) on 24 July and considered alongside the detailed end of year performance dashboards and presentation, providing significant levels of challenge and scrutiny. Governance and Audit Committee members are able to observe this COSC meeting if they are keen to see how the detailed performance scrutiny role plays out in practice.
- 3.9 Comments and changes from CCMB will be used to inform the draft self-assessment report, which it is proposed will be presented to the Governance and Audit Committee on 17 July as required by the Act. In July 2024, the short performance report that is published alongside the self-assessment report was not ready in time to form part of the GAC papers. That will be remedied for 2025 and the two papers will both form part of GAC papers for the meeting on 17 July 2025. This will give GAC a better understanding of the Council's performance against each Wellbeing Objective, Aim, PI and Commitment that underpins the self-assessment judgements. This should give GAC additional reassurance about the fairness and accuracy of the process.
- 4. Equality implications (including Socio-economic Duty and Welsh Language)**
- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.
- 5. Wellbeing of Future Generations implications and connection to Corporate Wellbeing Objectives**
- 5.1 This report proposes an approach to reviewing the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Council's Corporate Plan 2023-28:-
1. A county borough where we protect our most vulnerable
  2. A County Borough with fair work, skilled, high-quality jobs and thriving towns
  3. A County Borough with thriving valleys communities
  4. A County Borough where we help people meet their potential
  5. A County Borough that is responding to the climate and nature emergency
  6. A County Borough where people feel valued, heard, part of their community
  7. A County Borough where we support people to live healthy and happy lives
- 5.2 The 5 ways of working set out in the Well-being of Future Generations (Wales) Act 2015 have also contributed to the Council developing its own five ways of

working. The ways of driving and measuring those ways of working is also contained in the Corporate Plan Delivery Plan.

## **6. Climate Change Implications**

- 6.1 There are no specific implications of this report on climate change. However, the self-assessment will help us assess the Council's performance on areas including climate change.

## **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no specific implications of this report on safeguarding or corporate parenting. However, the self-assessment will help us assess the Council's performance on areas including safeguarding and corporate parenting.

## **8. Financial Implications**

- 8.1 There are no financial implications arising from this report.

## **9. Recommendations**

- 9.1 It is recommended that the Governance and Audit Committee:-
- Considers and agrees the proposed way forward for the self-assessment 2024/25.

## **Background documents**

None

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<b>Meeting of:</b>	<b>GOVERNANCE &amp; AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>CODE OF CORPORATE GOVERNANCE</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING &amp; CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The Code of Corporate Governance forms part of the policy framework.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li><b>The Code of Corporate Governance should be regularly reviewed to ensure it is current. The last update was in November 2023. There have been some changes required as a result of, for example, the establishment of the South East Wales Corporate Joint Committee – Cardiff Capital Region, and the addition of Climate Change, Safeguarding and Corporate Parent implications for all Council reports.</b></li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of the report is to present to the Governance and Audit Committee the updated Code of Corporate Governance (the Code) for consideration and approval.

## 2. Background

- 2.1 The Code of Corporate Governance should be reviewed regularly to ensure it is kept up to date. The last update was in November 2023. A function of the Governance and Audit Committee is to review and approve the Council's Code of Corporate Governance and, as such, this report is to ensure that this function is fulfilled. Any recommendations of the Committee will be considered and the Code amended as necessary. The Code with the proposed changes is attached at **Appendix A** with the amended Code at **Appendix B**.

## 3. Current situation / proposal

- 3.1 The key changes to the Code are.

Page 8 and other references through the Code – amending Employee Code of Conduct to Officers' Code of Conduct and amending the Member Code of Conduct to Code of Conduct for Members, in line with the Council's Constitution

Page 9 – updating the Scheme of Delegation to the Scheme of Delegation of Functions

Page 10 – amending the name of the Anti-Fraud and Bribery Policy

Page 11 – adding the Publication Scheme and amending the name of the budget consultation.

Page 12 – Adding Natural Resources Wales; and report to, and consultation with, School Governing Bodies; updating the PSB Wellbeing Plan; amending the joint committee for South East Wales Corporate Joint Committee

Page 15 – adding the Corporate Plan Delivery Plan

Page 16 – added Climate Change, Safeguarding and Corporate Parent Implications on all Council Reports

Page 20 – updating the latest Audit Wales Financial Sustainability Assessment report – December 2024

Page 22 – removing the 6 month appraisal review

Page 23 – changing the Council's staff welfare provider to Vivup

Page 24 – adding Climate Change; Safeguarding and Corporate Parent to report templates

Page 26 – adding Information Governance Board and Data Protection Policy, and data processing agreements.

Page 29 – adding Audit Wales Annual Audit Letter

Page 32 – adding in a new sentence to include the Annual Governance Statement will take into consideration any other consultations, reports and reviews undertaken.

In addition to the above, dates have been added to relevant legislation to provide clarity.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The Act provides the basis for driving a different kind of public service in Wales, with 5 ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

#### **6. Climate Change Implications**

- 6.1 There are no climate change implications as a result of this report.

#### **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no safeguarding or corporate parent implications as a result of this report.

## **8. Financial Implications**

8.1 There are no financial implications as a result of this report.

## **9. Recommendation**

9.1 It is recommended that Governance and Audit Committee considers and approves the Council's updated Code of Corporate Governance at **Appendix B**.

## **Background documents**

None

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## BRIDGEND COUNTY BOROUGH COUNCIL

### CODE OF CORPORATE GOVERNANCE



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## 1 Introduction

- 1.1 The Council is committed to the principles of good corporate governance and recognises it is responsible for ensuring that its business is conducted within the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. It has a duty to make proper arrangements for the governance of its affairs, secure continuous improvement in the way its functions are discharged and have robust arrangements in place for the management of risk. The development, adoption and continued implementation and monitoring of a Code of Corporate Governance confirms this commitment.
- 1.2 Good governance is about doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.
- 1.3 This Code describes the Council's understanding of corporate governance, and outlines the framework it has put in place to ensure that these arrangements are effective. The Code reflects a joint commitment by Members and senior managers to the principles it contains. This helps to ensure that the principles of corporate governance are not only fully embedded and cascaded throughout the Authority, but that they have the support of the Council, the Chief Executive and the Corporate Management Board.

## 2. What is Corporate Governance?

- 2.1 The Council has a key role in governing and leading our community. Effective local government relies on public confidence in Elected Members and Council Officers.
- 2.2 Corporate governance is a phrase used to describe how organisations direct and control what they do. Effective systems of corporate governance provide confidence in public services. For local authorities this also includes how a council relates to the communities that it serves. Good corporate governance requires local authorities to carry out their services in a way that demonstrates accountability, openness and honesty.

## 3. Why adopt a Code of Corporate Governance?

- 3.1 Adopting a Code of Corporate Governance is another way in which the Council shows its recognition of the fact that effective local government relies upon establishing and maintaining the confidence of local people in both elected members and Council officials. Good corporate governance underpins credibility and confidence in the leadership and forms the foundation from which all Council services are provided.
- 3.2 Adopting, monitoring and complying with a Code of Corporate Governance helps enhance the Council's legitimacy and acknowledges the trust placed in the Council by local people.

- 3.3 Strong, transparent and responsive governance enables the Council to put citizens first by pursuing its aims and priorities effectively, and by underpinning them with appropriate mechanisms for managing performance and risk. In order to maintain citizens' confidence, these mechanisms must not only be sound, but also be seen to be sound.
- 3.4 Corporate governance comprises the framework within which the Council manages its business; this includes the Council's constitution and the various procedure rules, codes and protocols contained therein. It also includes the systems and processes, and the culture and values by which the activities of the Council are directed and controlled, and how it accounts to and engages with its citizens. 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.
- 3.5 Overall, adopting and committing to this Code of Corporate Governance provides a basis for a Council wide commitment to the way in which it intends fulfilling its role in leading and representing the community, providing opportunities for all and ensuring that there is a strong customer focus underpinning everything that the Council does.

#### 4. Why do we need a Code of Corporate Governance?

- 4.1 Corporate governance is important because it supports:

- Provision of high quality public services

Within the UK, governance weaknesses have sometimes led to significant failures in public services. High performing organisations on the other hand, generally, have effective governance arrangements.

- Raising public trust

The public's trust is increased when they perceive the quality of services that they and their families experience to be sound and when organisations are seen to be open and honest in communicating their performance and learning from their mistakes.

- 4.2 The Code of Corporate Governance is based upon the "Delivering Good Governance in Local Government: Framework" (CIPFA/SOLACE, 2016). The Framework positions the attainment of sustainable economic, societal, and environmental outcomes as a key focus of governance processes and structures. Outcomes give the role of local government its meaning and importance, and it is fitting that they have this central role in the sector's governance. Furthermore, the focus on sustainability and the links between governance and public financial management are crucial – local authorities must recognise the need to focus on the long term as required by the Well-being of Future Generations Act. Local authorities have responsibilities to more than their current electors as they must take account of the impact of current decisions and actions on future generations.

4.3 The Framework defines the principles that should underpin the governance of each local government organisation. It provides a structure to help individual authorities with their approach to governance. Whatever forms of arrangements are in place, authorities should therefore test their governance structures and partnerships against the principles contained in the Framework by:

- reviewing existing governance arrangements;
- developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness;
- reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.

## 5. The Corporate Governance Principles as adopted in Bridgend

5.1 The Framework is based on the following seven Core Principles:

Core Principle	Description
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
B	Ensuring openness and comprehensive stakeholder engagement.
C	Defining outcomes in terms of sustainable economic, social, and environmental benefits.
D	Determining the interventions necessary to optimise the achievement of the intended outcomes.
E	Developing the entity's capacity, including the capability of its leadership and the individuals within it.
F	Managing risks and performance through robust internal control and strong public financial management.
G	Implementing good practice in transparency, reporting, and audit to deliver effective accountability.

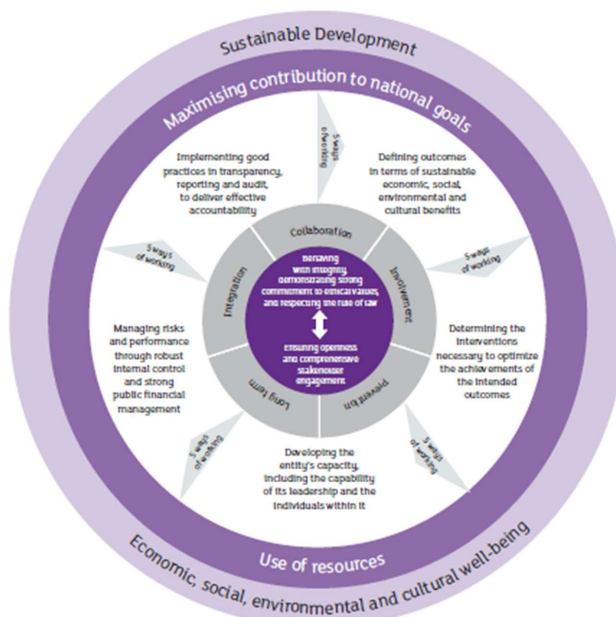
5.2 There are also a number of sub-principles below the seven core principles. To achieve good governance, each local authority should be able to demonstrate that its governance structures comply with the core and sub-principles contained in the Framework. It should therefore develop and maintain a local code of governance/governance arrangements reflecting the principles set out. It is also crucial that the Framework is applied in a way that demonstrates the spirit and ethos of good governance which cannot be achieved by rules and procedures alone. Shared values that are integrated

into the culture of an organisation, and are reflected in behaviour and policy, are hallmarks of good governance.

## 6. The Corporate Governance Principles and the Well-being of Future Generations (Wales) Act 2015

- 6.1 The Act requires public bodies covered by the Act, including local government, to consider the longer term in making their decisions and to work collaboratively with other public bodies to improve well-being in Wales. The Act sets out seven well-being goals for public bodies and requires them to act in a sustainable way. It also sets out five ways of working that public bodies are required to take into account when applying the sustainable development principle.
- 6.2 The Act is central to the Welsh Government's long-term policy for the public services and its themes tie in with the *Delivering Governance in Local Government: Framework* (CIPFA/SOLACE, 2016). The Auditor General for Wales has set out a diagram (below) which brings together the International Framework with the requirements of the 2015 Act.

Well-being of Future Generations (Wales) Act 2015 and the International Framework



Source: CIPFA Delivering Good Governance Guidance Notes 2016

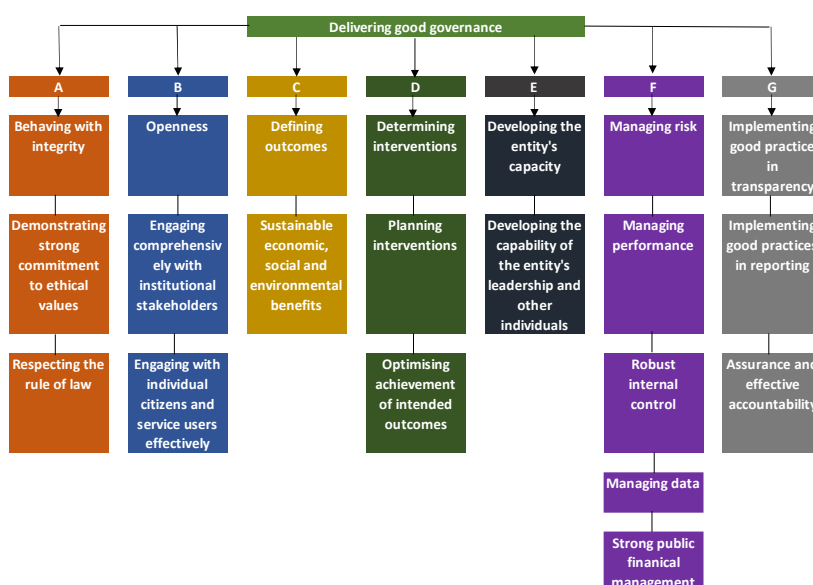
- 6.3 The diagram shows sustainable development as all encompassing. The core behaviours of:



- behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- ensuring openness and comprehensive stakeholder engagement

need to be applied to the five ways of working. The five ways of working (underpinned by the core behaviours) have to be at the heart of delivering outcomes, which in turn should ensure effective use of resources as public bodies maximise their contribution to the economic, social, environmental and cultural well-being of Wales.

- 6.4 CIPFA's Delivering Good Governance in Local Government Framework (2016 Edition) identifies the Core Principles A-G as set out in paragraph 5.1 and the Sub-Principles that underpin these.



- 6.5 In demonstrating good governance the Council will meet the requirements of the core and sub-principles as set out below.

<b>Core Principle A</b>	<b>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>
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Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Behaving with integrity	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Council's values – Fair, Ambitious, Citizen-focussed, Efficient Codes of Conduct for both Members and Officers Regulatory Committees Modern.gov paperless meeting app with In-App voting, and system of publishing reports and decisions in open and transparent manner Register of Members' Interests
	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Council's Constitution, including procedure rules Contract Procedure Rules Financial Procedure Rules
	Leading by example and using the above standard operating principles or values as a framework for decision making and other actions	<a href="#">Employee-Officers' Code of Conduct</a> <a href="#">Member Code of Conduct for Members</a>
	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	Council's Constitution
Demonstrating strong	Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Council's Vision & values Standards Committee



commitment to ethical values	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	Members Register of Interests Declaration of Members' Interests at each meeting Resolution Policy
	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	<del>Members</del> Code of Conduct <a href="#">for Members</a> <del>Officers'</del> <del>Employee</del> Code of Conduct Whistleblowing Policy Equality Impact Assessment processes
	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation	Socially Responsible Procurement Strategy
Respecting the rule of law	Ensuring members and staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations	Anti--Fraud and Bribery Policy Anti Money Laundering Policy Anti-Tax Evasion Policy Financial Procedure Rules Contract Procedure Rules Whistleblowing Policy Annual Corporate Fraud Report Socially Responsible Procurement Strategy
	Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	Council's Constitution sets out roles of key officers and Members Scheme of Delegation <a href="#">of Functions</a> for decision making Observation of all legislative requirements
	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	Overview & Scrutiny Committees Governance & Audit Committee Standards Committee

	Dealing with breaches of legal and regulatory provisions effectively	Role of Monitoring Officer Whistleblowing Policy Referrals to Ombudsman and appropriate resolutions
	Ensuring corruption and misuse of power are dealt with effectively	Anti-Fraud and <del>Corruption-Bribery</del> Policy <del>Anti-Bribery Policy</del> Anti-Tax Evasion Policy Whistleblowing Policy

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

Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Openness	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Publication of policies, plans, meeting Agenda's, Minutes and Webcasts Publishing decisions and updates via the Council's social media accounts
	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Holding meetings in public unless there is a good reason not to for confidentiality Annual Statement of Accounts Medium Term Financial Strategy Well-being of Future Generations (Wales) Act 2015 assessments Standard report templates
	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Overview & Scrutiny Committees Standard Report templates Publication of minutes, decisions and reasons
	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action	Council website Council publications <a href="#">Publication Scheme</a> Citizen's Panel <del>Shaping Bridgend's Future</del> <a href="#">Time to Talk Budget</a> consultation

		<u>Reports to, and consultation with, School Governing Bodies</u> Forward Work Programmes Communications, Marketing & Engagement Strategy
Engaging comprehensively with institutional stakeholders	Effectively engage with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Town and Community Councils Other local authorities Engaging with stakeholders including: Lead Local Flood Authorities Environment Agency <u>Natural Resources Wales</u> Highways Authorities Local Community Groups and forums Emergency Services
	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Public Service Board Well-being Plan 201 <u>8</u> <u>3</u> - <u>2</u> <u>3</u> <u>28</u> in place Regional Partnership Boards Joint Committees <u>Cardiff Capital Region City Deal</u> <u>South East Wales Corporate Joint Committee – Cardiff Capital Region</u> S33 NHS Wales Act pooled fund arrangements – Integrated Community Equipment; Integrated Community Support Services; Care Home Accommodation Bridgend Association of Voluntary Organisations Valleys to Coast
	Ensuring that partnerships are based on: - trust	Setting Terms of Reference Joint Committee meetings

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	<ul style="list-style-type: none"> <li>- a shared commitment to change</li> <li>- a culture that promotes and accepts challenge among partners</li> </ul> <p>and that the added value of partnership working is explicit</p>	Agreeing voting rights at Joint Committees – <u>Cardiff Capital Region City Deal South East Wales Corporate Joint Committee</u> as an example
Engaging with individual citizens and service users effectively	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	Citizens Panel
	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	Communications, Marketing and Engagement Strategy Council's website Talktous
	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference for future needs	Council's website, Facebook & Twitter accounts Talktous
	Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account	Feedback and publication of consultation outcomes, including via social media – such as budget consultations. Communications, Marketing and Engagement Strategy in place. The Council has made a commitment to endorse the National Principles for Public Engagement in Wales and has an authority-wide consultation and engagement toolkit to ensure engagement is consistent, robust and effective.

		Requirements of Local Government and Elections (Wales) Act <a href="#">2021</a> to carry out a self-assessment of how the Council is meeting its performance requirements, and to publish a report setting out the conclusions of this every year.
	Balance feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	Consultations shared with Bridgend Community Cohesion and Equalities Forum to ensure different stakeholder groups are included.
	Taking account of the impact of decisions on future generations of tax payers and service users	Requirement to assess decisions under Well-being of Future Generations Act (Wales) <a href="#">2015</a> in key decisions of Council

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Core Principle C Defining outcomes in terms of sustainable economic, social and environmental benefits		
Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Defining outcomes	Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions	Council's Corporate Plan <a href="#">Corporate Plan Delivery Plan</a> Annual Statement of Accounts Directorate Business Plans
	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Directorate Business Plans Corporate Plan Annual Self-Assessment of the Council's Performance
	Delivering defined outcomes on a sustainable basis within the resources that will be available	Council's Medium Term Financial Strategy Council's Annual Budget Book Corporate Performance Assessment Annual Self-Assessment of the Council's Performance
	Identifying and managing risks to the achievement of outcomes	Corporate Risk Register Governance & Audit Committee
	Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available	Budget Consultation Council's Corporate Plan

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		Medium Term Financial Strategy and current year Budget Book
Sustainable economic, social and environmental benefits	Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision	Equality Impact Assessments for all key decisions Equality Impact Assessment consideration required on all Council reports Well-being of Future Generations (Wales) Act 2015 consideration required on all key decisions/reports Net Zero Carbon Strategy and declaration of climate emergency Climate Emergency Response programme <u>Climate Change, Safeguarding and Corporate Parent implications on all Council reports, Economic, Social and Environmental policy within Treasury Management Strategy.</u>
	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	Finance, Legal, Well-being of Future Generations (Wales) Act, Environmental Impact Assessment and Socio-economic duty all considered in decision making process and decision reports.
	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	Environmental Impact Assessments
	Ensuring fair access to services	Strategic Equality Plan



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Core Principle D Determining the interventions necessary to optimise the achievement of the intended outcomes		
Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Determining interventions	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. <del>It</del> therefore ensuring best value is achieved however services are provided	Reporting templates in use to ensure all considerations taken into account All reports require legal and financial comment and approval
	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	Citizens Panel Complaints process Budget and other consultation outcomes

Planning interventions	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	Corporate Plan Corporate Performance Assessment process Local Development Plan Directorate, Service and Team Business Plans Digital Transformation Plan Schedule of Council and Cabinet meetings
	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Citizens Panel <del>Shaping Bridgend</del> Time to Talk Budget's Future consultation
	Considering and monitoring risks facing each partner when working collaboratively, including shared risks	Corporate Risk Management Policy and Risk Register Monitoring and reporting of Risk to Governance & Audit Committee
	Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances	Regular Committee meetings Delegated Powers to enable appropriate decision-making
	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	Corporate Performance Assessment process and quarterly review Key Performance Indicators with Directorate Business and Team plans
	Ensuring capacity exists to generate the information required to review service quality regularly	Business planning process, quarterly reporting on performance, self-assessment
	Preparing budgets in accordance with objectives, strategies and the medium term financial plan	Medium Term Financial Strategy Annual budget setting process
	Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	<del>43</del> -year rolling Medium Term Financial Strategy and 10 Year Capital Programme

Optimising achievement of intended outcomes	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Medium Term Financial Strategy updated annually to reflect service pressures and efficiency savings
	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	Directorate engagement in Medium Term Financial planning process Overview and Scrutiny review of Medium Term Financial Strategy Budget Research and Evaluation Panel
	Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	Effective budget monitoring during year, reported to Departmental Management Teams, Corporate Management Board, Cabinet, Council and Scrutiny
	Ensuring the achievement of 'social value' through service planning and commissioning	Consideration of all Committee decisions of Well-being of Future Generations ( <a href="#">Wales</a> ) Act <a href="#">2015</a> Outcomes of consultations Feedback from Citizen's Panel

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Core Principle E Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Developing the entity's capacity	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness	Asset Management Plan in place Council operates a Corporate Landlord model Regular budget monitoring process
	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently	Medium Term Financial Strategy (MTFS) delivers a robust financial plan through a rigorous budget setting process. One of the key MTFS Principles is that all services will seek to provide value for money and contribute to public value and will continuously review budgets to identify efficiency savings. On occasions external support is used to provide an independent review of service areas, which

		may include comparisons to other local authorities. Audit Wales Financial Sustainability Assessment report <del>February 2020</del> <u>December 2024</u>
	Recognising the benefits of partnerships and collaborative working where added value can be achieved	The Council participates in a number of collaborative working arrangements including: Shared Regulatory Service Regional Internal Audit Shared Service Pooled fund arrangements for Residential Care, day opportunities for people recovering from Mental Health problems; Community Equipment and Integrated Community Support Services
	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	Workforce Plan and Training & Development Plan in place
Developing the capability of the entity's leadership and other individuals	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	Council's Constitution sets out roles and responsibilities
	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Scheme of Delegation <u>of Functions</u> in place
	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each	Roles set out in Council's Constitution. Section 6 of the Council's Constitution includes information regarding the role of the Leader and Member role descriptions are set out at section 22 of the document.

	provides a check and a balance for each other's authority	Job descriptions and person specifications for all roles and an appraisal panel for the Chief Executive to review performance.
	<p>Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> <li>- ensuring members and staff have access to appropriate induction training and development matching individual and organisational requirements is available and encouraged</li> <li>- ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</li> <li>- ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external</li> </ul>	<p>Member development programme in place</p> <p>Standards Committee</p> <p>Corporate Training &amp; Development Programme</p> <p>Professional job-related training eg CIPFA</p>
	Ensuring that there are structures in place to encourage public participation	<p>Communication, Marketing &amp; Engagement Strategy</p> <p>Citizens Panel</p> <p>Talktous</p> <p>Social Media</p>
	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	<p>Annual Corporate Self-Assessment process</p> <p>Performance Appraisal process and system</p> <p>Estyn Reviews</p>

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		Care Inspectorate Wales reviews Audit Wales reviews and audits Peer review reports reported to appropriate Committee, eg Audit Wales reports to Governance & Audit Committee
	Holding staff to account through regular performance reviews which take account of training or development needs	Annual Appraisal <del>and 6-month appraisal review</del> process Performance Management reporting via Performance Indicators
	Ensuring arrangements are in place to maintain the health and well-being of the workforce and support individuals in maintaining their own physical and mental well-being	<del>Care-First</del> Vivup on line staff welfare system Health & Safety Policy and Procedures HR policies and procedures

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Core Principle F Managing risks and performance through robust internal control and strong public financial management		
Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Managing risk	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Risk Management Policy and Corporate Risk Register in place, and reviewed by CMB and Governance & Audit Committee Team plans incorporate risk assessments
	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Risk Management Policy and Guidance notes published to the intranet and taken to Departmental Management Teams. E-learning module for identified staff
	Ensuring that responsibilities for managing individual risks are clearly allocated	Set out in Risk Management Policy
Managing performance	Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	Corporate Performance Assessment Annual Performance report/Well-being Report Programme Management <del>Centre of Excellence</del> and Project Toolkit



	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	Corporate Report Template – ensuring all necessary aspects are considered – financial; legal; Well-being of Future Generations ( <a href="#">Wales</a> ) Act 2015; Equality Act 2010; <del>Climate Change; Safeguarding and Corporate Parent; links to Corporate plan.</del>
	Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible	Overview and Scrutiny Committees in place
	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	Corporate Performance Assessment process Scrutiny reviews Annual Performance report/Well-being Report
	Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	Budget setting, monitoring and outturn reports all based on Council's Directorate structure
Robust internal control	Aligning the risk management strategy and policies on internal control with achieving objectives	Risk based audit plan in place
	Evaluating and monitoring risk management and internal control on a regular basis	Internal Audit undertakes sufficient audit work to provide an annual opinion on the adequacy and effectiveness of the council's framework of governance, risk management and controls
	Ensuring effective counter fraud and anti-corruption arrangements are in place	Anti-fraud and <del>Corruption-Bribery</del> Policy in place and mandatory e-learning for all staff Whistleblowing Policy <del>Officers' Employee</del> and Member Codes of Conduct

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	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Anti Money Laundering Policy Head of Regional Internal Audit Service provides an annual opinion on the effectiveness of the framework of governance, risk management and control
	Ensuring an audit committee or equivalent group/function, which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>- provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>- that its recommendations are listened to and acted upon</li> </ul>	Governance & Audit Committee in place Governance & Audit Committee receive regular updates on the control environment and risk management. The Committee scrutinises the Annual Governance Statement before presenting to Council for approval When Governance & Audit Committee make recommendations, they are acted upon
Managing data	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Information Management Strategy in place <a href="#">Information Governance Board</a> <a href="#">Data Protection Policy</a> ICT Code of Practice Public Sector Broadband Aggregation Memorandum of Understanding with Department for Work and Pensions for data sharing Audit Wales undertake a variety of audits including Statement of Accounts, grants, performance reviews both local and national.
	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Where necessary, information sharing protocols <a href="#">and data processing agreements</a> in place

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	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Reports follow an approval process and require Chief Officer/Head of Service, Finance and Legal approval prior to publication. Report authors are responsible for ensuring the accuracy and quality of reports submitted.
Strong public financial management	Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	The Council formally adopts an annual budget and supporting Medium Term Financial Strategy as well as a 10-year Capital Programme. Regular monitoring reports including forecasted expenditure is provided to Directors, Corporate Management Board and quarterly reports are presented to Cabinet and Scrutiny with the outturn report presented to Council.
	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	As set out in the Constitution and Financial Procedure Rules each Chief Officer is responsible for ensuring control of expenditure and income against approved budgets. Chief Officers are responsible for providing the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control. The management of budgets may be delegated to senior officers within the Directorate.

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

Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Implementing good practice in transparency	Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	All reports follow an agreed template All agenda papers, minutes and supporting documents are available via the Bridgend Council website
	Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Meetings can be watched via the Bridgend website.

Implementing good practices in reporting	Reporting at least annually on performance, value for money and stewardship or resources to stakeholders in a timely and understandable way	Annual Performance Report/Well-being Report External Audit (Audit Wales) audit of statement of accounts and Council performance and grants. Annual Audit Letter setting out audit work undertaken by external audit and an opinion on the statement of accounts <a href="#">Audit Wales Annual Audit Letter</a>
	Ensuring members and senior management own the results reported	Cabinet and Senior Management are responsible for all aspects of service performance
	Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement)	An annual review of the Governance Statement is undertaken, and an action plan of agreed improvements monitored and reported to Corporate Management Board and Governance & Audit Committee
	Ensuring that this framework is applied to jointly managed or shared service organisations as appropriate	Setting out Terms of Reference for joint committees and shared services Ensuring Joint Committee structures are appropriate
	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations	Annual Performance Report/Well-being report prepared in line with statutory reporting requirements and on a consistent basis. Annual Statement of Accounts prepared in line with CIPFA requirements and Code of Practice on Local Authority Accounting and audited to give unqualified audit report
Assurance and effective accountability	Ensuring that recommendations for corrective action made by external audit are acted upon	Recommendations are reported to Governance & Audit Committee and acted on to ensure changes implemented

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		Implementation of Regulatory Tracker for Governance & Audit Committee review
	Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon	Governance & Audit Committee receive reports at each meeting on the progress on the Internal Audit Plan that has been previously agreed by the Committee. Head of the Regional Internal Audit Service provides an annual opinion on the effectiveness of governance and internal controls which is presented to the Committee and included in the Annual Governance Statement
	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Regular cycle of inspections from Care Inspectorate Wales, Estyn, Audit Wales. Also new peer assessment requirement under Local Government and Elections (Wales) Act 2021
	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	Risks are contained within the Council's Corporate Risk Assessment, which is underpinned by the Council's Risk Management Policy
	Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met	Collaboration/Service Agreements/Heads of Terms in place for joint arrangements and partnership working, including Awen Trust, Halo Leisure Services; Shared Regulatory Services, Regional Internal Audit Service

## 7. Monitoring and Review

- 7.1 Good corporate governance requires the active participation of Elected Members and Officers across the Council. These arrangements will be reviewed on an annual basis and the findings of this work will be reported in the Annual Governance Statement. This will help ensure the continuous improvement of the Council's Corporate Governance culture.
- 7.2 The adoption and maintenance of an up-to-date Code of Corporate Governance, including arrangements for ensuring its implementation and ongoing application is an important part of the process.
- 7.3 The Governance and Audit Committee is responsible for monitoring and reviewing the Governance arrangements as described in this Code. The Code of Corporate Governance will be reviewed on an annual basis, the outcome of which will be reported to the Governance and Audit Committee and any changes will be approved by Cabinet.
- 7.4 Through that Committee, the Council will ensure that these arrangements are kept under continual review. This will include consideration of:
- the work undertaken by internal audit;
  - reports prepared by managers with responsibility for aspects of this Code;
  - reports and opinions expressed by external auditors; and
  - reports of other regulatory bodies and Inspectorates.

## 8. The Annual Governance Statement

- 8.1 Each year the Council will publish an Annual Governance Statement (AGS) which is signed by the Leader of the Council and the Chief Executive. It will provide an overall assessment of the Council's Corporate Governance arrangements, an appraisal of the controls in place to manage the Council's key risks and details of where improvements need to be made.

8.2 The AGS will take into consideration any other consultations, reports and reviews undertaken, such as the review of the Council's compliance with CIPFA's Financial Management Code and any actions that arise therefrom.

- 8.32 The AGS will be reviewed by Corporate Management Board and approved by the Governance and Audit Committee.

- 8.43 The AGS will be published as part of the Council's Annual Statement of Accounts and will be reviewed by our External Auditors.





## Glossary

Term	Explanation
CIPFA	The Chartered Institute of Public Finance and Accountability
SOLACE	The Society of Local Authority Chief Executives and Senior Managers
Member	Elected Councillor (including co-opted councillors)
Corporate Management Board	The Corporate Management Board is the key internal management body of the Council and comprises the Chief Executive, Strategic Directors and Chief Officers.
Officer	Employee of the Council (including secondees)
Constitution	The Council's rules and codes/protocols

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# BRIDGEND COUNTY BOROUGH COUNCIL

## CODE OF CORPORATE GOVERNANCE



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## **1 Introduction**

- 1.1 The Council is committed to the principles of good corporate governance and recognises it is responsible for ensuring that its business is conducted within the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. It has a duty to make proper arrangements for the governance of its affairs, secure continuous improvement in the way its functions are discharged and have robust arrangements in place for the management of risk. The development, adoption and continued implementation and monitoring of a Code of Corporate Governance confirms this commitment.
- 1.2 Good governance is about doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.
- 1.3 This Code describes the Council's understanding of corporate governance, and outlines the framework it has put in place to ensure that these arrangements are effective. The Code reflects a joint commitment by Members and senior managers to the principles it contains. This helps to ensure that the principles of corporate governance are not only fully embedded and cascaded throughout the Authority, but that they have the support of the Council, the Chief Executive and the Corporate Management Board.

## **2. What is Corporate Governance?**

- 2.1 The Council has a key role in governing and leading our community. Effective local government relies on public confidence in Elected Members and Council Officers.
- 2.2 Corporate governance is a phrase used to describe how organisations direct and control what they do. Effective systems of corporate governance provide confidence in public services. For local authorities this also includes how a council relates to the communities that it serves. Good corporate governance requires local authorities to carry out their services in a way that demonstrates accountability, openness and honesty.

## **3. Why adopt a Code of Corporate Governance?**

- 3.1 Adopting a Code of Corporate Governance is another way in which the Council shows its recognition of the fact that effective local government relies upon establishing and maintaining the confidence of local people in both elected members and Council officials. Good corporate governance underpins credibility and confidence in the leadership and forms the foundation from which all Council services are provided.
- 3.2 Adopting, monitoring and complying with a Code of Corporate Governance helps enhance the Council's legitimacy and acknowledges the trust placed in the Council by local people.



- 3.3 Strong, transparent and responsive governance enables the Council to put citizens first by pursuing its aims and priorities effectively, and by underpinning them with appropriate mechanisms for managing performance and risk. In order to maintain citizens' confidence, these mechanisms must not only be sound, but also be seen to be sound.
- 3.4 Corporate governance comprises the framework within which the Council manages its business; this includes the Council's constitution and the various procedure rules, codes and protocols contained therein. It also includes the systems and processes, and the culture and values by which the activities of the Council are directed and controlled, and how it accounts to and engages with its citizens. 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.
- 3.5 Overall, adopting and committing to this Code of Corporate Governance provides a basis for a Council wide commitment to the way in which it intends fulfilling its role in leading and representing the community, providing opportunities for all and ensuring that there is a strong customer focus underpinning everything that the Council does.

#### **4. Why do we need a Code of Corporate Governance?**

- 4.1 Corporate governance is important because it supports:

- Provision of high quality public services

Within the UK, governance weaknesses have sometimes led to significant failures in public services. High performing organisations on the other hand, generally, have effective governance arrangements.

- Raising public trust

The public's trust is increased when they perceive the quality of services that they and their families experience to be sound and when organisations are seen to be open and honest in communicating their performance and learning from their mistakes.

- 4.2 The Code of Corporate Governance is based upon the "Delivering Good Governance in Local Government: Framework" (CIPFA/SOLACE, 2016). The Framework positions the attainment of sustainable economic, societal, and environmental outcomes as a key focus of governance processes and structures. Outcomes give the role of local government its meaning and importance, and it is fitting that they have this central role in the sector's governance. Furthermore, the focus on sustainability and the links between governance and public financial management are crucial – local authorities must recognise the need to focus on the long term as required by the Well-being of Future Generations Act. Local authorities have responsibilities to more than their current electors as they must take account of the impact of current decisions and actions on future generations.

4.3 The Framework defines the principles that should underpin the governance of each local government organisation. It provides a structure to help individual authorities with their approach to governance. Whatever forms of arrangements are in place, authorities should therefore test their governance structures and partnerships against the principles contained in the Framework by:

- reviewing existing governance arrangements;
- developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness;
- reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.

## 5. The Corporate Governance Principles as adopted in Bridgend

5.1 The Framework is based on the following seven Core Principles:

Core Principle	Description
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
B	Ensuring openness and comprehensive stakeholder engagement.
C	Defining outcomes in terms of sustainable economic, social, and environmental benefits.
D	Determining the interventions necessary to optimise the achievement of the intended outcomes.
E	Developing the entity's capacity, including the capability of its leadership and the individuals within it.
F	Managing risks and performance through robust internal control and strong public financial management.
G	Implementing good practice in transparency, reporting, and audit to deliver effective accountability.

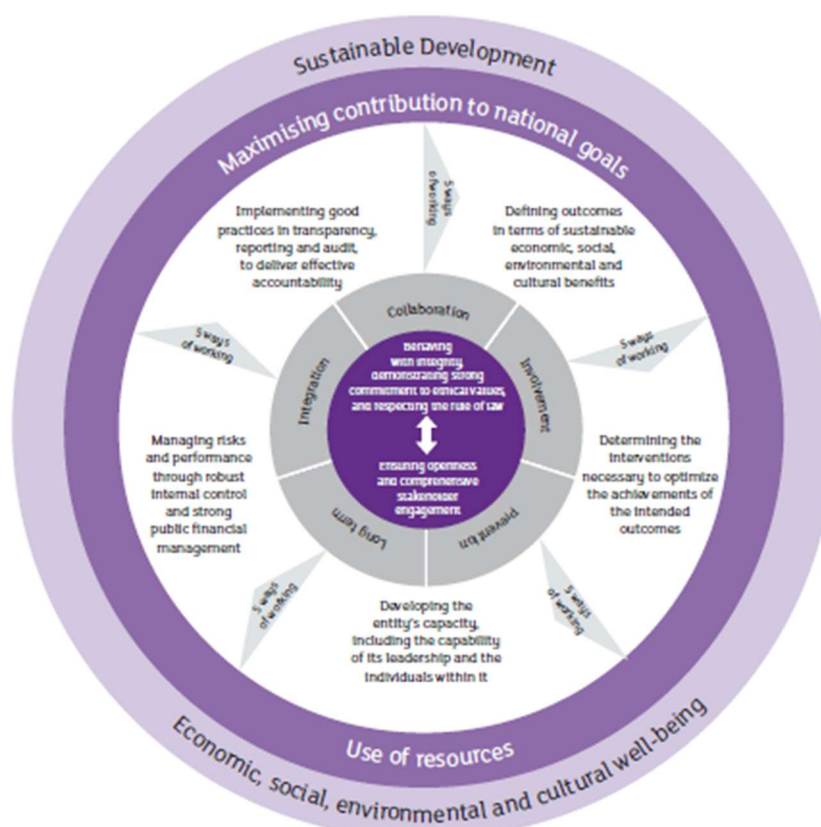
5.2 There are also a number of sub-principles below the seven core principles. To achieve good governance, each local authority should be able to demonstrate that its governance structures comply with the core and sub-principles contained in the Framework. It should therefore develop and maintain a local code of governance/governance arrangements reflecting the principles set out. It is also crucial that the Framework is applied in a way that demonstrates the spirit and ethos of good governance which cannot be achieved by rules and procedures alone. Shared values that are integrated

into the culture of an organisation, and are reflected in behaviour and policy, are hallmarks of good governance.

## 6. The Corporate Governance Principles and the Well-being of Future Generations (Wales) Act 2015

- 6.1 The Act requires public bodies covered by the Act, including local government, to consider the longer term in making their decisions and to work collaboratively with other public bodies to improve well-being in Wales. The Act sets out seven well-being goals for public bodies and requires them to act in a sustainable way. It also sets out five ways of working that public bodies are required to take into account when applying the sustainable development principle.
- 6.2 The Act is central to the Welsh Government's long-term policy for the public services and its themes tie in with the *Delivering Governance in Local Government: Framework* (CIPFA/SOLACE, 2016). The Auditor General for Wales has set out a diagram (below) which brings together the International Framework with the requirements of the 2015 Act.

Well-being of Future Generations (Wales) Act 2015 and the International Framework



Source: CIPFA Delivering Good Governance Guidance Notes 2016

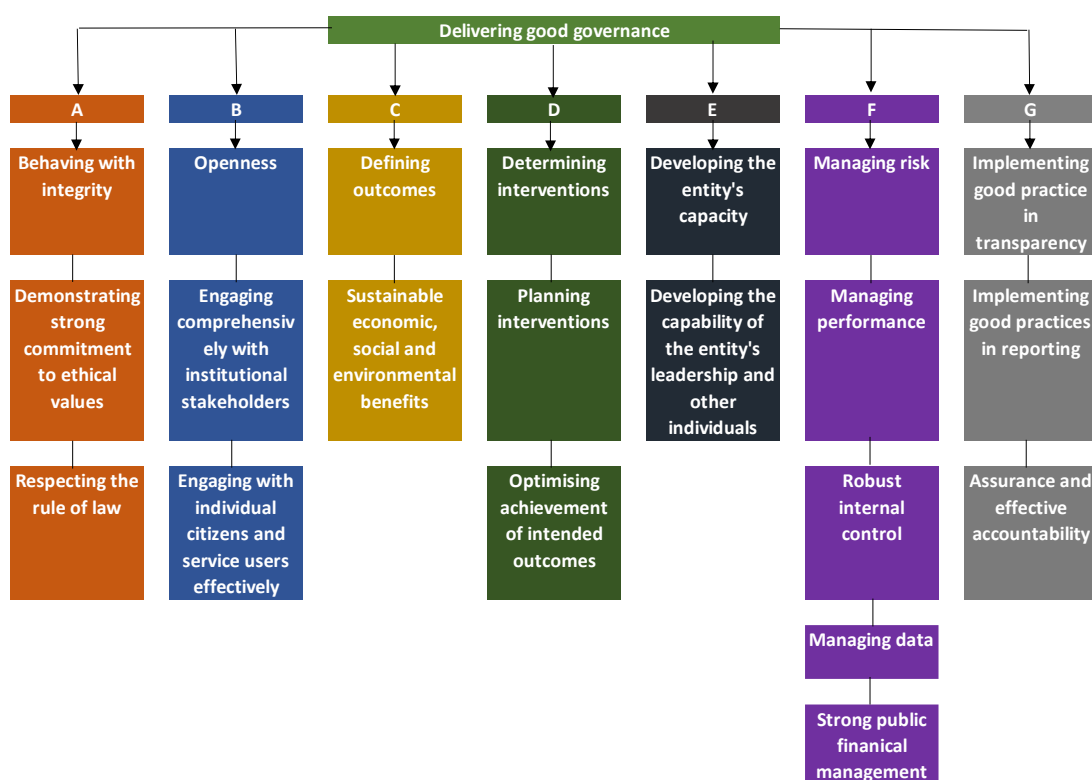
- 6.3 The diagram shows sustainable development as all encompassing. The core behaviours of:



- behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- ensuring openness and comprehensive stakeholder engagement

need to be applied to the five ways of working. The five ways of working (underpinned by the core behaviours) have to be at the heart of delivering outcomes, which in turn should ensure effective use of resources as public bodies maximise their contribution to the economic, social, environmental and cultural well-being of Wales.

- 6.4 CIPFA's Delivering Good Governance in Local Government Framework (2016 Edition) identifies the Core Principles A-G as set out in paragraph 5.1 and the Sub-Principles that underpin these.



- 6.5 In demonstrating good governance the Council will meet the requirements of the core and sub-principles as set out below.

Core Principle A Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Behaving with integrity	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Council's values – Fair, Ambitious, Citizen-focussed, Efficient Codes of Conduct for both Members and Officers Regulatory Committees Modern.gov paperless meeting app with In-App voting, and system of publishing reports and decisions in open and transparent manner Register of Members' Interests
	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Council's Constitution, including procedure rules Contract Procedure Rules Financial Procedure Rules
	Leading by example and using the above standard operating principles or values as a framework for decision making and other actions	Officers' Code of Conduct Code of Conduct for Members
	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	Council's Constitution
Demonstrating strong	Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Council's Vision & values Standards Committee

commitment to ethical values	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	Members Register of Interests Declaration of Members' Interests at each meeting Resolution Policy
	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	Code of Conduct for Members Officers' Code of Conduct Whistleblowing Policy Equality Impact Assessment processes
	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation	Socially Responsible Procurement Strategy
Respecting the rule of law	Ensuring members and staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations	Anti-Fraud and Bribery Policy Anti Money Laundering Policy Anti-Tax Evasion Policy Financial Procedure Rules Contract Procedure Rules Whistleblowing Policy Annual Corporate Fraud Report Socially Responsible Procurement Strategy
	Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	Council's Constitution sets out roles of key officers and Members Scheme of Delegation of Functions for decision making Observation of all legislative requirements
	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	Overview & Scrutiny Committees Governance & Audit Committee Standards Committee

	Dealing with breaches of legal and regulatory provisions effectively	Role of Monitoring Officer Whistleblowing Policy Referrals to Ombudsman and appropriate resolutions
	Ensuring corruption and misuse of power are dealt with effectively	Anti-Fraud and Bribery Policy Anti-Bribery Policy Anti-Tax Evasion Policy Whistleblowing Policy

<b>Core Principle B</b>	<b>Ensuring openness and comprehensive stakeholder engagement</b>
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Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Openness	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Publication of policies, plans, meeting Agenda's, Minutes and Webcasts Publishing decisions and updates via the Council's social media accounts
	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Holding meetings in public unless there is a good reason not to for confidentiality Annual Statement of Accounts Medium Term Financial Strategy Well-being of Future Generations (Wales) Act 2015 assessments Standard report templates
	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Overview & Scrutiny Committees Standard Report templates Publication of minutes, decisions and reasons
	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action	Council website Council publications Publication Scheme Citizen's Panel Time to Talk Budget consultation Reports to, and consultation with, School Governing Bodies

		Forward Work Programmes Communications, Marketing & Engagement Strategy
Engaging comprehensively with institutional stakeholders	Effectively engage with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Town and Community Councils Other local authorities Engaging with stakeholders including: Lead Local Flood Authorities Environment Agency Natural Resources Wales Highways Authorities Local Community Groups and forums Emergency Services
	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Public Service Board Well-being Plan 2013-28 in place Regional Partnership Boards Joint Committees South East Wales Corporate Joint Committee – Cardiff Capital Region S33 NHS Wales Act pooled fund arrangements – Integrated Community Equipment; Integrated Community Support Services; Care Home Accommodation Bridgend Association of Voluntary Organisations Valleys to Coast
	Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>- trust</li> <li>- a shared commitment to change</li> <li>- a culture that promotes and accepts challenge among partners</li> </ul>	Setting Terms of Reference Joint Committee meetings Agreeing voting rights at Joint Committees – South East Wales Corporate Joint Committee as an example

	and that the added value of partnership working is explicit	
Engaging with individual citizens and service users effectively	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	Citizens Panel
	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	Communications, Marketing and Engagement Strategy Council's website Talktous
	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference for future needs	Council's website, Facebook & Twitter accounts Talktous
	Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account	Feedback and publication of consultation outcomes, including via social media – such as budget consultations. Communications, Marketing and Engagement Strategy in place. The Council has made a commitment to endorse the National Principles for Public Engagement in Wales and has an authority-wide consultation and engagement toolkit to ensure engagement is consistent, robust and effective. Requirements of Local Government and Elections (Wales) Act 2021 to carry out a self-assessment of how the Council is meeting its performance

		requirements, and to publish a report setting out the conclusions of this every year.
	Balance feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	Consultations shared with Bridgend Community Cohesion and Equalities Forum to ensure different stakeholder groups are included.
	Taking account of the impact of decisions on future generations of tax payers and service users	Requirement to assess decisions under Well-being of Future Generations Act (Wales) 2015 in key decisions of Council



Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Defining outcomes	Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions	Council's Corporate Plan Corporate Plan Delivery Plan Annual Statement of Accounts Directorate Business Plans
	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Directorate Business Plans Corporate Plan Annual Self-Assessment of the Council's Performance
	Delivering defined outcomes on a sustainable basis within the resources that will be available	Council's Medium Term Financial Strategy Council's Annual Budget Book Corporate Performance Assessment Annual Self-Assessment of the Council's Performance
	Identifying and managing risks to the achievement of outcomes	Corporate Risk Register Governance & Audit Committee
	Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available	Budget Consultation Council's Corporate Plan Medium Term Financial Strategy and current year Budget Book
Sustainable economic, social and environmental benefits	Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision	Equality Impact Assessments for all key decisions Equality Impact Assessment consideration required on all Council reports Well-being of Future Generations (Wales) Act 2015 consideration required on all key decisions/reports

		<p>Net Zero Carbon Strategy and declaration of climate emergency</p> <p>Climate Emergency Response programme</p> <p>Safeguarding and Corporate Parent implications on all Council reports.</p> <p>Economic, Social and Environmental policy within Treasury Management Strategy.</p>
	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	Finance, Legal, Well-being of Future Generations (Wales) Act, Environmental Impact Assessment and Socio-economic duty all considered in decision making process and decision reports.
	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	Environmental Impact Assessments
	Ensuring fair access to services	Strategic Equality Plan

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

<b>Sub Principle</b>	<b>Actions that Demonstrate Good Governance</b>	<b>Evidence that supports the Actions</b>
Determining interventions	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks, therefore ensuring best value is achieved however services are provided	Reporting templates in use to ensure all considerations taken into account All reports require legal and financial comment and approval
	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	Citizens Panel Complaints process Budget and other consultation outcomes
Planning interventions	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	Corporate Plan Corporate Performance Assessment process Local Development Plan Directorate, Service and Team Business Plans Digital Transformation Plan Schedule of Council and Cabinet meetings
	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Citizens Panel Time to Talk Budget consultation

	Considering and monitoring risks facing each partner when working collaboratively, including shared risks	Corporate Risk Management Policy and Risk Register Monitoring and reporting of Risk to Governance & Audit Committee
	Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances	Regular Committee meetings Delegated Powers to enable appropriate decision-making
	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	Corporate Performance Assessment process and quarterly review Key Performance Indicators with Directorate Business and Team plans
	Ensuring capacity exists to generate the information required to review service quality regularly	Business planning process, quarterly reporting on performance, self-assessment
	Preparing budgets in accordance with objectives, strategies and the medium term financial plan	Medium Term Financial Strategy Annual budget setting process
	Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	4-year rolling Medium Term Financial Strategy and 10 Year Capital Programme
Optimising achievement of intended outcomes	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Medium Term Financial Strategy updated annually to reflect service pressures and efficiency savings
	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	Directorate engagement in Medium Term Financial planning process Overview and Scrutiny review of Medium Term Financial Strategy Budget Research and Evaluation Panel
	Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery	Effective budget monitoring during year, reported to Departmental Management Teams, Corporate

	issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	Management Board, Cabinet, Council and Scrutiny
	Ensuring the achievement of 'social value' through service planning and commissioning	Consideration of all Committee decisions of Well-being of Future Generations (Wales) Act 2015 Outcomes of consultations Feedback from Citizen's Panel

<b>Core Principle E</b>	<b>Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>
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Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Developing the entity's capacity	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness	Asset Management Plan in place Council operates a Corporate Landlord model Regular budget monitoring process
	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently	Medium Term Financial Strategy (MTFS) delivers a robust financial plan through a rigorous budget setting process. One of the key MTFS Principles is that all services will seek to provide value for money and contribute to public value and will continuously review budgets to identify efficiency savings. On occasions external support is used to provide an independent review of service areas, which may include comparisons to other local authorities. Audit Wales Financial Sustainability Assessment report December 2024
	Recognising the benefits of partnerships and collaborative working where added value can be achieved	The Council participates in a number of collaborative working arrangements including: Shared Regulatory Service Regional Internal Audit Shared Service

		Pooled fund arrangements for Residential Care, day opportunities for people recovering from Mental Health problems; Community Equipment and Integrated Community Support Services
	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	Workforce Plan and Training & Development Plan in place
Developing the capability of the entity's leadership and other individuals	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	Council's Constitution sets out roles and responsibilities
	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Scheme of Delegation of Functions in place
	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	Roles set out in Council's Constitution. Section 6 of the Council's Constitution includes information regarding the role of the Leader and Member role descriptions are set out at section 22 of the document. Job descriptions and person specifications for all roles and an appraisal panel for the Chief Executive to review performance.
	Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:	Member development programme in place Standards Committee Corporate Training & Development Programme Professional job-related training eg CIPFA

	<ul style="list-style-type: none"> <li>- ensuring members and staff have access to appropriate induction training and development matching individual and organisational requirements is available and encouraged</li> <li>- ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</li> <li>- ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external</li> </ul>	
	Ensuring that there are structures in place to encourage public participation	Communication, Marketing & Engagement Strategy Citizens Panel Talktous Social Media
	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	Annual Corporate Self-Assessment process Performance Appraisal process and system Estyn Reviews Care Inspectorate Wales reviews Audit Wales reviews and audits Peer review reports reported to appropriate Committee, eg Audit Wales reports to Governance & Audit Committee
	Holding staff to account through regular performance reviews which take account of training or development needs	Annual Appraisal process Performance Management reporting via Performance Indicators



	Ensuring arrangements are in place to maintain the health and well-being of the workforce and support individuals in maintaining their own physical and mental well-being	Vivup on line staff welfare system Health & Safety Policy and Procedures HR policies and procedures
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<b>Core Principle F</b>	<b>Managing risks and performance through robust internal control and strong public financial management</b>
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Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Managing risk	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Risk Management Policy and Corporate Risk Register in place, and reviewed by CMB and Governance & Audit Committee Team plans incorporate risk assessments
	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Risk Management Policy and Guidance notes published to the intranet and taken to Departmental Management Teams. E-learning module for identified staff
	Ensuring that responsibilities for managing individual risks are clearly allocated	Set out in Risk Management Policy
Managing performance	Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	Corporate Performance Assessment Annual Performance report/Well-being Report Programme Management Project Toolkit
	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	Corporate Report Template – ensuring all necessary aspects are considered – financial; legal; Well-being of Future Generations (Wales) Act 2015; Equality Act 2010, Climate Change; Safeguarding and Corporate Parent.
	Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible	Overview and Scrutiny Committees in place

	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	Corporate Performance Assessment process Scrutiny reviews Annual Performance report/Well-being Report
	Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	Budget setting, monitoring and outturn reports all based on Council's Directorate structure
Robust internal control	Aligning the risk management strategy and policies on internal control with achieving objectives	Risk based audit plan in place
	Evaluating and monitoring risk management and internal control on a regular basis	Internal Audit undertakes sufficient audit work to provide an annual opinion on the adequacy and effectiveness of the council's framework of governance, risk management and controls
	Ensuring effective counter fraud and anti-corruption arrangements are in place	Anti-fraud and Bribery Policy in place and mandatory e-learning for all staff Whistleblowing Policy Officers' and Member Codes of Conduct Anti Money Laundering Policy
	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Head of Regional Internal Audit Service provides an annual opinion on the effectiveness of the framework of governance, risk management and control
	Ensuring an audit committee or equivalent group/function, which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>- provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> </ul>	Governance & Audit Committee in place Governance & Audit Committee receive regular updates on the control environment and risk management. The Committee scrutinises the Annual Governance Statement before presenting to Council for approval When Governance & Audit Committee make recommendations, they are acted upon

	- that its recommendations are listened to and acted upon	
Managing data	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Information Management Strategy in place Information Governance Board Data Protection Policy ICT Code of Practice Public Sector Broadband Aggregation Memorandum of Understanding with Department for Work and Pensions for data sharing Audit Wales undertake a variety of audits including Statement of Accounts, grants, performance reviews both local and national.
	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Where necessary, information sharing protocols and data processing agreements in place
	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Reports follow an approval process and require Chief Officer/Head of Service, Finance and Legal approval prior to publication. Report authors are responsible for ensuring the accuracy and quality of reports submitted.
Strong public financial management	Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	The Council formally adopts an annual budget and supporting Medium Term Financial Strategy as well as a 10-year Capital Programme. Regular monitoring reports including forecasted expenditure is provided to Directors, Corporate Management Board and quarterly reports are

		presented to Cabinet and Scrutiny with the outturn report presented to Council.
	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	As set out in the Constitution and Financial Procedure Rules each Chief Officer is responsible for ensuring control of expenditure and income against approved budgets. Chief Officers are responsible for providing the Chief Finance Officer with such information as is required to facilitate and monitor budgetary control. The management of budgets may be delegated to senior officers within the Directorate.

<b>Core Principle G</b>	<b>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>
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Sub Principle	Actions that Demonstrate Good Governance	Evidence that supports the Actions
Implementing good practice in transparency	Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	All reports follow an agreed template All agenda papers, minutes and supporting documents are available via the Bridgend Council website
	Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Meetings can be watched via the Bridgend website.
Implementing good practices in reporting	Reporting at least annually on performance, value for money and stewardship or resources to stakeholders in a timely and understandable way	Annual Performance Report/Well-being Report External Audit (Audit Wales) audit of statement of accounts and Council performance and grants. Annual Audit Letter setting out audit work undertaken by external audit and an opinion on the statement of accounts Audit Wales Annual Audit Letter
	Ensuring members and senior management own the results reported	Cabinet and Senior Management are responsible for all aspects of service performance
	Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement	An annual review of the Governance Statement is undertaken, and an action plan of agreed improvements monitored and reported to

	and evidence to demonstrate good governance (the annual governance statement)	Corporate Management Board and Governance & Audit Committee
	Ensuring that this framework is applied to jointly managed or shared service organisations as appropriate	Setting out Terms of Reference for joint committees and shared services Ensuring Joint Committee structures are appropriate
	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations	Annual Performance Report/Well-being report prepared in line with statutory reporting requirements and on a consistent basis. Annual Statement of Accounts prepared in line with CIPFA requirements and Code of Practice on Local Authority Accounting and audited to give unqualified audit report
Assurance and effective accountability	Ensuring that recommendations for corrective action made by external audit are acted upon	Recommendations are reported to Governance & Audit Committee and acted on to ensure changes implemented Implementation of Regulatory Tracker for Governance & Audit Committee review
	Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon	Governance & Audit Committee receive reports at each meeting on the progress on the Internal Audit Plan that has been previously agreed by the Committee. Head of the Regional Internal Audit Service provides an annual opinion on the effectiveness of governance and internal controls which is presented to the Committee and included in the Annual Governance Statement

	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Regular cycle of inspections from Care Inspectorate Wales, Estyn, Audit Wales. Also new peer assessment requirement under Local Government and Elections (Wales) Act 2021
	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	Risks are contained within the Council's Corporate Risk Assessment, which is underpinned by the Council's Risk Management Policy
	Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met	Collaboration/Service Agreements/Heads of Terms in place for joint arrangements and partnership working, including Awen Trust, Halo Leisure Services; Shared Regulatory Services, Regional Internal Audit Service



## **7. Monitoring and Review**

- 7.1 Good corporate governance requires the active participation of Elected Members and Officers across the Council. These arrangements will be reviewed on an annual basis and the findings of this work will be reported in the Annual Governance Statement. This will help ensure the continuous improvement of the Council's Corporate Governance culture.
- 7.2 The adoption and maintenance of an up-to-date Code of Corporate Governance, including arrangements for ensuring its implementation and ongoing application is an important part of the process.
- 7.3 The Governance and Audit Committee is responsible for monitoring and reviewing the Governance arrangements as described in this Code. The Code of Corporate Governance will be reviewed on an annual basis, the outcome of which will be reported to the Governance and Audit Committee and any changes will be approved by Cabinet.
- 7.4 Through that Committee, the Council will ensure that these arrangements are kept under continual review. This will include consideration of:
- the work undertaken by internal audit;
  - reports prepared by managers with responsibility for aspects of this Code;
  - reports and opinions expressed by external auditors; and
  - reports of other regulatory bodies and Inspectorates.

## **8. The Annual Governance Statement**

- 8.1 Each year the Council will publish an Annual Governance Statement (AGS) which is signed by the Leader of the Council and the Chief Executive. It will provide an overall assessment of the Council's Corporate Governance arrangements, an appraisal of the controls in place to manage the Council's key risks and details of where improvements need to be made.
- 8.2 The AGS will take into consideration any other consultations, reports and reviews undertaken, such as the review of the Council's compliance with CIPFA's Financial Management Code and any actions that arise therefrom.
- 8.3 The AGS will be reviewed by Corporate Management Board and approved by the Governance and Audit Committee.
- 8.4 The AGS will be published as part of the Council's Annual Statement of Accounts and will be reviewed by our External Auditors.



## Glossary

Term	Explanation
CIPFA	The Chartered Institute of Public Finance and Accountability
SOLACE	The Society of Local Authority Chief Executives and Senior Managers
Member	Elected Councillor (including co-opted councillors)
Corporate Management Board	The Corporate Management Board is the key internal management body of the Council and comprises the Chief Executive, Strategic Directors and Chief Officers.
Officer	Employee of the Council (including secondees)
Constitution	The Council's rules and codes/protocols

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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>ANTI-TAX EVASION POLICY REVIEW</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>NIGEL SMITH, GROUP MANAGER – CHIEF ACCOUNTANT</b>
<b>Policy Framework and Procedure Rules:</b>	<b>Regulation 26.5 of the Financial Procedure Rules requires the Chief Finance Officer to develop, maintain and implement the Anti-tax Evasion Policy. The Policy is to be reviewed on a biennial basis.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li><b>The Anti-Tax Evasion Policy was last updated in April 2023. The Policy has been reviewed and only minor wording and presentational amendments made, and the Policy amended to take account of changes related to the Council’s management and monitoring arrangements with Awen Cultural Trust. No significant amendments are proposed.</b></li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to present the updated Anti-Tax Evasion Policy to the Governance and Audit Committee for consideration prior to the Policy being presented to Cabinet for approval.

## 2. Background

- 2.1 The Criminal Finances Act 2017 (the ‘2017 Act’) became law in the summer of 2017. Part 3 of the 2017 Act sets out how those organisations categorised as ‘relevant bodies’ under the Act will be considered criminally liable where they fail to prevent those who act for, or on their behalf, from criminally facilitating tax evasion.
- 2.2 The 2017 Act introduced new offences that will be committed where a relevant body fails to have taken appropriate steps to prevent an associated person criminally facilitating the evasion of a tax, and this will be the case whether the tax evaded is owed in the UK or in a foreign country.
- 2.3 **‘Relevant bodies’** include corporate bodies or partnerships (wherever incorporated or formed), local authorities and fire authorities.

- 2.4 An **'associated person'**, as set out in the legislation, is an employee, agent or other person who performs services for or on behalf of the Council.
- 2.5 **'Tax evasion'** can be described as any fraudulent activity that intends to divert funds from the public revenue and constitutes the common law offence of cheating the public revenue.
- 2.6 Organisations, including local authorities, could be liable to severe penalties if they fail to put in place adequate procedures to prevent tax evasion.
- 2.7 In order for the corporate charges to be brought there must first be two offences that have taken place. There must be a criminal offence by the taxpayer and an associated person must deliberately and dishonestly take action to facilitate the taxpayer's evasion. To accidentally, ignorantly or negligently facilitate the evasion of tax will not result in the corporate offence.
- 2.8 If both offences have been committed then the Council will have committed the corporate offence of "failure to prevent the facilitation of tax evasion" unless it can demonstrate that it had reasonable preventative procedures in place.
- 2.9 The penalty for this offence includes unlimited fines and ancillary orders such as confiscation orders or serious crime prevention orders, as well as reputational damage to the Council. Tax based fraud or evasion is generally investigated by HM Revenues and Customs (HMRC) with prosecutions brought by the Crown Prosecution Service (CPS).
- 2.10 HMRC issued guidance for relevant bodies formulated around the following six guiding principles:
- a) Risk assessment
  - b) Proportionality of risk-based prevention procedures
  - c) Top level commitment
  - d) Due diligence
  - e) Communication (including training)
  - f) Monitoring and review.
- 2.11 The latest information released by HMRC on 30 July 2024 noted that as at 30 June 2024 there were 11 live Corporate Criminal Offence investigations on-going, with a further 28 live opportunities underway. HMRC had rejected a further 101 cases. These investigations spanned 11 different business sectors including software providers, labour provision, accountancy and legal services and transport.

### **3. Current situation / proposal**

- 3.1 The Council is committed to establishing and maintaining effective arrangements to prevent and detect acts of bribery, corruption and tax evasion in relation to Council services. The Council requires all Members and employees to demonstrate the highest standards of honesty and integrity and this includes compliance with the relevant legislation.

- 3.2 The Council has in place Anti-Fraud and Bribery and Anti-Money Laundering policies in place to support effective arrangements to prevent and detect acts of bribery and corruption which are monitored and reviewed by the Governance and Audit Committee.
- 3.3 The Anti-Tax Evasion Policy specifically addresses the prevention of tax evasion and provides a coherent and consistent approach for all employees and any person who performs services for and on behalf of Bridgend County Borough Council. Cabinet last approved the Anti-Tax Evasion Policy on 20 June 2023. This latest review makes a number of minor grammatical and presentational amendments and reflects the revised management and monitoring arrangements between the Council and Awen Cultural Trust. The revised Anti-Tax Evasion Policy is attached as **Appendix A**, with the changes identified therein. A revised Policy is shown at **Appendix B** with all changes accepted. Subsequent to the Governance and Audit Committee accepting the revised Policy, it will be presented to Cabinet for approval.
- 3.4 This policy is supplementary to the Council's wider Anti-Fraud and Bribery Strategy which sets out the key responsibilities with regard to fraud prevention and what to do if fraud or financial irregularity is suspected and the action that will be taken by management.
- 3.5 The Governance and Audit Committee are asked to consider the policy as part of their role to obtain assurance over the Council's corporate governance and risk management arrangements. The policy will be reviewed and updated as required on a biennial basis.
- 3.6 No instances of Anti-Tax Evasion have been reported to the Council.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. The following is a summary to show how the 5 ways of working to achieve the well-being goals have been used to formulate the recommendations within this report:

- **Long Term**

The Anti-Tax Evasion Policy, Procedure and Reporting Arrangements will assist in the long term to support officers and Members in the successful execution of their duties by meeting the legal obligations in the course of business activities.

- **Prevention**                      The purpose of the procedure is to prevent the facilitation of Tax Evasion under the Criminal Finances Act 2017.
  
- **Integration**                      The outcomes that the procedure supports is that implementation of the policy will help in the prevention of the facilitation of tax evasion by persons associated with the Council and in doing so prevent fraudulent activity that intends to divert funds from the public revenue. This objective links with the Government objective to tackle tax evasion.
  
- **Collaboration**                      An 'associated person' or person who performs services on behalf of the Council will be required to adhere to this policy.
  
- **Involvement**                      The persons mainly involved in the procedure will be BCBC staff. However, any agent or other person who performs services for or on behalf of the Council will be included, this may involve a diverse range of stakeholders.

## **6. Climate Change Implications**

- 6.1 The Climate Change implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the environment because of this report.

## **7. Safeguarding and Corporate Parent Implications**

- 7.1 The Safeguarding and Corporate Parenting implications were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon Safeguarding and Corporate parenting because of this report.

## **8. Financial Implications**

- 8.1 There are no financial implications arising from this report.

## **9. Recommendation**

- 9.1 The Committee is asked to consider the amended Anti-tax Evasion Policy attached at **Appendix A**.

## **Background documents**

None



APPENDIX A



## ANTI-TAX EVASION POLICY



May-April 2023/2025

## ANTI-TAX EVASION POLICY

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## 1. Introduction

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- 1.1 The Government believes that relevant bodies should be criminally liable where they fail to prevent those who act for, or on their behalf, from criminally facilitating Tax Evasion.
- 1.2 The Criminal Finances Act 2017 (the '2017 Act') became law in the summer of 2017 and Part 3 of the 2017 Act introduced new offences which sets out how those organisations categorised as 'relevant bodies' under the Act will be considered criminally liable where they fail to prevent those who act for, or on their behalf from criminally facilitating Tax Evasion. The act applies to both tax evaded which is owed in the UK or in a foreign country.
- 1.3 This statement sets out Bridgend County Borough Council's (the Council) policy in relation to anti-tax evasion and sets out the procedures that must be followed to enable the Council to comply with its legal obligation.
- 1.4 This policy statement is supplementary to the Council's wider Anti-Fraud and Bribery Strategy which sets out the key responsibilities with regard to fraud prevention and what to do if fraud or financial irregularity is suspected and the action that will be taken by management.
- 1.5 The Council aims to conduct its financial affairs in a law abiding way and does not tolerate either the commitment or facilitation of Tax Evasion. The Council has a zero tolerance approach to all forms of Tax Evasion, whether under UK law or under the law of any foreign country.
- 1.6 The Council already has a range of policies, procedures and guidance that underpins its financial activities including the Anti-Money Laundering Policy and Anti-Fraud and Bribery Policy.
- 1.7 We request all our officers and all who have, or seek to have, a business relationship with the Council, to familiarise themselves with our Anti-Tax Evasion Policy and to act at all times in a way which is consistent with the procedures and reporting arrangements therein.

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## 2. Scope of the policy

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- 2.1 This policy applies to Members and officers working for the Council or any subsidiary, including employees at all levels, directors, officers and associates (as defined below), including, but not limited to, agency workers, seconded workers, volunteers, apprentices, contractors, external consultants, third party representatives and business partners, sponsors or any other person associated with us, wherever located.
- 2.2 This policy is adopted by the Council. Officers in leadership positions are responsible for ensuring those reporting to them understand and comply with the policy.

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## 3. What is the facilitation of tax evasion?

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- 3.1 Part 3 of the Criminal Finances Act 2017 (“the Act”) created the corporate criminal offence of failure to prevent the facilitation of Tax Evasion. Under this offence the Council, if found to be facilitating Tax Evasion, could face an unlimited fine and consequent damage to reputation. The Council could be found guilty if a third party committed Tax Evasion which a member of Council staff or an associate helped to assist in any way.
- 3.2 This legislation aims to overcome the difficulties in attributing criminal liability to relevant bodies for the criminal acts of employees, agents or those that provide services for or on their behalf. Under the Act the new offence does not radically alter what is criminal, it simply focuses on who is held to account for acts contrary to the current criminal law. It does this by focussing on the failure to prevent the crimes of those who act for or on behalf of a corporation, rather than trying to attribute criminal acts to that corporation.
- 3.3 The legislation applies to any form of tax including employment taxes and indirect taxes such as VAT, national insurance, landfill tax, custom tax and excise duties e.g. road fund licence and tax on the sale of alcohol and tobacco, capital gains and employment taxes. This list is not exhaustive.
- 3.4 A person is “**associated**” with a relevant body if that person is an employee, agent or other person who performs services for or on behalf of the relevant body e.g. contractors, professional advisors and back office outsourced service suppliers such as IT or payroll providers.
- 3.5 Only a “**relevant body**” can commit the offences contained in the ‘2017 Act’. This means that only incorporated bodies (typically companies) and partnerships can commit the new offences, including local authorities. Individuals cannot commit these offences.

- 3.6 **Tax Evasion** is the illegal non-payment or under-payment of taxes, usually as the result of making a false declaration (or no declaration) of taxes due to the relevant tax authorities, which results in legal penalties if the perpetrator is caught.
- 3.7 **Tax Avoidance**, by contrast, is seeking to minimise the payment of taxes without deliberate deception. This is often legitimate but is sometimes contrary to the spirit of the law, e.g. involving the exploitation of loopholes. Importantly the corporate criminal offence of facilitation only applies to Tax Evasion.
- 3.8 There are two stages to assessing whether an offence has been committed under the Act and these apply to both UK and overseas Tax Evasion offences:

**Stage 1:** A criminal Tax Evasion by the taxpayer (either by an individual or legal entity) must have occurred under existing law. A prosecution is not a pre-requisite for tax evasion, however where there is no criminal conviction of the taxpayer, the prosecution in respect of the corporate offence would still have to prove to the criminal standard of beyond reasonable doubt that the taxpayer's offence had been committed.

**Stage 2:** The criminal facilitation of the offence by a person associated with the Council with a view to aiding, abetting, counselling or procuring the evasion of tax by the taxpayer.

- 3.9 Liability is strict – if stages 1 and 2 are satisfied, the Council will have committed an offence unless it shows that it has put in place reasonable measures and procedures to prevent the criminal facilitation of Tax Evasion or that it was not reasonable in the circumstances to expect it to have prevention procedures in place.
- 3.10 If a relevant body is found guilty of a facilitation of Tax Evasion it could face unlimited financial penalties. Tax based fraud or evasion is generally investigated by Her Majesty's Revenue and Customs (HMRC) with prosecutions brought by the Crown Prosecution Service (CPS).
- 3.11 The foreign Tax Evasion facilitation offence can only be committed by an organisation that has a connection with the UK, namely:
- it is a body incorporated, or partnership formed, within the UK, or;
  - it carries on business, or part of a business, within the UK, or;
  - through any conduct constituting part of the foreign Tax Evasion facilitation offence takes place in the UK.

## 4. Examples of tax evasion

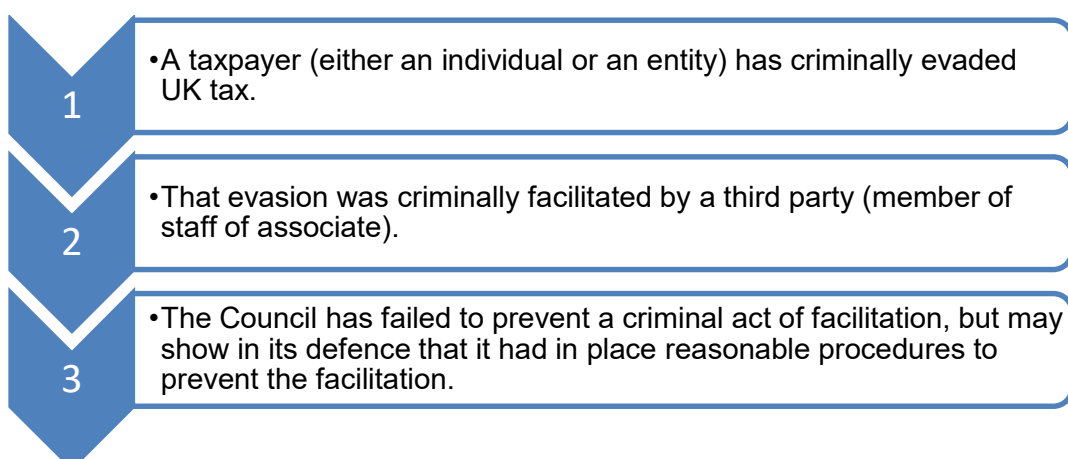
- 4.1 It is not possible to give examples covering every possible scenario, however, some 'red flag' indicators are detailed below to give a flavour of the scope of the legislation:

<b>INDICATORS OF POSSIBLE TAX EVASION:</b>
<i>You become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax; has failed to disclose income or gains to, or to register with, HMRC; has delivered or intends to deliver a false document relating to tax; or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority.</i>
<i>You become aware, in the course of your work that a third party has deliberately failed to register for VAT or failed to account for VAT.</i>
<i>Someone who works for a third party supplier offering you what seems like a discount because they tell you they don't need to charge you VAT – without giving a reason.</i>
<i>Someone asking you to do something that does not match up or 'feel right' and does not adhere to policy documentation – for example, paying into a different account than that which is specified on the invoice.</i>
<i>A third party requests payment in cash and/or refuses to provide an invoice or receipt for a payment made.</i>
<i>You become aware, in the course of your work that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions.</i>

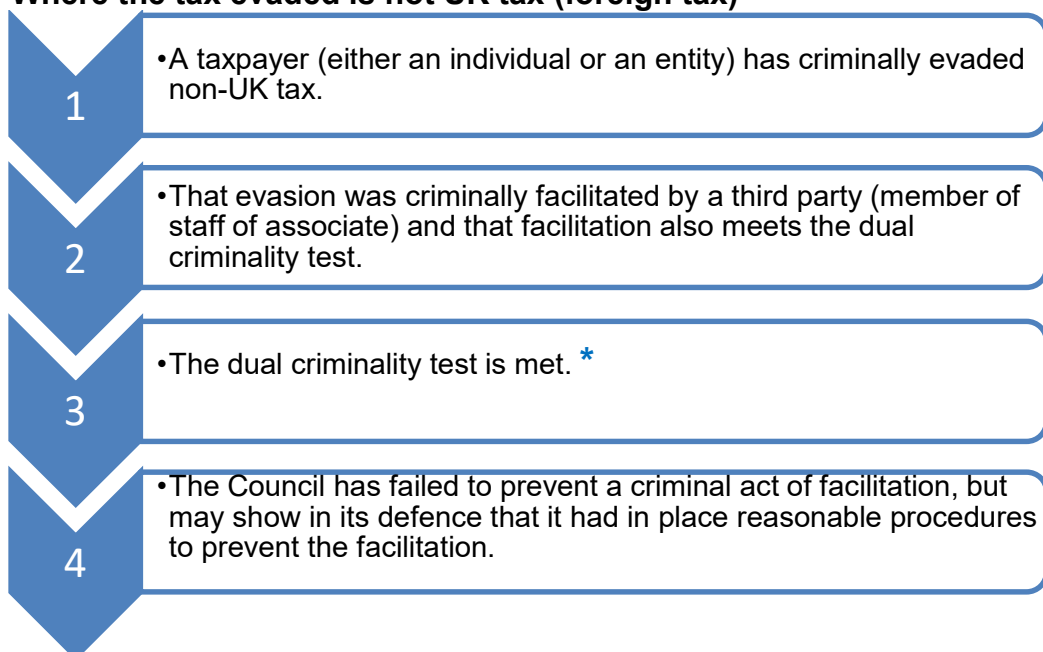
## 5. Defences

- 5.1 For the corporate offence to be committed there must be criminal facilitation of the taxpayer evasion by a person acting in the capacity of a person associated with the relevant body. The associated person must deliberately and dishonestly take action to facilitate the taxpayer-level evasion. If the associated person is only proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then the offence is not committed by the relevant body.
- 5.2 It is a defence to the corporate criminal offence of facilitating Tax Evasion if the Council can prove that it has in place such prevention procedures as it is reasonable to expect in the circumstances. The diagram below summarises the stages of the offence for both UK and foreign Tax Evasion:

### Where the tax evaded is UK tax



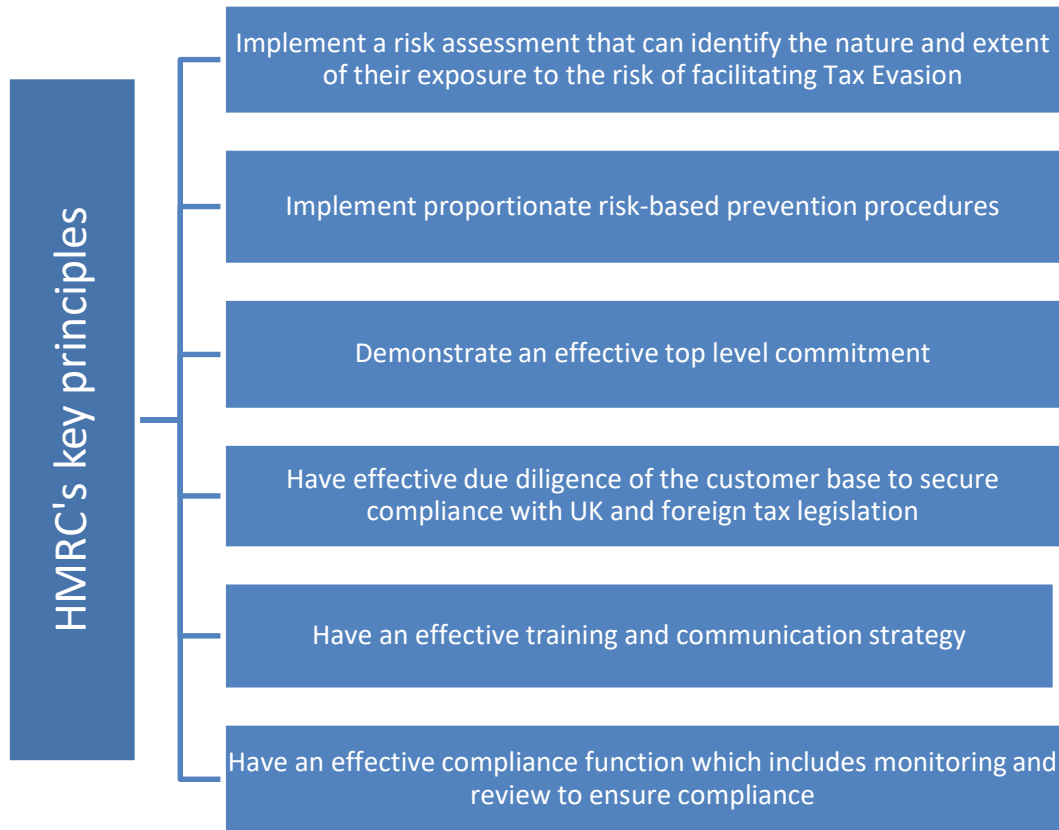
### Where the tax evaded is not UK tax (foreign tax)



\* *An organisation must have a connection with the UK and there must also be so-called “dual criminality”. In effect this broadly means equivalence between both the taxpayer’s Tax Evasion offence and the “associated person” facilitator’s offence with regard to the UK and the foreign jurisdiction:*

- For the taxpayer Tax Evasion offence: e.g. a French taxpayer evades French income tax (i.e. this is an offence in France) – Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”;
- For the “associated person” facilitator’s offence: e.g. an “associated person” commits a French offence of aiding and abetting Tax Evasion – aiding and abetting Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”.

- 5.3 HMRC has produced guidance on the appropriate set of prevention measures (six core principles) which could be put in place by a relevant body to prevent associated persons from criminally facilitating Tax Evasion-are:



## 6. Responsibilities of staff & other associated persons

- 6.1 The prevention, detection and reporting of all forms of financial irregularity, including suspected Tax Evasion, are the responsibility of all those working for the organisation or under its control ("associated person"). All staff are required to avoid activity that breaches this policy.
- 6.2 To prevent Tax Evasion, Council staff (and associates, so far as relevant) should:
- always follow Council policies, procedures and guidance;
  - tell management if any criminal activity is suspected;
  - attend any appropriate training offered.
- 6.3 Failure to comply with these policies, procedures and guidance, including in particular failure to comply with the obligations detailed in this policy, may result in disciplinary action for staff and the termination of arrangements with associates.



- 6.4 Should staff or associates be concerned that another employee or associate is facilitating a third party's Tax Evasion, they should report this (*see section 10 on how to raise your concerns*).
- 6.5 Specifically, staff and associates must not knowingly do anything that helps someone else to evade tax. Note in this context that the Council is only responsible for the actions of associates in respect of things they do for, or on behalf of, the Council. Other than this the Council is not responsible for the way associates manage their business.
- 6.6 It is not acceptable for officers and associates to:
- engage in any form of facilitating Tax Evasion or Foreign Tax Evasion<sup>1</sup>;
  - aid, abet, counsel or procure the commission of a Tax Evasion offence or Foreign Tax Evasion offence by another person;
  - fail to promptly report any request or demand from any third party to facilitate the fraudulent Evasion of Tax by another person, in accordance with this policy;
  - engage in any other activity that might lead to a breach of this policy;
  - threaten or retaliate against another individual who has refused to commit a Tax Evasion offence or a Foreign Tax Evasion offence or who has raised concerns under this policy<sup>1</sup>;
  - commit an offence under the law of any part of the UK consisting of being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax.

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## 7. Risk assessment

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- 7.1 The Council should assess the nature and extent of its exposure to the risk of those who act for or on its behalf engaging in activity during the course of business to criminally facilitate Tax Evasion, analysing whether they have the motive, opportunity and means to do so and how that risk might be managed. The Council should keep the risks under review.
- 7.2 The Council's systems of control are designed to aid compliance. In addition, the Council's Internal Audit Team conducts regular compliance checks paying specific attention to areas of high risk and providing reports to Governance and Audit Committee.
- 7.3 Examples of the type of exposure the Council faces in relation to the prevention of the facilitation of Tax Evasion and how the risk is managed is attached as **Appendix A**.
- 7.4 The Council has governance processes and procedures to address specific risks. This includes both this policy and a "whistle blowing" policy. The Council also has procedures in place on the segregation of duties, budget holder's guidance, Anti Money Laundering Policy and Anti-Fraud and Bribery Strategy.
- 7.5 There is not an exhaustive list of Tax Evasion opportunities. At a more general level, the best defence of Tax Evasion and facilitation of Tax Evasion remains the vigilance of our officers and the adoption of a common sense approach supported by our clear whistleblowing procedures.

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## 8. Senior management commitment

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- 8.1 The top-level management of a relevant body should be committed to preventing persons associated with it from engaging in the criminal facilitation of Tax Evasion. Those at the most senior levels of a relevant body are best placed to foster a culture where actions intended to facilitate Tax Evasion are considered unacceptable.
- 8.2 This policy has been approved by Cabinet and complements the Anti-Fraud and Corruption Strategy.
- 8.3 Once adopted the policy will be reported to the Governance and Audit Committee for monitoring and review.

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## 9. Due diligence

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- 9.1 A relevant body should apply due diligence procedures, taking an appropriate risk based approach, to identify the risk of criminal facilitation of Tax Evasion by associated persons, in order to mitigate such risks.
- 9.2 Reasonable care and caution is exercised when processing all transactions particularly high value/high risk area payments. Regular monitoring takes place and particular caution is exercised when making payment to new suppliers.
- 9.3 In applying a common sense approach, officers must be aware of the following:
- Is there anything unusual about the manner in which an associate of the Council is conducting their relationship with the third party (usually a customer)?
  - Is there anything unusual about the customer's or associate's conduct or behaviour?
  - Are there unusual payment methods?
- 9.4 An example of high risk factors are listed below:
- Private banking.
  - Anonymous transactions (which may include cash).
  - Non face-to-face business relationships or transactions.
  - Payment received from unknown or associated third parties.
  - The business relationship is conducted in unusual circumstances.
  - Non-resident customers.
  - Businesses that are cash intensive.
  - The ownership structure of the company appears unusual or excessively complex.
  - Countries identified by credible sources as not having adequate anti-money laundering and counter-terrorism financing approaches.
  - Countries subject to sanctions, embargoes, or similar measures issued by, for example, the UN
  - Countries identified by credible sources as providing support for terrorist activities, or that have designated terrorist organisations operating within their country
- 9.5 Unusual payment methods and unusual conduct of third parties with Council associates can be indicative that a transaction may not be as it seems – please refer to section 5 of the Council's 'Anti-money Laundering Policy' for further guidance on unusual payment methods and unusual conduct. Likewise, the Council procedures outlined in the aforementioned policy for identifying the customer are also an important part of the Councils' policy against Tax Evasion.

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## 10. How to raise a concern

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- 10.1 The Council is committed to ensuring that there is a safe, reliable, and confidential way of reporting any suspicious activity, and wants each and every member of staff to know how they can raise concerns.
- 10.2 All have a responsibility to help detect, prevent and report instances of Tax Evasion. If you have a concern regarding a suspected instance of Tax Evasion please speak up – your information and assistance will help. The sooner it is brought to attention, the sooner it can be resolved. You do NOT need to be certain that Tax Evasion is taking place to report it.
- 10.3 The Council has clear guidance in its Whistleblowing Policy in relation to how employees can raise their concern. However as this policy relates specifically to Tax Evasion any concerns or suspicions should be directed to the:
- Chief Officer – Finance, Performance-Housing and Change, and/or
  - Deputy Head of Finance
- 10.4 Officers are encouraged to raise concerns about any issue or suspicion of Tax Evasion as soon as possible. If there is any suspicions of any intention that a staff member, associate or third party is attempting to commit Tax Evasion, the details of the parties and the transaction must be reported to the Chief Officer – Finance, Performance-Housing and Change using the confidential form at **Appendix B**, who may report the circumstances to HMRC.
- 10.5 Concerns expressed anonymously may, at the Council's discretion, be considered but are much less powerful. It is better to raise your concerns in writing but you may equally express your concerns verbally and have the detail recorded for you. Whilst you will not be expected to prove the truth of any allegations you make, you will need to demonstrate sufficient grounds for your concerns.
- 10.6 In the event that an incident of suspected wrong doing is reported, the Council will act as soon as possible to evaluate the situation. It has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier ~~if~~ and quicker if concerns raised are not anonymous.

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## 11. What happens if an officer prefers not to report their suspicions?

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- 11.1 This should never happen. If there is any suspicion of any intention to evade tax and the transaction is nevertheless finalised, the Council can be criminally prosecuted, subject to a large fine and be publicly named and shamed.

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## 12. Self reporting

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- 12.1 If an organisation suspects that one of the two offences may have taken place it may wish to undertake an internal investigation and (voluntarily) self-report; self-reporting can be done via an online form. The official UK HM Revenue & Customs guidance states that “In order to encourage relevant bodies to disclose wrongdoing, timely self-reporting will be viewed as an indicator that a relevant body has reasonable procedures in place” (so an organisation may have a defence).

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## 13. Communication & training

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- 13.1 To ensure that the policy against engaging in activities to help clients commit tax fraud is communicated, embedded and understood throughout the organisation to help deter those providing services on behalf of the relevant body from engaging in such activities, all new staff, especially those involved in processing and approving financial transactions, will be made aware of this policy via their induction.
- 13.2 All staff will also be able to access this information on the Council’s intranet.
- 13.3 It will be the responsibility of Chief Officers for ensuring compliance with the policy.

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## 14. Monitoring & review

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- 14.1 Monitoring and reviews of the Council’s prevention procedures will form part of audit programmes with regular reports to the Governance and Audit Committee.
- 14.2 The Chief Officer – Finance, ~~Performance~~Housing and Change will be responsible for the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice and legislative requirements. The policy was reviewed- in ~~March~~January 2023~~5~~ and will be reviewed biennially thereafter.

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## 15. Other relevant policies

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- 15.1 Further information on the relevant Council policy and practice can be found in the following internal documents:

- The Council's [Constitution](#), incorporating the Members' Code of Conduct, Officers' Code of Conduct, Contract Procedure Rules, Financial Procedure Rules;
- [Anti-Money Laundering Policy](#);
- [Anti-Fraud and Bribery Policy](#);
- [Whistleblowing Policy](#);
- [Gifts & Hospitality Policy for Officers](#);

## APPENDIX A

### Example of risk exposure within the Council in relation to the facilitation of tax evasion & how the risk is managed

#### 1. Construction Industry Scheme

- 2.1 There is a risk of suppliers purposely submitting artificially low labour breakdowns on their invoices to avoid tax being deducted on the labour element or no tax being deducted at all.
- 2.2 There is a risk that staff have a lack of understanding as to what work comes within the scope of the scheme or the implications of not applying the scheme.
- 2.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting in a third party in Criminal Tax Evasion.
- 2.4 The Council has in place adequate Construction Industry Scheme (CIS) procedure documents, and undertakes a daily check of all CIS payments input into the financial information system to ensure that they have been correctly included or excluded from the CIS scheme and that labour has been recorded and flagged as such, if expected. In addition all new data entry inputters receive full training about the scheme and their responsibilities, and are provided with the rules of the scheme on an annual basis. All staff centrally supporting the payment of CIS transactions have also received internal training and are familiar with the HMRC guidance on CIS.

#### 3. Direct Payments (for Care & Support Services)

- 3.1 There is a risk that there is a deliberate failure to ensure deduction of Income Tax and National Insurance from payments made to personal assistants by recipients of Direct Care Payments.
- 3.2 There is a risk that the Council makes payments to people who have over-stated their requirements at the needs assessment stage.
- 2.3 A member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting ~~in~~ a third party in Criminal Tax Evasion. To achieve such evasion, it would require collusion by a number of parties involved in the Direct Payments process.
- 2.4 The Council has adequate Direct Payments Protocol and Guidance documents in place. The Council has a contract in place with a Direct Payments Support Organisation, who offer support to Direct Payment recipients, by providing a fully comprehensive payroll service in accordance with HMRC regulations. Direct Payments bank accounts are monitored and reconciled, to ensure that the money

is being used appropriately. All payments calculated by the Council to Direct Payment recipients are checked and authorised by a second member of staff.

### 3. Grants

- 3.1 There is a risk that an organisation purposely fails to ensure that grant funding provided by the Council is used for its intended purpose.
- 3.2 There is a risk that the Council gives a grant to an organisation for a specific project or service which may include the employment of staff. Staff are paid without the appropriate deduction of Income Tax and National Insurance.
- 3.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting ~~in~~ a third party in Criminal Tax Evasion.
- 3.4 The Council has in place a number of controls to mitigate the risk including a robust process in place in relation to the financial management of grants via its grant procedure rules, strong segregation of duties, due diligence and financial procedure rules which assists in mitigating the risk of collusion.

### 4. Off Payroll Working – IR35

- 4.1 There is a risk that a member of staff fails to identify workers and associates that should be paid via the payroll system rather than the creditors system. If the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 4.2 There is a risk that a supplier wishes to be treated as a self-employed contractor so that payments to them are paid gross and they can evade paying the appropriate income tax and national insurance liabilities. There is a risk that a Council officer helps the supplier by deliberately falsifying information on the Employment Status Questionnaire so the worker is treated as a contractor rather than deducting PAYE at source. By supplying false information in this way, the Council employee is committing a criminal offence as they have assisted a third party in Criminal Tax Evasion.
- 4.3 The Council has in place a number of controls to mitigate risk. Control procedures are in place so that all new suppliers are set up centrally and are reviewed to ensure that off payroll working is identified and treated appropriately. All sundry suppliers are reviewed daily and investigated where necessary to identify if they meet the criteria for off payroll working. Although there are central controls to diligently review that off payroll working is identified, it does rely on the manager completing the IR35 self-assessment correctly.



## 5. PAYE- Income Tax & National Insurance

- 5.1 There is a risk that a member of staff fails to deduct the tax and NI at the correct rate. If there is no collusion and the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 5.2 The Council has in place a number of controls to mitigate this risk, Tax and National Insurance details are system generated on the payroll system so the only potential issue could be where these are manually overwritten. If this should happen then this would be picked up in the monthly real time submission to HMRC which provides information about tax and other deductions under the PAYE system.

## 6. Value Added Tax (VAT)

- 6.1 There is a risk of suppliers adding VAT to their invoices when they are not registered for VAT. -Payment would be made to the supplier and recovered from HMRC. —The expense would not fall as a cost to anyone's budget so would be difficult to spot.
- 7.1 There is a risk that an officer pays a fraudulent VAT only invoice. The expense would not fall as a cost to anyone's budget as the money would be recovered from HMRC.
- 7.2 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion.
- 6.4 The Council has in place a number of controls to mitigate risk. The Council's Constitution - Part 4 Rules of Procedure requires that each Chief Officer be responsible for examining, verifying and authorising invoices and any other payment vouchers or accounts arising from sources in their Directorate. Before authorising an account, the authorising officer shall be satisfied that invoices satisfy VAT regulations and that prices, extension, calculations etc. are correct. A similar responsibility requirement exists for schools where the checking of invoices for accuracy and that VAT has correctly been charged is the responsibility of the Finance Officer or Bursar. Additionally, VAT only invoices are costed separately and are easily identifiable and as such are reviewed by a member of the VAT team to ensure VAT has correctly been applied.

- Payment To Suppliers

- 7.1 -There is a risk that a supplier seeks to evade tax by asking to be paid into an offshore account, to deliberately and dishonestly hide their income which will not be declared in the UK for UK tax purposes, and that they send an invoice to the Council asking to be paid into this bank account which is not the same as the one set up within our supplier database.
- 7.2 There is a risk that an officer of the Council (who in this example is the 'associated person') facilitates this Tax Evasion by deliberately and dishonestly paying this invoice into the offshore account at the request of the supplier. This could be as a result of collusion (such as taking a bribe), or could be simply turning a blind eye to the Tax Evasion of which they are aware.
- 7.3 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion
- 7.43 The Council has in place ~~a number of~~ controls to reduce the risk and prevent the facilitation of Tax Evasion including managing all supplier creation at a central point, a verification process for changing supplier bank details, the on-line authorisation of invoices and all supplier transactions must be supported by relevant invoice(s) ~~and~~ documentation and independently signed off as approved to pay. For payments over a certain financial value there is an additional tier of authorisation before payment is processed. Financial Procedure Rules also apply to all payments made by Corporate Purchasing Cards which should mitigate the risk of fraud and error. Planned Internal Audit reviews of payments also ensure that procedures are in place and being followed.

- Cash

- 7.3 There is a risk that cash received from a supplier or service recipient by a member of staff is retained by the individual and not paid into the Authority's bank account.
- 7.4 Whilst this would be considered a criminal activity, for a Criminal Tax Evasion Offence to be committed under the Act collusion would also have had to have taken place.
- 7.5 The Council has in place ~~a number of~~ controls to reduce the risk of the theft or facilitation of tax evasion in respect of cash transactions including financial procedure rules. Cash high risk areas also have additional controls in place to ensure the safety of cash as it progresses internally to the point of collection by our external secure cash collection service providers. For example all our metric car parking machines can be interrogated from the back office system to establish which machines need emptying, two officers are allocated for collection and counting of the cash and there is dual supervision when counting monies. Receipt of cash is supported by a full audit trail and coins bagged in readiness for collection by our courier service is reconciled back to machine receipts which is then signed for by the cash collection courier before onward transmission to a specialist sorting office for banking. The system supporting metric car parking also has functionality which can identify any discrepancies very early so we can check machines to minimise and protect potential financial losses. A number of newer machines also have card payment facilities and as a result the use of coin

is falling considerably; additionally, most car parks have a paybyphone system and this usage has also increased.

- Outsourcing

7.6 There is a risk that an outsourced service provider<sup>r</sup> colludes with a member of staff to facilitate tax evasion.

7.7 The Council has in place ~~a number of~~ controls to mitigate this risk of staff colluding with outsourced services as officers have to adhere to internal rules such as contract procedure rules and financial procedure rules. Additionally outsourced service providers have other rules that they need to comply with. For example:

- I. ~~Our~~ The Council's leisure services provider is a registered charity and a company limited by guarantee and therefore ~~have to~~ must comply with company law as well as charity law and ~~intrinsically~~ are required to submit externally audited accounts and statutory reports to both annually. The leisure services provider ~~have~~ has in place financial procedures and controls that support budget setting, financial performance reviews<sup>s</sup> and operational controls that would be expected of an established charity, as well as an internal audit function. Financial performance is scrutinised at their board level and discussed as part of the client monitoring ~~approaches~~ process. An advisory board mechanism ~~is available~~ is in place in Bridgend and quarterly reports present financial and other performance information. The leisure services provider provides their accounts to the ~~charity~~ Charity commissioners Commissioners and shares<sup>s</sup> the details with Bridgend County Borough Council. They also manage any food and beverage related services themselves – there is no outsourcing – which falls under the internal controls and processes established by the leisure services provider.
- II. ~~Our~~ The Council's cultural trust services provider also has in place financial procedures and controls that support budget setting, financial performance review and operational controls that would be expected of an established charity. Financial performance is scrutinised at the cultural trust services board level and discussed as part of client monitoring approaches. An Advisory Board is in place to better support the partnership and contractual monitoring arrangements between the cultural trust and the Council as approved by Cabinet on 18 October 2022. The ~~cultural trust~~ also provides their accounts to the charity commissioners and shares<sup>s</sup> the details with Bridgend County Borough Council. Cultural Trust Services Trading is in place to operate services that have a level of commerciality (Bryngarw House, Bryngarw Café, Pavilion Café and bars) and to donate any profits to the Trust as the parent organisation in line with standard practice for Trust based models. The services referenced such as food and beverage are now directly operated by the Trust as opposed to being ~~sub-contracted~~ subcontracted. As well as the external audit, the Trust also have an internal audit function which assists in creating financial controls, ensuring they are adhered to, indicating where they need improving and ensuring that those improvements are actioned as required.

## APPENDIX B

## Report of tax evasion activity

Report to the Chief Officer – Finance, ~~Performance~~Housing and Change

To: Chief Officer – Finance, ~~Performance~~Housing and Change

From: \_\_\_\_\_  
[Insert name of employee]

Directorate: \_\_\_\_\_

[Insert post title and team]

Ext/Tel No: \_\_\_\_\_

**Urgent**      Yes/No

Date by which response needed: \_\_\_\_\_

**Details of suspected offence:**

**Name(s) and address(es) of person(s) involved:**

[If a company/public body please include details of nature of business, please supply as many details as possible]

**Nature, value and timing of activity involved:**

[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

**Nature of suspicions regarding such activity:**

[Please continue on a separate sheet if necessary]

--

**Has any investigation been undertaken (as far as you are aware)? [Delete as appropriate]**

Yes / No

**If yes, please include details below:**

--

**Have you discussed your suspicions with anyone else? [Delete as appropriate]**

Yes / No

**If yes, please specify below, explaining why such discussion was necessary:**

--

**Please set out below any other information you feel is relevant:**

--

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

**Please do not discuss the content of this report with anyone and particularly those you believe to be involved in the suspected tax evasion activity described.**

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APPENDIX B



## ANTI-TAX EVASION POLICY



April 2025

## ANTI-TAX EVASION POLICY

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## 1. Introduction

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- 1.1 The Government believes that relevant bodies should be criminally liable where they fail to prevent those who act for, or on their behalf, from criminally facilitating Tax Evasion.
- 1.2 The Criminal Finances Act 2017 (the '2017 Act') became law in the summer of 2017 and Part 3 of the 2017 Act introduced new offences which sets out how those organisations categorised as 'relevant bodies' under the Act will be considered criminally liable where they fail to prevent those who act for, or on their behalf from criminally facilitating Tax Evasion. The act applies to both tax evaded which is owed in the UK or in a foreign country.
- 1.3 This statement sets out Bridgend County Borough Council's (the Council) policy in relation to anti-tax evasion and sets out the procedures that must be followed to enable the Council to comply with its legal obligation.
- 1.4 This policy statement is supplementary to the Council's wider Anti-Fraud and Bribery Strategy which sets out the key responsibilities with regard to fraud prevention and what to do if fraud or financial irregularity is suspected and the action that will be taken by management.
- 1.5 The Council aims to conduct its financial affairs in a law abiding way and does not tolerate either the commitment or facilitation of Tax Evasion. The Council has a zero tolerance approach to all forms of Tax Evasion, whether under UK law or under the law of any foreign country.
- 1.6 The Council already has a range of policies, procedures and guidance that underpins its financial activities including the Anti-Money Laundering Policy and Anti-Fraud and Bribery Policy.
- 1.7 We request all our officers and all who have, or seek to have, a business relationship with the Council, to familiarise themselves with our Anti-Tax Evasion Policy and to act at all times in a way which is consistent with the procedures and reporting arrangements therein.

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## 2. Scope of the policy

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- 2.1 This policy applies to Members and officers working for the Council or any subsidiary, including employees at all levels, directors, officers and associates (as defined below), including, but not limited to, agency workers, seconded workers, volunteers, apprentices, contractors, external consultants, third party representatives and business partners, sponsors or any other person associated with us, wherever located.
- 2.2 This policy is adopted by the Council. Officers in leadership positions are responsible for ensuring those reporting to them understand and comply with the policy.

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## 3. What is the facilitation of tax evasion?

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- 3.1 Part 3 of the Criminal Finances Act 2017 (“the Act”) created the corporate criminal offence of failure to prevent the facilitation of Tax Evasion. Under this offence the Council, if found to be facilitating Tax Evasion, could face an unlimited fine and consequent damage to reputation. The Council could be found guilty if a third party committed Tax Evasion which a member of Council staff or an associate helped to assist in any way.
- 3.2 This legislation aims to overcome the difficulties in attributing criminal liability to relevant bodies for the criminal acts of employees, agents or those that provide services for or on their behalf. Under the Act the new offence does not radically alter what is criminal, it simply focuses on who is held to account for acts contrary to the current criminal law. It does this by focussing on the failure to prevent the crimes of those who act for or on behalf of a corporation, rather than trying to attribute criminal acts to that corporation.
- 3.3 The legislation applies to any form of tax including employment taxes and indirect taxes such as VAT, national insurance, landfill tax, custom tax and excise duties e.g. road fund licence and tax on the sale of alcohol and tobacco, capital gains and employment taxes. This list is not exhaustive.
- 3.4 A person is “**associated**” with a relevant body if that person is an employee, agent or other person who performs services for or on behalf of the relevant body e.g. contractors, professional advisors and back office outsourced service suppliers such as IT or payroll providers.
- 3.5 Only a “**relevant body**” can commit the offences contained in the ‘2017 Act’. This means that only incorporated bodies (typically companies) and partnerships can commit the new offences, including local authorities. Individuals cannot commit these offences.

- 3.6 **Tax Evasion** is the illegal non-payment or under-payment of taxes, usually as the result of making a false declaration (or no declaration) of taxes due to the relevant tax authorities, which results in legal penalties if the perpetrator is caught.
- 3.7 **Tax Avoidance**, by contrast, is seeking to minimise the payment of taxes without deliberate deception. This is often legitimate but is sometimes contrary to the spirit of the law, e.g. involving the exploitation of loopholes. Importantly the corporate criminal offence of facilitation only applies to Tax Evasion.
- 3.8 There are two stages to assessing whether an offence has been committed under the Act and these apply to both UK and overseas Tax Evasion offences:

**Stage 1:** A criminal Tax Evasion by the taxpayer (either by an individual or legal entity) must have occurred under existing law. A prosecution is not a pre-requisite for tax evasion, however where there is no criminal conviction of the taxpayer, the prosecution in respect of the corporate offence would still have to prove to the criminal standard of beyond reasonable doubt that the taxpayer's offence had been committed.

**Stage 2:** The criminal facilitation of the offence by a person associated with the Council with a view to aiding, abetting, counselling or procuring the evasion of tax by the taxpayer.

- 3.9 Liability is strict – if stages 1 and 2 are satisfied, the Council will have committed an offence unless it shows that it has put in place reasonable measures and procedures to prevent the criminal facilitation of Tax Evasion or that it was not reasonable in the circumstances to expect it to have prevention procedures in place.
- 3.10 If a relevant body is found guilty of a facilitation of Tax Evasion it could face unlimited financial penalties. Tax based fraud or evasion is generally investigated by Her Majesty's Revenue and Customs (HMRC) with prosecutions brought by the Crown Prosecution Service (CPS).
- 3.11 The foreign Tax Evasion facilitation offence can only be committed by an organisation that has a connection with the UK, namely:
- it is a body incorporated, or partnership formed, within the UK, or;
  - it carries on business, or part of a business, within the UK, or;
  - through any conduct constituting part of the foreign Tax Evasion facilitation offence takes place in the UK.

## 4. Examples of tax evasion

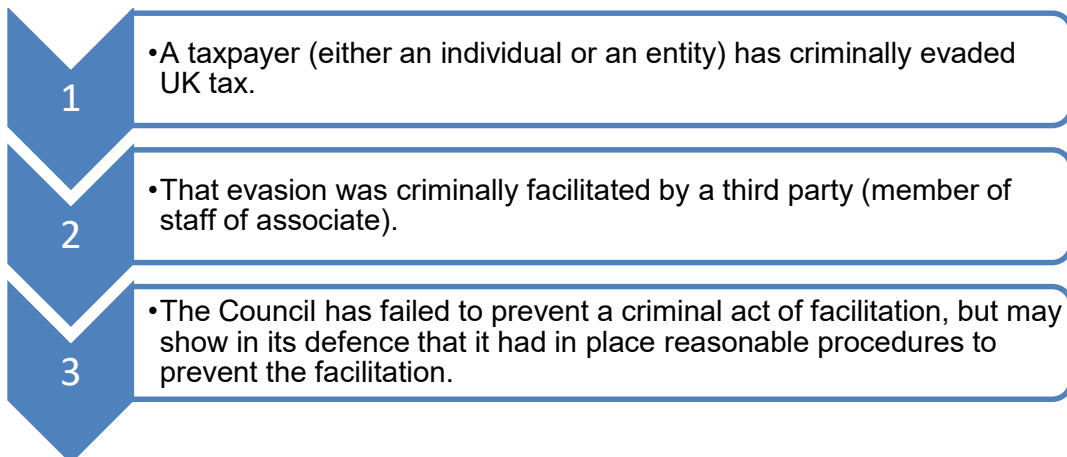
- 4.1 It is not possible to give examples covering every possible scenario, however, some 'red flag' indicators are detailed below to give a flavour of the scope of the legislation:

<i>INDICATORS OF POSSIBLE TAX EVASION:</i>
<i>You become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax; has failed to disclose income or gains to, or to register with, HMRC; has delivered or intends to deliver a false document relating to tax; or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority.</i>
<i>You become aware, in the course of your work that a third party has deliberately failed to register for VAT or failed to account for VAT.</i>
<i>Someone who works for a third party supplier offering you what seems like a discount because they tell you they don't need to charge you VAT – without giving a reason.</i>
<i>Someone asking you to do something that does not match up or 'feel right' and does not adhere to policy documentation – for example, paying into a different account than that which is specified on the invoice.</i>
<i>A third party requests payment in cash and/or refuses to provide an invoice or receipt for a payment made.</i>
<i>You become aware, in the course of your work that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions.</i>

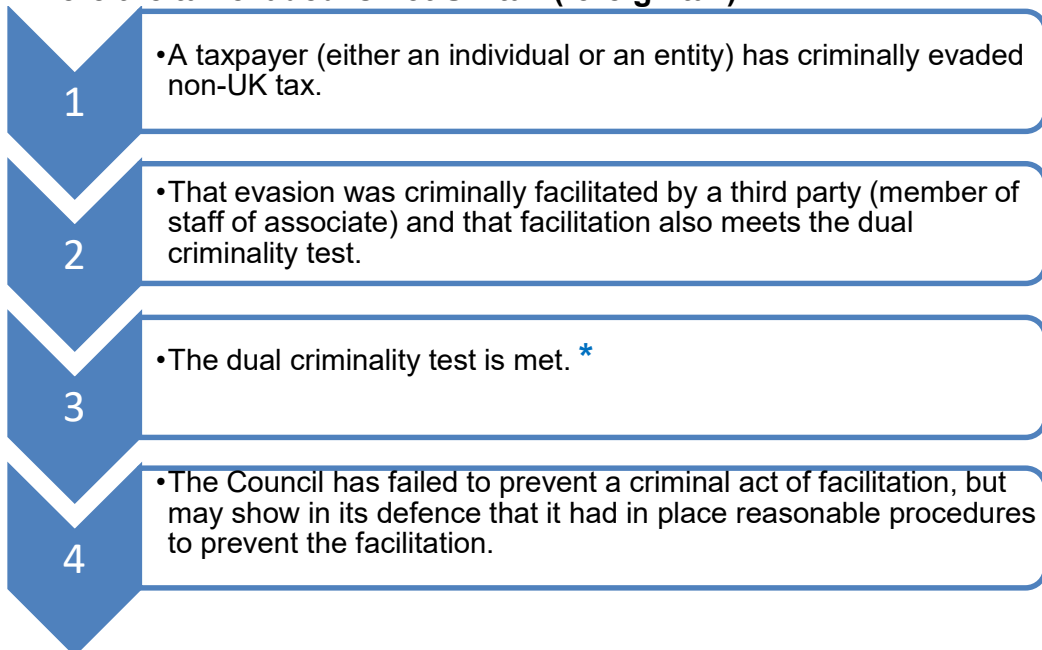
## 5. Defences

- 5.1 For the corporate offence to be committed there must be criminal facilitation of the taxpayer evasion by a person acting in the capacity of a person associated with the relevant body. The associated person must deliberately and dishonestly take action to facilitate the taxpayer-level evasion. If the associated person is only proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then the offence is not committed by the relevant body.
- 5.2 It is a defence to the corporate criminal offence of facilitating Tax Evasion if the Council can prove that it has in place such prevention procedures as it is reasonable to expect in the circumstances. The diagram below summarises the stages of the offence for both UK and foreign Tax Evasion:

### Where the tax evaded is UK tax



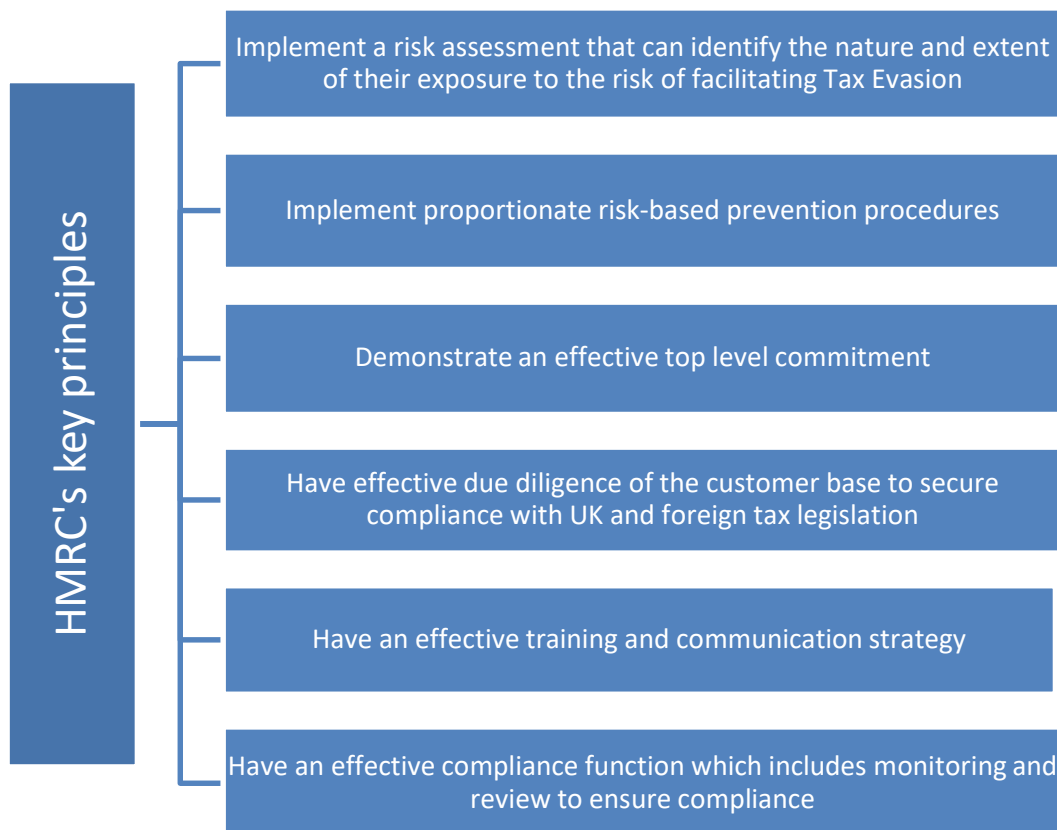
### Where the tax evaded is not UK tax (foreign tax)



\* *An organisation must have a connection with the UK and there must also be so-called “dual criminality”. In effect this broadly means equivalence between both the taxpayer’s Tax Evasion offence and the “associated person” facilitator’s offence with regard to the UK and the foreign jurisdiction:*

- For the taxpayer Tax Evasion offence: e.g. a French taxpayer evades French income tax (i.e. this is an offence in France) – Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”;
- For the “associated person” facilitator’s offence: e.g. an “associated person” commits a French offence of aiding and abetting Tax Evasion – aiding and abetting Income Tax Evasion is a criminal offence in the UK, so there is “dual criminality”.

- 5.3 HMRC has produced guidance on the appropriate set of prevention measures (six core principles) which could be put in place by a relevant body to prevent associated persons from criminally facilitating Tax Evasion:



## 6. Responsibilities of staff & other associated persons

- 6.1 The prevention, detection and reporting of all forms of financial irregularity, including suspected Tax Evasion, are the responsibility of all those working for the organisation or under its control ("associated person"). All staff are required to avoid activity that breaches this policy.
- 6.2 To prevent Tax Evasion, Council staff (and associates, so far as relevant) should:
- always follow Council policies, procedures and guidance;
  - tell management if any criminal activity is suspected;
  - attend any appropriate training offered.
- 6.3 Failure to comply with these policies, procedures and guidance, including in particular failure to comply with the obligations detailed in this policy, may result in disciplinary action for staff and the termination of arrangements with associates.

- 6.4 Should staff or associates be concerned that another employee or associate is facilitating a third party's Tax Evasion, they should report this (*see section 10 on how to raise your concerns*).
- 6.5 Specifically, staff and associates must not knowingly do anything that helps someone else to evade tax. Note in this context that the Council is only responsible for the actions of associates in respect of things they do for, or on behalf of, the Council. Other than this the Council is not responsible for the way associates manage their business.
- 6.6 It is not acceptable for officers and associates to:
- engage in any form of facilitating Tax Evasion or Foreign Tax Evasion;
  - aid, abet, counsel or procure the commission of a Tax Evasion offence or Foreign Tax Evasion offence by another person;
  - fail to promptly report any request or demand from any third party to facilitate the fraudulent Evasion of Tax by another person, in accordance with this policy;
  - engage in any other activity that might lead to a breach of this policy;
  - threaten or retaliate against another individual who has refused to commit a Tax Evasion offence or a Foreign Tax Evasion offence or who has raised concerns under this policy;
  - commit an offence under the law of any part of the UK consisting of being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax.

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## 7. Risk assessment

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- 7.1 The Council should assess the nature and extent of its exposure to the risk of those who act for or on its behalf engaging in activity during the course of business to criminally facilitate Tax Evasion, analysing whether they have the motive, opportunity and means to do so and how that risk might be managed. The Council should keep the risks under review.
- 7.2 The Council's systems of control are designed to aid compliance. In addition, the Council's Internal Audit Team conducts regular compliance checks paying specific attention to areas of high risk and providing reports to Governance and Audit Committee.
- 7.3 Examples of the type of exposure the Council faces in relation to the prevention of the facilitation of Tax Evasion and how the risk is managed is attached as **Appendix A**.
- 7.4 The Council has governance processes and procedures to address specific risks. This includes both this policy and a "whistle blowing" policy. The Council also has procedures in place on the segregation of duties, budget holder's guidance, Anti Money Laundering Policy and Anti-Fraud and Bribery Strategy.
- 7.5 There is not an exhaustive list of Tax Evasion opportunities. At a more general level, the best defence of Tax Evasion and facilitation of Tax Evasion remains the vigilance of our officers and the adoption of a common sense approach supported by our clear whistleblowing procedures.

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## 8. Senior management commitment

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- 8.1 The top-level management of a relevant body should be committed to preventing persons associated with it from engaging in the criminal facilitation of Tax Evasion. Those at the most senior levels of a relevant body are best placed to foster a culture where actions intended to facilitate Tax Evasion are considered unacceptable.
- 8.2 This policy has been approved by Cabinet and complements the Anti-Fraud and Corruption Strategy.
- 8.3 Once adopted the policy will be reported to the Governance and Audit Committee for monitoring and review.



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## 9. Due diligence

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- 9.1 A relevant body should apply due diligence procedures, taking an appropriate risk based approach, to identify the risk of criminal facilitation of Tax Evasion by associated persons, in order to mitigate such risks.
- 9.2 Reasonable care and caution is exercised when processing all transactions particularly high value/high risk area payments. Regular monitoring takes place and particular caution is exercised when making payment to new suppliers.
- 9.3 In applying a common sense approach, officers must be aware of the following:
- Is there anything unusual about the manner in which an associate of the Council is conducting their relationship with the third party (usually a customer)?
  - Is there anything unusual about the customer's or associate's conduct or behaviour?
  - Are there unusual payment methods?
- 9.4 An example of high risk factors are listed below:
- Private banking.
  - Anonymous transactions (which may include cash).
  - Non face-to-face business relationships or transactions.
  - Payment received from unknown or associated third parties.
  - The business relationship is conducted in unusual circumstances.
  - Non-resident customers.
  - Businesses that are cash intensive.
  - The ownership structure of the company appears unusual or excessively complex.
  - Countries identified by credible sources as not having adequate anti-money laundering and counter-terrorism financing approaches.
  - Countries subject to sanctions, embargoes, or similar measures issued by, for example, the UN
  - Countries identified by credible sources as providing support for terrorist activities, or that have designated terrorist organisations operating within their country
- 9.5 Unusual payment methods and unusual conduct of third parties with Council associates can be indicative that a transaction may not be as it seems – please refer to section 5 of the Council's 'Anti-money Laundering Policy' for further guidance on unusual payment methods and unusual conduct. Likewise, the Council procedures outlined in the aforementioned policy for identifying the customer are also an important part of the Councils' policy against Tax Evasion.

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## 10. How to raise a concern

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- 10.1 The Council is committed to ensuring that there is a safe, reliable, and confidential way of reporting any suspicious activity, and wants each and every member of staff to know how they can raise concerns.
- 10.2 All have a responsibility to help detect, prevent and report instances of Tax Evasion. If you have a concern regarding a suspected instance of Tax Evasion please speak up – your information and assistance will help. The sooner it is brought to attention, the sooner it can be resolved. You do NOT need to be certain that Tax Evasion is taking place to report it.
- 10.3 The Council has clear guidance in its Whistleblowing Policy in relation to how employees can raise their concern. However as this policy relates specifically to Tax Evasion any concerns or suspicions should be directed to the:
- Chief Officer – Finance, Housing and Change, and/or
  - Deputy Head of Finance
- 10.4 Officers are encouraged to raise concerns about any issue or suspicion of Tax Evasion as soon as possible. If there is any suspicions of any intention that a staff member, associate or third party is attempting to commit Tax Evasion, the details of the parties and the transaction must be reported to the Chief Officer – Finance, Housing and Change using the confidential form at **Appendix B**, who may report the circumstances to HMRC.
- 10.5 Concerns expressed anonymously may, at the Council's discretion, be considered but are much less powerful. It is better to raise your concerns in writing but you may equally express your concerns verbally and have the detail recorded for you. Whilst you will not be expected to prove the truth of any allegations you make, you will need to demonstrate sufficient grounds for your concerns.
- 10.6 In the event that an incident of suspected wrong doing is reported, the Council will act as soon as possible to evaluate the situation. It has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier and quicker if concerns raised are not anonymous.

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## 11. What happens if an officer prefers not to report their suspicions?

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- 11.1 This should never happen. If there is any suspicion of any intention to evade tax and the transaction is nevertheless finalised, the Council can be criminally prosecuted, subject to a large fine and be publicly named and shamed.

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## **12. Self reporting**

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- 12.1 If an organisation suspects that one of the two offences may have taken place it may wish to undertake an internal investigation and (voluntarily) self-report; self-reporting can be done via an online form. The official UK HM Revenue & Customs guidance states that “In order to encourage relevant bodies to disclose wrongdoing, timely self-reporting will be viewed as an indicator that a relevant body has reasonable procedures in place” (so an organisation may have a defence).

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## **13. Communication & training**

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- 13.1 To ensure that the policy against engaging in activities to help clients commit tax fraud is communicated, embedded and understood throughout the organisation to help deter those providing services on behalf of the relevant body from engaging in such activities, all new staff, especially those involved in processing and approving financial transactions, will be made aware of this policy via their induction.
- 13.2 All staff will also be able to access this information on the Council’s intranet.
- 13.3 It will be the responsibility of Chief Officers for ensuring compliance with the policy.

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## **14. Monitoring & review**

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- 14.1 Monitoring and reviews of the Council’s prevention procedures will form part of audit programmes with regular reports to the Governance and Audit Committee.
- 14.2 The Chief Officer – Finance, Housing and Change will be responsible for the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice and legislative requirements. The policy was reviewed in January 2025 and will be reviewed biennially thereafter.

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## **15. Other relevant policies**

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- 15.1 Further information on the relevant Council policy and practice can be found in the following internal documents:

- The Council's [Constitution](#), incorporating the Members' Code of Conduct, Officers' Code of Conduct, Contract Procedure Rules, Financial Procedure Rules;
- [Anti-Money Laundering Policy](#);
- [Anti-Fraud and Bribery Policy](#);
- [Whistleblowing Policy](#);
- [Gifts & Hospitality Policy for Officers](#);

## APPENDIX A

### **Example of risk exposure within the Council in relation to the facilitation of tax evasion & how the risk is managed**

#### 1. Construction Industry Scheme

- 2.1 There is a risk of suppliers purposely submitting artificially low labour breakdowns on their invoices to avoid tax being deducted on the labour element or no tax being deducted at all.
- 2.2 There is a risk that staff have a lack of understanding as to what work comes within the scope of the scheme or the implications of not applying the scheme.
- 2.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting in a third party in Criminal Tax Evasion.
- 2.4 The Council has in place adequate Construction Industry Scheme (CIS) procedure documents, and undertakes a daily check of all CIS payments input into the financial information system to ensure that they have been correctly included or excluded from the CIS scheme and that labour has been recorded and flagged as such, if expected. In addition all new data entry inputters receive full training about the scheme and their responsibilities, and are provided with the rules of the scheme on an annual basis. All staff centrally supporting the payment of CIS transactions have also received internal training and are familiar with the HMRC guidance on CIS.

#### 3. Direct Payments (for Care & Support Services)

- 3.1 There is a risk that there is a deliberate failure to ensure deduction of Income Tax and National Insurance from payments made to personal assistants by recipients of Direct Care Payments.
- 3.2 There is a risk that the Council makes payments to people who have over-stated their requirements at the needs assessment stage.
- 2.3 A member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting a third party in Criminal Tax Evasion. To achieve such evasion, it would require collusion by a number of parties involved in the Direct Payments process.
- 2.4 The Council has adequate Direct Payments Protocol and Guidance documents in place. The Council has a contract in place with a Direct Payments Support Organisation, who offer support to Direct Payment recipients, by providing a fully comprehensive payroll service in accordance with HMRC regulations. Direct Payments bank accounts are monitored and reconciled, to ensure that the money

is being used appropriately. All payments calculated by the Council to Direct Payment recipients are checked and authorised by a second member of staff.

### 3. Grants

- 3.1 There is a risk that an organisation purposely fails to ensure that grant funding provided by the Council is used for its intended purpose.
- 3.2 There is a risk that the Council gives a grant to an organisation for a specific project or service which may include the employment of staff. Staff are paid without the appropriate deduction of Income Tax and National Insurance.
- 3.3 The member of staff would have had to act deliberately and dishonestly to facilitate the taxpayer-level evasion for the Council to be considered as having committed a criminal offence in assisting a third party in Criminal Tax Evasion.
- 3.4 The Council has in place a number of controls to mitigate the risk including a robust process in place in relation to the financial management of grants via its grant procedure rules, strong segregation of duties, due diligence and financial procedure rules which assists in mitigating the risk of collusion.

### 4. Off Payroll Working – IR35

- 4.1 There is a risk that a member of staff fails to identify workers and associates that should be paid via the payroll system rather than the creditors system. If the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 4.2 There is a risk that a supplier wishes to be treated as a self-employed contractor so that payments to them are paid gross and they can evade paying the appropriate income tax and national insurance liabilities. There is a risk that a Council officer helps the supplier by deliberately falsifying information on the Employment Status Questionnaire so the worker is treated as a contractor rather than deducting PAYE at source. By supplying false information in this way, the Council employee is committing a criminal offence as they have assisted a third party in Criminal Tax Evasion.
- 4.3 The Council has in place a number of controls to mitigate risk. Control procedures are in place so that all new suppliers are set up centrally and are reviewed to ensure that off payroll working is identified and treated appropriately. All sundry suppliers are reviewed daily and investigated where necessary to identify if they meet the criteria for off payroll working. Although there are central controls to diligently review that off payroll working is identified, it does rely on the manager completing the IR35 self-assessment correctly.

## 5. PAYE- Income Tax & National Insurance

- 5.1 There is a risk that a member of staff fails to deduct the tax and NI at the correct rate. If there is no collusion and the member of staff did not deliberately and dishonestly take action to facilitate the taxpayer-level evasion and are proved to have accidentally, ignorantly or even negligently facilitated the Tax Evasion offence then an offence has not been committed by the Council.
- 5.2 The Council has in place a number of controls to mitigate this risk, Tax and National Insurance details are system generated on the payroll system so the only potential issue could be where these are manually overwritten. If this should happen then this would be picked up in the monthly real time submission to HMRC which provides information about tax and other deductions under the PAYE system.

## 6. Value Added Tax (VAT)

- 6.1 There is a risk of suppliers adding VAT to their invoices when they are not registered for VAT. Payment would be made to the supplier and recovered from HMRC. The expense would not fall as a cost to anyone's budget so would be difficult to spot.
- 7.1 There is a risk that an officer pays a fraudulent VAT only invoice. The expense would not fall as a cost to anyone's budget as the money would be recovered from HMRC.
- 7.2 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion.
- 6.4 The Council has in place a number of controls to mitigate risk. The Council's Constitution - Part 4 Rules of Procedure requires that each Chief Officer be responsible for examining, verifying and authorising invoices and any other payment vouchers or accounts arising from sources in their Directorate. Before authorising an account, the authorising officer shall be satisfied that invoices satisfy VAT regulations and that prices, extension, calculations etc. are correct. A similar requirement exists for schools where the checking of invoices for accuracy and that VAT has correctly been charged is the responsibility of the Finance Officer or Bursar. Additionally, VAT only invoices are costed separately and are easily identifiable and as such are reviewed by a member of the VAT team to ensure VAT has correctly been applied.

- Payment To Suppliers

- 7.1 There is a risk that a supplier seeks to evade tax by asking to be paid into an offshore account, to deliberately and dishonestly hide their income which will not be declared in the UK for UK tax purposes, and that they send an invoice to the Council asking to be paid into this bank account which is not the same as the one set up within our supplier database.
- 7.2 There is a risk that an officer of the Council (who in this example is the 'associated person') facilitates this Tax Evasion by deliberately and dishonestly paying this invoice into the offshore account at the request of the supplier. This could be as a result of collusion (such as taking a bribe), or could be simply turning a blind eye to the Tax Evasion of which they are aware.
- 7.3 Both instances would have to be in collusion with officers for there to be an offence of assisting a third party in Criminal Tax Evasion
- 7.4 The Council has in place controls to reduce the risk and prevent the facilitation of Tax Evasion including managing all supplier creation at a central point, a verification process for changing supplier bank details, the on-line authorisation of invoices and all supplier transactions must be supported by relevant invoice(s)/documentation and independently signed off as approved to pay. For payments over a certain financial value there is an additional tier of authorisation before payment is processed. Financial Procedure Rules also apply to all payments made by Corporate Purchasing Cards which should mitigate the risk of fraud and error. Planned Internal Audit reviews of payments also ensure that procedures are in place and being followed.

- Cash

- 7.3 There is a risk that cash received from a supplier or service recipient by a member of staff is retained by the individual and not paid into the Authority's bank account.
- 7.4 Whilst this would be considered a criminal activity, for a Criminal Tax Evasion Offence to be committed under the Act collusion would also have had to have taken place.
- 7.5 The Council has in place controls to reduce the risk of the theft or facilitation of tax evasion in respect of cash transactions including financial procedure rules. Cash high risk areas also have additional controls in place to ensure the safety of cash as it progresses internally to the point of collection by our external secure cash collection service providers. For example all our metric car parking machines can be interrogated from the back office system to establish which machines need emptying, two officers are allocated for collection and counting of the cash and there is dual supervision when counting monies. Receipt of cash is supported by a full audit trail and coins bagged in readiness for collection by our courier service is reconciled back to machine receipts which is then signed for by the cash collection courier before onward transmission to a specialist sorting office for banking. The system supporting metric car parking also has functionality which can identify any discrepancies very early so we can check machines to minimise and protect potential financial losses. A number of newer machines also have card payment facilities and as a result the use of coin is falling considerably;



additionally, most car parks have a paybyphone system and this usage has also increased.

- Outsourcing

7.6 There is a risk that an outsourced service provider colludes with a member of staff to facilitate tax evasion.

7.7 The Council has in place controls to mitigate this risk of staff colluding with outsourced services as officers have to adhere to internal rules such as contract procedure rules and financial procedure rules. Additionally outsourced service providers have other rules that they need to comply with. For example:

- I. The Council's leisure services provider is a registered charity and a company limited by guarantee and therefore must comply with company law as well as charity law and are required to submit externally audited accounts and statutory reports to both annually. The leisure services provider has in place financial procedures and controls that support budget setting, financial performance reviews and operational controls that would be expected of an established charity, as well as an internal audit function. Financial performance is scrutinised at their board level and discussed as part of the client monitoring process. An advisory board mechanism is in place and quarterly reports present financial and other performance information. The leisure services provider provides their accounts to the Charity Commissioners and shares the details with Bridgend County Borough Council. They also manage any food and beverage related services themselves – there is no outsourcing – which falls under the internal controls and processes established by the leisure services provider.
- II. The Council's cultural trust services provider also has in place financial procedures and controls that support budget setting, financial performance review and operational controls that would be expected of an established charity. Financial performance is scrutinised at the cultural trust services board level and discussed as part of client monitoring approaches. An Advisory Board is in place to better support the partnership and contractual monitoring arrangements between the cultural trust and the Council as approved by Cabinet on 18 October 2022. The cultural trust provides their accounts to the charity commissioners and shares the details with Bridgend County Borough Council. Cultural Trust Services Trading is in place to operate services that have a level of commerciality (Bryngarw House, Bryngarw Café, Pavilion Café and bars) and to donate any profits to the Trust as the parent organisation in line with standard practice for Trust based models. The services referenced such as food and beverage are now directly operated by the Trust as opposed to being subcontracted. As well as the external audit, the Trust also have an internal audit function which assists in creating financial controls, ensuring they are adhered to, indicating where they need improving and ensuring that those improvements are actioned as required.

## APPENDIX B

**Report of tax evasion activity****Report to the Chief Officer – Finance, Housing and Change**

To: Chief Officer – Finance, Housing and Change

From: \_\_\_\_\_  
[Insert name of employee]

Directorate: \_\_\_\_\_

[Insert post title and team]

Ext/Tel No: \_\_\_\_\_

**Urgent**      Yes/No

Date by which response needed: \_\_\_\_\_

**Details of suspected offence:**

<b>Name(s) and address(es) of person(s) involved:</b>
[If a company/public body please include details of nature of business, please supply as many details as possible]

<b>Nature, value and timing of activity involved:</b>
[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

<b>Nature of suspicions regarding such activity:</b>
[Please continue on a separate sheet if necessary]

--

**Has any investigation been undertaken (as far as you are aware)? [Delete as appropriate]**

Yes / No

**If yes, please include details below:**

--

**Have you discussed your suspicions with anyone else? [Delete as appropriate]**

Yes / No

**If yes, please specify below, explaining why such discussion was necessary:**

--

**Please set out below any other information you feel is relevant:**

--

**Signed: \_\_\_\_\_ Dated: \_\_\_\_\_**

**Please do not discuss the content of this report with anyone and particularly those you believe to be involved in the suspected tax evasion activity described.**

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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>FRAUD STRATEGY AND FRAMEWORK 2025/26 to 2027/28</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER FINANCE, HOUSING AND CHANGE AND HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Responsible Officer:</b>	<b>SIMON ROBERTS – SENIOR FRAUD INVESTIGATOR AND JOAN DAVIES – DEPUTY HEAD OF REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework and procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>One of the core functions of an effective Governance and Audit Committee is to consider the effectiveness of the Council’s risk management arrangements, the control environment and associated anti-fraud and corruption policies.</b></li> <li>• <b>The Council’s Fraud Strategy &amp; Framework is integral to this. The updated Fraud Strategy and Framework is included at Appendix A.</b></li> <li>• <b>The Council’s Fraud Strategy and Framework outlines the aims and objectives of the strategy, identifies fraud risks and includes steps to support the Council’s improvement and resilience to fraud, bribery and corruption.</b></li> <li>• <b>The strategy contributes to the Council’s commitment to developing a culture of honesty, integrity and opposition to fraud, corruption and bribery.</b></li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to provide the Committee with the Council’s updated Fraud Strategy and Framework 2025/26 to 2027/28 in accordance with the functions of the Governance and Audit Committee, prior to submission to Cabinet

for approval. The strategy outlines the overarching structure and approach to fraud risk management.

## **2. Background**

- 2.1 The Council's Fraud Strategy and Framework 2022/23 to 2024/25 was a 3-year strategy to provide a framework for the Council in respect of fraud by identifying roles and responsibilities, aims and objectives, fraud risks, an action plan and a fraud response plan flowchart. Counter fraud policies are also in place to support the strategy.
- 2.2 This strategy requires reviewing and updating to ensure the Council maintains a suite of strategies and policies to support the effective management of the prevention, detection, and investigation of fraud, corruption and bribery.
- 2.3 The Fraud Strategy and Framework outlines the strategic approach to tackling fraud across the organisation. It seeks to develop and maintain a culture in which fraud, bribery and corruption are understood across the organisation as unacceptable, for which firm action is and will be taken to prevent and detect fraud loss, bring fraudsters to account quickly and efficiently, and to recover any losses.
- 2.4 Based on the Public Sector Fraud Authority's (PSFA) methodology, it is estimated that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. It is reported that only a fraction of this is detected and known about – enabling investigation and recovery.

## **3. Current situation/ proposal**

- 3.1 The Fraud Strategy and Framework 2022/23 to 2024/25 has been reviewed by the Fraud Investigation Team, alongside officers from Internal Audit and finance, and a number of changes have been made to bring the document up to date to reflect changes such as:
  - updates to officer titles and lines of responsibility
  - new section on the Failure to Prevent Fraud offence and tax evasion
  - refreshed and updated steps to support continual improvement
  - updates to the ways in which the Council keeps abreast of changes to the fraud landscape and associated risks
- 3.2 The Council's updated Fraud Strategy and Framework at **Appendix A** outlines the aims and objectives of the strategy, identifies fraud risks and includes steps to support continual improvement to the Council's resilience to fraud, bribery and corruption.
- 3.3 The strategy identifies roles and responsibilities, aims and objectives, and fraud risks. Measures of success and a flow chart demonstrating the Council's approach to a suspected fraud is also included.
- 3.4 Supporting this Strategy are existing key policies such as the Anti-Fraud and Bribery Policy, Whistleblowing Policy, Anti-Money Laundering Policy and the Anti-

Tax Evasion Policy. These all assist in developing a culture of honesty, integrity and opposition to fraud, corruption and bribery.

**4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

**5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

**6. Climate Change Implications**

- 6.1 There are no climate change implications arising from this report.

**7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no safeguarding or corporate parent implications arising from this report.

**8. Financial Implications**

- 8.1 The financial implications are reflected within this report as any fraud impacts on the resources available to the Council.

**9. Recommendation**

- 9.1 That the Committee reviews the Council's updated Fraud Strategy and Framework 2025/26 to 2027/28 prior to submission to Cabinet for approval.

**Background documents**

None

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# **Fraud Strategy and Framework 2025/26 – 2027/28**

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## 1. Introduction

The challenge presented to councils by fraud is significant. The Fighting Fraud and Corruption Locally Strategy 'A Strategy for the 2020's', produced by local government for local government, states that local authorities continue to face a significant fraud challenge. The Annual Fraud Indicator 2023, produced by Crowe Clark Whitehill, states that fraud in local government increased from an estimated £7.8bn in 2017, to £8.8bn in 2021-2022. Based on the Public Sector Fraud Authority's (PSFA) methodology, it is estimated that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. It is reported that only a fraction of this is detected and known about – enabling investigation and recovery. Latest crime in England and Wales figures from the Office for National Statistics have revealed that fraud offences have increased by 19% (to 3.9 million offences) in the year ending September 2024.

Bridgend County Borough Council has a zero-tolerance culture to fraud, bribery, and corruption.

"In carrying out its functions and responsibilities, the Council encourages a culture of openness and fairness and expects Elected Members and employees at all levels to adopt the highest standards of propriety and accountability. The Council seeks to demonstrate clearly that it is firmly committed to dealing with fraud, corruption and bribery and will deal equally with perpetrators from inside (Members and employees) and outside the Council. In addition, there will be no distinction made in investigation and action between cases that generate financial benefit and those that do not."

"The Council's culture is one of honesty and zero tolerance to fraud and corruption. The prevention or detection of fraud and corruption and the protection of public money are everyone's responsibility. There is an expectation and requirement that all individuals, businesses and organisations dealing in any way with the Council will act with high standards of probity, openness and integrity and that Council employees or its agent(s) will lead by example in these matters".

*(Bridgend County Borough Council – Anti-Fraud and Bribery Policy).*

The Council takes its responsibilities for the stewardship of public finances very seriously and is committed to the highest standards of transparency and accountability in order to ensure appropriate use of public funds and assets. It has a duty to prevent fraud and corruption, whether it is attempted by someone within or outside of the Council such as another organisation, a resident, an employee, contractor or Councillor. The Council is committed to creating and maintaining an effective anti-fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities.

The Council maintains a suite of strategies and policies to support the effective management of the prevention, detection and investigation of fraud, corruption and bribery. These include:

- Anti-Fraud and Bribery Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- Anti-Tax Evasion Policy

This overarching Strategy supports the Council's existing policies affording a framework of reactive and proactive initiatives to detect fraud and/or demonstrate assurance that fraud has not taken place.

In all its dealings, the Council will adhere to the seven principles of public life set out in the Nolan Committee report on *Standards in Public Life*.

***Selflessness***

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

***Integrity***

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

***Objectivity***

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

***Accountability***

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

***Openness***

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands. Openness requires an inclusive approach, an outward focus and a commitment to partnership

***Honesty***

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

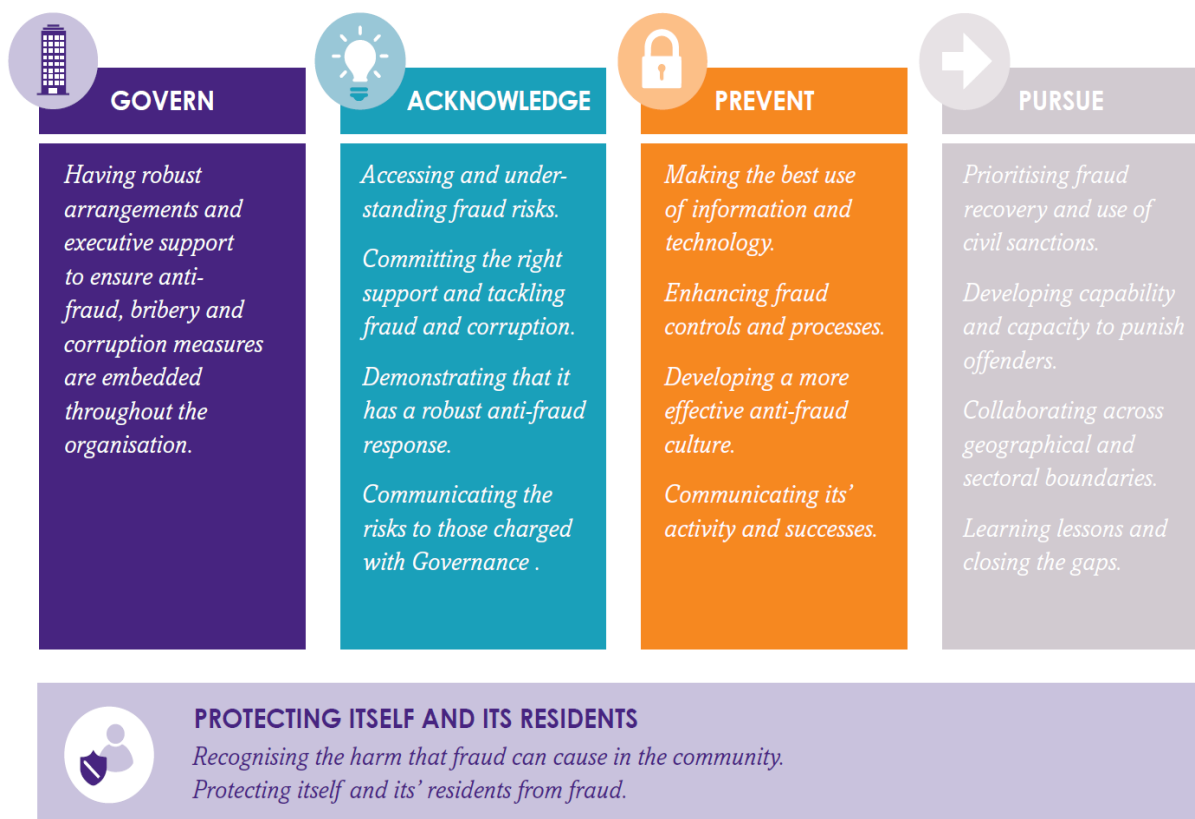
***Leadership***

Holders of public office should promote and support these principles by leadership and example.

The Council will not tolerate fraud or corruption by its Councillors, employees, suppliers, contractors, customers or any other attacks on its resources by criminals. We will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, dismissal, prosecution and robust recovery of losses through both civil and criminal means.

To fulfil the steps to support continual improvement, as contained within the Fraud Strategy and Framework 2025/26 - 2027/28, the Council must ensure that fraud, bribery, corruption, and misappropriation is minimised. Every pound lost to fraud and corruption is a reduction in resources and negatively influences the Council's ability to deliver its objectives.

Our strategy is based upon five key principles: Govern, Acknowledge, Prevent, Pursue and Protect.



Accompanying the five principles are six overarching themes to assist the organisation and ensure that our counter fraud response is comprehensive and effective. These are often referred to as the six Cs.

- **Culture**

Create a culture in which beating fraud and corruption is part of normal business

- **Capability**

Ensuring that the range of counter fraud measures deployed is appropriate to the fraud risks

- **Capacity**

Deploying the right level of resources to deal with the level of fraud risk

- **Competence**

Having the right skills and standards in place

- **Communication**

Raising awareness, deterring fraudsters sharing information and celebrating success

- **Collaboration**

Working together across internal and external boundaries with colleagues and other agencies, sharing resources, information skills and learning

## 2. Aims and Objectives

The aims and objectives of the Fraud Strategy and Framework are to: -

**A.** Protect the Council's valuable resources by ensuring they are not lost through fraud and corruption but are used for improving the delivery of services to Bridgend County Borough residents through the successful implementation of the ongoing measures to reduce fraud.

**B.** Gain a better understanding of local fraud and corruption risks influencing the Council's ability to deliver its objectives.

**C.** Create an 'anti-fraud' culture that highlights the Council's zero tolerance of fraud, corruption and bribery, which defines roles and responsibilities and actively engages the public, Councillors and employees, by raising awareness of fraud both internally and externally.

**D.** Actively seek to increase the Council's resilience to fraud and corruption through the raising of fraud awareness.

**E.** Provide a best practice counter-fraud service which:

- Proactively deters, prevents and detects fraud, corruption and bribery.
- Investigates suspected or detected fraud, corruption and bribery.
- Enables the Council to apply appropriate sanctions and recover losses.
- Provides management reports and recommendations to inform policy, systems, and control improvements, thereby reducing the Council's exposure to fraudulent activity.

**F.** Create an environment that enables the reporting of any genuine suspicions of fraudulent activity. However, we will not tolerate malicious or vexatious allegations or those motivated by personal gain and, if proven, we may take disciplinary or legal action; and

**G.** Work with our partners and other investigative bodies in collaboration to strengthen and continuously improve our arrangements to prevent fraud and corruption.

### 3. Roles & Responsibilities

The Anti-Fraud and Bribery Policy deals with fraud, corruption and bribery internally and externally, it applies to:

- Employees
- Councillors
- Contractors
- Consultants
- Suppliers
- Service Users

Key roles and responsibilities are as follows:

Stakeholder Responsibilities	Specific Responsibilities
<b>Chief Executive</b>	Ultimately accountable for the effectiveness of the Council's arrangements for countering fraud corruption and bribery.
<b>Chief Finance Officer (Section 151 Officer)</b>	To ensure the Council has adopted an appropriate fraud strategy and framework, there is an effective internal control environment in place and there is an adequately resourced and effective Counter-Fraud Team.
<b>Monitoring Officer</b>	To advise Councillors and Officers on ethical issues, standards and powers to ensure that the Council operates within the law and statutory Codes of Practice.
<b>The Governance and Audit Committee</b>	To monitor on a regular basis the Council's approach to tackling fraud and corruption and promote an anti-fraud culture.
<b>Councillors</b>	To comply with the Code of Conduct and related Council policies and procedures, to be aware of the possibility of fraud, corruption and bribery and to report any genuine concerns accordingly.
<b>Internal Audit</b>	Internal Audit are responsible for evaluating the potential for the occurrence of fraud and how the organisation manages fraud risk.
<b>Senior Fraud Investigator</b>	Responsible for the co-ordination of the Council's Fraud Strategy and Framework, including the measures in place to

	<p>acknowledge, prevent and pursue fraud and corruption activity. This also includes the key co-ordination role in the National Fraud Initiative (NFI), which is a fraud prevention and detection exercise based around bulk data matching that is led by the Cabinet Office, every two years.</p>
<p><b>Chief Executive, Chief Officers and Group Managers</b></p>	<p>Manage the risk of fraud, corruption and bribery. To promote staff awareness and ensure that all suspected or reported irregularities are immediately referred to the Senior Fraud Investigator or Internal Audit. To ensure that there are mechanisms in place within their service areas to assess the risk of fraud, corruption and bribery and to reduce these risks by implementing strong internal controls. It is vital that this group show leadership in supporting investigations into fraud and corruption and that they are responsive to implementing actions arising from this work. Their role in the NFI exercise is to provide data for matching and to analyse the outputs from the matching exercise and take appropriate action.</p>
<p><b>Employees</b></p>	<p>Our employees are the first line of defence against fraud, corruption and bribery. They are expected to conduct themselves in ways which are beyond reproach, above suspicion and fully accountable. Also responsible for reporting malpractice through the established 'Whistleblowing' procedures. Employees are expected to adhere to the Employee Code of Conduct Protocol and Financial Regulations and Contract Procedure Rules.</p>



## 4. Definitions

### What is Fraud?

The **Fraud Act 2006** details the legal definitions of fraud and is used for the criminal prosecution of fraud offences. The Council also deals with fraud in non-criminal disciplinary matters.

For the purposes of this document, fraud is defined as,

*‘the intentional distortion of financial statements, or other records by a person or persons internal or external to the Council, which is carried out to conceal the misappropriation of assets or otherwise for gain’.*

This includes deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

The definition covers various offences including deception, forgery, theft, misappropriation, collusion and misrepresentation. However, use in this context is not intended to limit the full use of the Fraud Act 2006 in the investigation and prosecution by the Council of any offences.

### What is Corruption?

Corruption is the offering or acceptance of inducements designed to influence official action or decision making. These inducements can take many forms including cash, holidays, event tickets or meals.

### Bribery Act 2010

The **Bribery Act 2010** reformed criminal law to provide a new, modern and comprehensive scheme of bribery offences that will enable courts and prosecutors to respond more effectively to bribery at home or abroad.

**Bribery** - ‘the offering, promising giving, soliciting, agreement to accept or acceptance of a financial or other advantage which may induce or reward a person to perform improperly a relevant function under ‘The Bribery Act 2010.’

### Bribery Act Offences

The Act creates the following offences relevant to the Council:

- Offences of bribing another person,
- Offences relating to being bribed; and
- Offences relating to the bribery of foreign public officials.

Furthermore, if the offence is proved to have been committed with the consent or connivance of a senior officer of the organisation, then the senior officer may be personally liable.

Further guidance is available from the Ministry of Justice to explain to organisations what action is required to ensure they are compliant.

### **What is Theft?**

Theft is stealing any property belonging to the Council or which has been entrusted to it (i.e., client funds), including cash, equipment, vehicles and data.

Theft does not necessarily require fraud to be committed. Theft can also include the stealing of property belonging to our staff or members whilst on Council property.

### **What is Money Laundering?**

Money laundering is the process by which criminals attempt to 'recycle' the proceeds of their criminal activities to conceal its origins and ownership and which leaves them with money that cannot be traced back. All employees are instructed to be aware of the increasing possibility of receiving requests that could be used for money laundering and illicit requests for money through e-mails. Detailed guidance is set out in the Council's Anti-Money Laundering Policy.

Any service that receives money from an external person or body is potentially vulnerable to a money laundering operation. The need for vigilance is vital and if there is any suspicion concerning the appropriateness of the transaction then the Council's Anti-Money Laundering Policy should be followed. The Council's Money Laundering Reporting Officer (MLRO) is the Chief Finance Officer / Section 151 Officer.

### **Tax Evasion**

The Criminal Finance Act 2017 introduced two new criminal offences; one relating to UK tax evasion, one relating to foreign tax evasion. The new offences, which came into force on 30 September 2017, are designed to help the Government counter circumstances where a body's employees facilitate tax evasion by their customers or suppliers. Although tax evasion does not have a direct impact on the Council, under the new legislation there is a strict liability for failing to prevent the facilitation of tax evasion by one of its associates, such as an employee or contractor. This could arise, for example, if a Council employee conspired with a supplier to falsify the amount paid on an invoice so that the supplier evaded paying income or corporate taxes.

### **Failure to Prevent Fraud Offence**

This regulation holds large organisations accountable for failing to prevent fraud committed by their employees, agents, contractors, or other "associated persons" acting for the organisation's benefit, whether directly or indirectly. Non-compliance could lead to unlimited fines, legal exposure, and irreparable reputational damage. To comply, organisations must demonstrate reasonable fraud prevention procedures. In the event of

prosecution, an organisation would have to demonstrate to the court that it had reasonable fraud prevention measures in place at the time that the fraud was committed.

The offence is intended to encourage organisations to build an anti-fraud culture, in the same way that failure to prevent bribery legislation has helped reshape corporate culture since its introduction in 2010.

Failure to prevent fraud will come into force on 1 September 2025.

## 5. Fraud Risks

The Council seeks to fulfil its responsibility to reduce fraud and protect its resources by a strategic approach consistent with that outlined in both The Chartered Institute of Public Finance and Accountancy (CIPFA's) Code of Practice on Managing the Risk of Fraud and Corruption and in the Local Government Fighting Fraud & Corruption Strategy for the 2020's, and its five key themes of Govern, Acknowledge, Prevent, Pursue & Protect. Fraud risks are corporate risks faced by all our services and, as with other risks, they are the responsibility of the Directorates to manage and mitigate.

The Senior Fraud Investigator and Internal Audit, however, provide advice, knowledge, and support to the Directorates in the managements of these risks.

<b>Committing Support</b>	The Council's commitment to tackling fraud threats is clear. We have whistleblowing procedures and support those who come forward to report suspected fraud. All reports will be treated seriously and acted upon. Staff awareness of fraud risks will be gained through e-learning, face-to-face development sessions, reports from the Senior Fraud Investigator and Internal Audit and general consultation and advice provided.
<b>Assessing Risks</b>	We will continuously assess those areas most vulnerable to the risk of fraud as part of our risk management arrangements. The Fraud Risk Register is monitored by the Corporate Management Board on a quarterly basis and any significant risks identified are escalated to the Corporate Risk Register. Any relevant information is filtered down through directorates where necessary. These risk assessments along with known fraud risks identified by investigation work and national reports and fraud patterns will inform our annual programme of works for both Internal Audit and the Senior Fraud Investigator.
<b>Robust Response</b>	We will strengthen measures to prevent fraud. Internal Audit and the Senior Fraud Investigator will work with management and our internal partners such as Human Resources, Finance and Legal to ensure new and existing systems and policy initiatives are adequately fraud proofed.

<b>Better use of Information Technology</b>	We will explore the use of data and analytical software to prevent and detect fraudulent activity. We will always look for opportunities to share data and fraud intelligence to increase our capability to uncover potential and actual fraud as we have done in becoming members of the Welsh Fraud Officers Group. We will continue to play an active part in the National Fraud Initiative (NFI) data matching exercise. Whilst the Senior Fraud Investigator plays a co-ordination and support role in this exercise, management is responsible for processing the actual matches. The Senior Fraud Investigator will ensure there is a robust follow up process to ensure that high risk matches are pursued where appropriate.
<b>Enhancing fraud controls and processes</b>	We will educate managers regarding their responsibilities for operating effective internal controls within their service areas. We will promote strong management and good governance that provides scrutiny and independent challenge to risks and management controls. Internal Audit reviews will seek to highlight vulnerabilities in the control environment and make recommendations for improvement. The Senior Fraud Investigator's investigations and reports will also provide management with actions to improve controls to reduce fraud risks.
<b>Anti-fraud culture</b>	We will promote and develop a strong anti-fraud culture, raise awareness, provide a fraud e-learning module, and provide information and guidance on all aspects of our counter fraud work.
<b>Fraud Recovery</b>	A crucial element of our response to tackling fraud is recovering any monies lost through fraud. This is an important part of our strategy and will be rigorously pursued, where possible.
<b>Punishing Fraudsters</b>	We will apply realistic and effective sanctions for individuals or organisations where an investigation reveals fraudulent activity. This may include legal action, criminal and/or disciplinary action. We will also seek to publicise successes to act as a deterrent to those seeking to commit fraud.
<b>Enforcement</b>	We will investigate instances of suspected fraud detected through the planned proactive work and cases of suspected fraud referred from internal or external stakeholders or received via the whistleblowing procedures. These will be prioritised on a fraud risk basis. We will work with internal/external partners/organisations, including law enforcement agencies where common ground exists or where intelligence can be lawfully shared.

## 6. Current Fraud Landscape & Risks

The fraud landscape is ever changing and requires constant review. The cost-of-living crisis has provided a further challenge in this area. The Council keeps abreast of these changes in a number of ways.

- Membership of the National Anti-Fraud Network (NAFN), which provides the Council with a legal gateway to a wide range of information providers, best practice and legislation updates. It also enables the sharing of fraud intelligence bulletins of local and national interest which potentially affect the organisation.
- Membership of the Welsh Fraud Officers Group to discuss current fraud work and associated risks, trends and emerging fraud risks developing across Wales.
- Membership of the Welsh Chief Auditors Group, whose aim is to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.
- Membership of The Chartered Institute of Public Finance and Accountancy (CIPFA), which provides training courses and webinars in respect of fraud to include new and emerging threats likely to impact Local Authorities.
- Attendance at relevant counter fraud conferences.
- Reviewing of National Fraud Reports such as Protecting the Public Purse and the Annual Fraud Indicator Report.
- Contributors to the National Fraud Initiative (NFI) exercise led by the Cabinet Office and co-ordinators of the output reports analysis from the exercise.
- Constant review of incoming fraud referrals informing patterns and/or concerns affecting the fraud risk in specific areas.
- Fraud investigation and Internal Audit outcome reports to management highlighting fraud risk control weaknesses with recommendations to strengthen.
- Quarterly monitoring of the Fraud Risk Register by the Corporate Management Board with any significant risks identified escalated to the Corporate Risk Register. Relevant information is filtered down through directorates where necessary.

The Council can be exposed to fraud, corruption and bribery through a variety of internal and external sources. These include:

	<b>Fraud Risk Area</b>	<b>Overview</b>
<b>1</b>	<b>Housing Benefit &amp; Council Tax Reduction</b>	A claimant makes a claim based on information known to be inaccurate or fails to inform the council about a change in circumstances that would reduce the award
<b>2</b>	<b>Council Tax Single Person Discount (SPD) / Other Council Tax Discounts</b>	A claimant claims a discount when more than one person actually lives in the household, falsely claims to be a student or claims a property is empty and unfurnished.
<b>3</b>	<b>Cyber Fraud</b>	The use of technology specifically is used to take advantage of system weaknesses for gain. This could include ransomware/malware attacks, hacking or use of council systems to test stolen account details ("checker fraud"). Staff/clients could fall victim to scams and frauds, including executive impersonation, advanced fee and funds transfer. It could also include "cyber-enabled" frauds (i.e., use of the internet to commit fraud). Remote working can increase risk leaving users more vulnerable to fraudulent attacks. This is due to reduced checks.
<b>4</b>	<b>Direct Payments</b>	A recipient falsely claims Direct Payments, e.g. by misrepresenting their care needs or failing to disclose receipt of other benefits. There is also a risk of abuse of position by personal assistants, carers or parents, leading to monies not being spent for the recipients benefit. There is an additional risk that a family member misuses the direct payments meant for the person they are caring for and becomes dependant on the income.
<b>5</b>	<b>Procurement Fraud</b>	There are activities including price-fixing, bid rigging and cover pricing, to maximise profit margins or share out contracts. In addition, this risk also overlaps with bribery and corruption internal risks. There is a risk that claims are made to defraud the council by claiming payment for goods/services not provided; delivering goods/services of substandard quality; overpricing or duplicate invoicing
<b>6</b>	<b>National Non-Domestic Rates (NNDR)</b>	A business makes a claim for rate relief based on false information, e.g., stating that a property is no longer in use; not declaring the location of a business or falsely claiming relief, e.g., by claiming to be occupied by a charity; intermittent occupation or the use of "phoenix

		companies” to avoid liability (although not technically illegal)
<b>7</b>	<b>Internal Fraud by Officers and Members</b>	Officers or Members may abuse their position for private gain or misuse council assets for personal gain, including computer hardware and software, plant, machinery and equipment and intellectual property. Theft of cash or portable items belonging to the Council, employees or Members. Receipt of financial or other rewards as an inducement to perform their duties improperly or seek to influence a decision-maker. Also, a risk of failing to declare an interest in a company or organisation.
<b>8</b>	<b>Client Finances</b>	The management of clients’ finances, where clients lack capacity, are fraudulently managed. This covers appointeeship, court of protection and any other management of client’s finances
<b>9</b>	<b>Election Fraud</b>	There is voter registration fraud; impersonation (at polling stations); postal vote fraud, phishing and hacking, denial of service and ransomware (particularly at the time of an election).
<b>10</b>	<b>Cash Handling</b>	Theft or false accounting occurs with officers responsible for handling cash, either as income or expenditure (e.g., petty cash). This could include accounting for cash (and other income) security and banking.
<b>11</b>	<b>Organised Crime/ Money Laundering</b>	Council systems are used to launder money or there is abuse of council systems and they are used by organised crime gangs, e.g., sham marriages. Also, there is a risk that properties are used within the area as fronts for illegal activity (illicit tobacco/alcohol, money laundering).
<b>12</b>	<b>Schools</b>	Although most schools’ frauds are covered elsewhere (e.g., payroll, staffing, cash handling, procurement), nationally schools are the largest source of internal referrals. The delegated nature of their budgets also requires a specific counter fraud response with each pound spent decided by the school themselves.
<b>13</b>	<b>Insurance Fraud</b>	Bogus claims are made with serial claimants across authorities. Also organised “crash for cash” or “slip and trip” frauds and any insurance claim that is proved to be false, made against the organisation or the organisations insurers.

<b>14</b>	<b>Blue Badges</b>	Abuse of the scheme occurs, including an individual using a badge holder's badge when the badge holder is not part of the journey or continues to use it or applies for a new badge after the badge holder's death. Also, the use of counterfeited badges or applications for a blue badge using inaccurate information or failing to report a change.
<b>15</b>	<b>Payment to suppliers (including payment by Purchasing Cards)</b>	There is misuse of procurement cards, creation of bogus suppliers / invoices. Offences include fraud by abuse of position, false accounting and corruption.
<b>16</b>	<b>Employment / Payroll</b>	There are submissions of claims for duties not carried out, inflation of expenses claims, claiming sick pay when fit to work and failing to work contracted hours. Also, the creation of ghost employees and generating payments and false overtime claims. Offences include fraud by false representation, failure to disclose information and false accounting.
<b>17</b>	<b>Grants</b>	Grant payments are obtained from the Council under false pretences or that grants are claimed from different sources for the same purpose or that the recipient fails to deliver outputs stated in the grant conditions. In addition, there is a risk of bogus companies or individuals making a claim perpetrating to be someone else. This also overlaps with the internal risk of corruption. There is additional risk where there is a requirement to process and pay grants at speed where sufficient checks may not be completed.
<b>18</b>	<b>Licensing</b>	There is an abuse of a license (e.g., assigning to someone else). There is also a risk of a fraudulent application for a license, such as a taxi license, where an applicant does not declare a relevant fact or fails to declare a change posing a potential risk to the public.
<b>19</b>	<b>Recruitment</b>	Applicants submit bogus qualifications or references or have no right to work or fail to disclose income for benefit purposes. There is also a risk of offences which could include fraud by false representation or failure to disclose information.
<b>20</b>	<b>False Applications</b>	There is a risk that the Council is supplied with false documentation in support of applications / registrations in respect of services provided e.g., declaration of intention to marry from persons subject



		to immigration control, applications for housing and planning applications.
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These areas can be regularly subject to attack by individuals / groups intent on committing fraud, which, if successful, means that there is less money and resources available for those in genuine need.

## 7. Managing the Risk of Fraud, Bribery & Corruption

Whilst all stakeholders have a part to play in reducing the risk of fraud, Elected Members and Senior Management are ideally positioned to influence the ethical tone of the organisation and play a crucial role in fostering a culture of high ethical standards and integrity.

As with any risk faced by the Council, it is the responsibility of managers to ensure that fraud risk is adequately considered within their individual service areas and in support of achieving strategic priorities, business plans, project and programme objectives and outcomes. In making this assessment, it is important to consider the risk of fraud occurring (i.e., proactive) rather than the actual incidence of fraud that has occurred in the past (reactive).

Once the fraud risk has been evaluated, appropriate action will be taken by management to mitigate those risks on an on-going basis, for example through introducing and operating effective systems of internal control.

Adequate supervision, recruitment and selection, scrutiny and healthy scepticism will not be seen as distrust, but simply as good management practice, shaping attitudes and creating an environment opposed to fraudulent activity.

Good corporate governance procedures are a strong safeguard against fraud, corruption and bribery.

The Council's Governance and Audit Committee plays a key role in scrutinising the Council's approach to fraud, its system of controls and risk management, and its wider resiliency to financial irregularity in general.

Internal Audit undertakes a risk-based assurance programme of work each year developed with input from management and agreed by the Governance and Audit Committee. This assurance work involves an independent review of systems and procedures, including a review of the management of risk (of both fraud and other types of risk) whereby system weaknesses are brought to the attention of management along with recommendations to strengthen controls within procedures.

## 8. Steps to Support Continual Improvement

This Fraud Strategy and Framework sets out the developments and actions the Council proposes to take over the medium-term future to further improve its resilience to fraud, bribery and corruption. These developments include the following actions:

	Action
1	Maintain a fraud risk register, which is reviewed quarterly by the Corporate Management Board. Any significant risks identified will be escalated to the Corporate Risk Register and reported to the Governance and Audit Committee
2	Ensure there is a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing, and responding to fraud risks.
3	To be an active participant in the bi-annual National Fraud Initiative (NFI) exercise and to robustly investigate suspected cases of fraud identified through NFI. The Senior Fraud Investigator is responsible for the co-ordination of the exercise including ensuring that the data sets comply with specification and are securely uploaded to the Cabinet Office. Management is responsible for the review of matches that are returned and for referring suspicions of fraud and corruption to the Senior Fraud Investigator.
4	Raise awareness of fraud, bribery, and corruption by delivering a fraud awareness training programme for Members and Officers and provide ongoing fraud awareness training as required.
5	Produce an annual Corporate Fraud report to those charged with governance covering all reactive and proactive fraud initiatives.
6	Undertake welfare benefit investigations (including joint cases with the Department for Work and Pensions (DWP)), recommend the relevant sanction and the recovery of overpaid benefit.
7	To maximise the use of data analytics and data matching to review electronic data to detect and prevent fraud.
8	To provide alerts to staff and Members across the Council when notification of a potential fraud, relevant to their service area, is received. When notification of a potential fraud is received that may impact the public, details are passed to the Communications Team to arrange suitable media coverage
9	To actively maintain the Council's membership of the Welsh Fraud Officers Group and The Chartered Institute of Public Finance and Accountancy (CIPFA), which provides training and intelligence regarding new and emerging fraud risks. Also to maintain all other links to enforcement partners including the Police, DWP and HM Revenue & Customs, and to be open to new and innovative anti-fraud projects.

10	To produce fraud investigation outcome reports for management which highlight the action taken to investigate the fraud risks, the outcome of the investigations e.g., sanction, and recommendations to minimise future risk of fraud.
11	To provide a clear and concise point of reference for necessary information on fraud, maximising the potential of digital, to enhance the user experience. To maintain the fraud internet/intranet pages and ensure they are kept up to date and provide a means to refer cases of suspected fraud directly to the Fraud Investigation department.

## 9. Measures of Success

The successful implementation of this strategy will be measured by the following:

- Successful implementation of the actions contained within the strategy.
- Increased awareness of fraud, corruption and bribery risks by Members, managers and employees.
- Evidence that fraud risks are being actively managed across the Council.
- Increased fraud risk resilience across the Council to protect the Council's assets and resources.
- An anti-fraud, bribery, and corruption culture where employees feel able to identify and report concerns relating to potential fraud, corruption, and bribery.

## 10. Reporting and Review

The Council's approach to suspected fraud can be demonstrated in its Fraud Response Plan/Flowchart - **see Appendix 1.**

The Council recognises that the primary responsibility for the prevention and detection of fraud rests with management. If anyone believes that someone is committing a fraud or suspects corrupt practices, these concerns should be raised in the first instance directly with line management then the Senior Fraud Investigator or Internal Audit.

Where managers are made aware of suspected fraud by employees, they have responsibilities for passing on those concerns to the Senior Fraud Investigator, Internal Audit and Chief Finance Officer (Section 151 Officer).

In the event of a whistleblowing allegation the Monitoring Officer should also be updated. Managers should react urgently to suspicion of potential internal fraud, bribery or corruption.

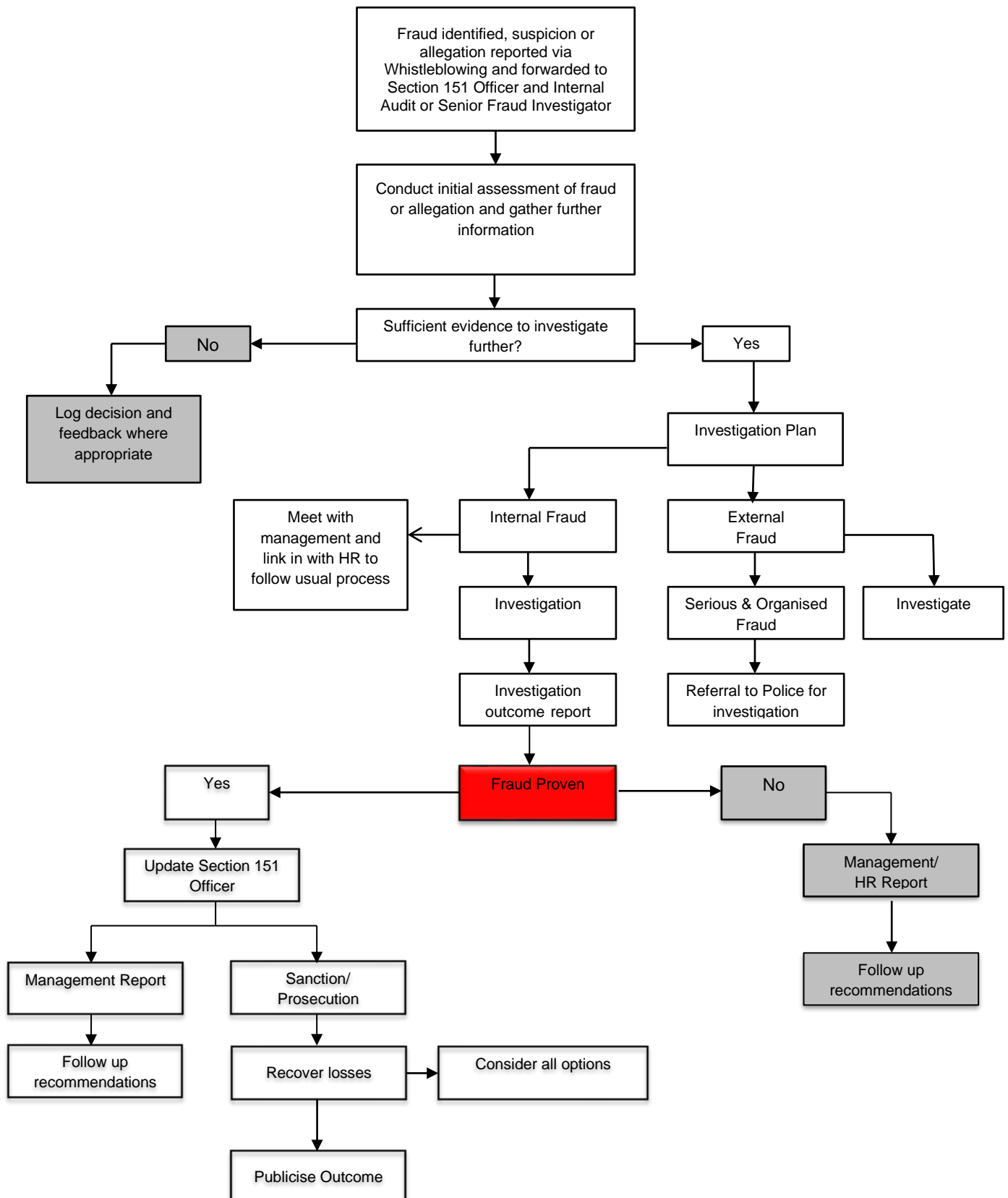
Headteachers of Local Authority-maintained schools should, in addition to above, also notify their Chair of Governors. Notifications must be treated with the utmost confidentiality. Any person that is implicated in the alleged offence should not be included in the notification procedure.

The Chief Finance Officer (Section 151 Officer), Monitoring Officer and the Head of the Regional Internal Audit Service has responsibility for ensuring the Council has a robust anti-fraud, bribery, and corruption response.

Fraud updates and results are reported to the Governance and Audit Committee on an annual basis via the Annual Corporate Fraud Report or ad hoc as necessary. The Fraud Risk Register will be monitored by the Corporate Management Board on a quarterly basis and any significant risks identified will be escalated to the Corporate Risk Register and reported to the Governance and Audit Committee where necessary. The Governance and Audit Committee will also ensure the continuous review and amendment of this strategy and the steps to support continual improvement, contained within it. This will ensure that this fraud strategy remains compliant with good practice national public sector standards, primarily CIPFA's Code of Practice on Managing the Risk of Fraud, Bribery and Corruption and the Local Government Fighting Fraud & Corruption Strategy for the 2020's and that it continues to meet the needs of Bridgend County Borough Council.

This document will be reviewed and updated every 3 years.

## Appendix 1. Fraud Response Plan/Flowchart



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<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>INTERNAL AUDIT RECOMMENDATION MONITORING</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING &amp; CHANGE</b>
<b>Responsible Officer:</b>	<b>ANDREW WATHAN HEAD OF REGIONAL INTERNAL AUDIT SERVICE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>The proposals in this report are in accordance with the policy framework and budget.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• This report provides members of the Governance and Audit Committee with a position statement on the status of internal audit recommendations.</li> <li>• A position statement in respect of internal audit high and medium priority recommendations made, implemented and overdue as of 31<sup>st</sup> March 2025 is detailed in Appendix A.</li> <li>• A recommendation is made to enhance a control to mitigate the identified risk; until the recommendation is implemented the risk remains.</li> <li>• To date 7 high and 97 medium priority recommendations have been made following the conclusion of audits from this year's annual plan. All have been agreed, 60 have been implemented and 1 is overdue, which is detailed in Appendix B.</li> <li>• There is 1 overdue high priority recommendation relating to Parking Enforcement detailed in Appendix C, however progress is being made.</li> <li>• In addition, there are 6 recommendations made in audits completed prior to 2024/25 which still have a future implementation date, until implemented the identified risk remains. These are in Appendix D.</li> <li>• The monitoring of recommendations is undertaken regularly by the Audit team and any undue delays or issues are highlighted to Senior Management and ultimately this Committee.</li> </ul>

## 1. Purpose of Report

- 1.1 To provide members of the Committee with a position statement on internal audit recommendations made, implemented and outstanding as at 31st March 2025 and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

## 2. Background

- 2.1 In accordance with the Public Sector Internal Audit Standards, the internal audit activity must assess and make appropriate recommendations to improve the Council's governance, risk management and internal control. The Regional Internal Audit Service (RIAS) Strategy states that the implementation of agreed recommendations will be monitored.
- 2.2 Recommendations are made at the conclusion of an audit review if it is felt that improvements should be made to mitigate risk and strengthen controls. Recommendations are included, if appropriate, in the final audit report and recipients are asked to provide responses to indicate whether they agree with the recommendations and how and when they plan to implement them. To assist managers in focusing their attention, each recommendation is classified as being either high, medium or low priority.
- 2.3 Table 1 shows the recommendation categorisation as follows:

Table 1 – Recommendation Categorisation	
Risk may be viewed as the chance, or probability, of one or more of the organisation's objectives not being met. It refers both to unwanted outcomes which might arise, and to the potential failure to realise desired results. The criticality of each recommendation is as follows:	
<b>High Priority</b>	Action that is considered imperative to ensure that the organisation is not exposed to high risks.
<b>Medium Priority</b>	Action that is considered necessary to avoid exposure to significant risks.
<b>Low Priority</b>	Action that is considered desirable and should result in enhanced control.

- 2.4 To ensure maximum coverage of the annual plan based on the capacity available within the team, the RIAS monitors the implementation of the high and medium priority recommendations, but the low priority recommendations are left to management to successfully implement.
- 2.5 Once the target date for implementation has been reached the relevant Officers will be contacted and asked to provide feedback on the status of each agreed high and medium priority recommendation. The implementation of these recommendations is monitored using MK Insight internal audit software to ensure that improvements are being made.
- 2.6 Any audits concluded with a *No Assurance or Limited Assurance* opinion will also be subject to a follow up audit.



### 3. Current situation / proposal

- 3.1 **Appendix A** provides the status of the high and medium priority internal audit recommendations made as of 31<sup>st</sup> March 2025. This includes all audits completed with recommendations from this financial year's plan and any audits completed in previous years where recommendations are yet to be implemented.
- 3.2 The status of the recommendations made following the completion of audits from the 2024-25 audit plan is summarised in **Table 2** below. It illustrates that 60 out of 104 (58%) recommendations have been implemented. There is currently 1 medium priority overdue recommendation which has been made in respect of Porthcawl Harbour, the details are in **Appendix B**. There are 43 recommendations that have a future target date.

**Table 2 – Recommendation Status – Audits Completed 2024-25**

	No. Made			Not Agreed	Imp.	Overdue			Future Target Date
	High	Med.	Total			High	Med.	Total	
<b>2024-25</b>	7	97	104	0	60	0	1	1	43

- 3.3 Appendix A also includes the recommendations made in relation to audits completed in previous years which are yet to be implemented. This information is summarised in **Table 3**.

**Table 3 – Overdue Recommendations – Audits Completed Pre-2024-25**

	No. Made			Not Agreed	Imp.	Overdue			Future Target Date
	High	Med.	Total			High	Med.	Total	
<b>2022-23</b>	0	4	4	0	2	0	0	0	2
<b>2023-24</b>	6	13	19	0	14	1	0	1	4

- 3.4 **Table 3** illustrates that there is currently 1 high priority overdue recommendation, whilst 6 have a future implementation date.
- 3.5 In the last Governance and Audit Committee meeting a number of outstanding recommendations in respect of home to work mileage, security and access to Council buildings, Saint Mary's Catholic Primary School, and procurement were identified. These have been monitored and the recommendations made in respect of Saint Mary's Catholic Primary School and Security and Access to Council Buildings have been implemented and closed. Details of the 1 overdue recommendation, relating to Parking Enforcement is provided in **Appendix C**. In addition, there are 6 recommendations, made which still have a future implementation date, until implemented the identified risk remains. These are detailed in **Appendix D**.
- 3.6 The monitoring of recommendations is undertaken regularly by the Audit team and any delays or issues are highlighted to the Council's Corporate Management Board and ultimately to this Committee.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

#### **6. Climate Change Implications**

- 6.1 There are no climate change implications arising from this report.

#### **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no safeguarding or corporate parent implications arising from this report.

#### **8. Financial Implications**

- 8.1 There are no direct financial implications arising from this report however effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

#### **9. Recommendation**

- 9.1 That members of the Governance and Audit Committee note the content of the report and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

#### **Background documents**

None

## Bridgend County Borough Council - Recommendation Monitoring as at 31st March 2025

Audit Name	Directorate	Audit Opinion	Final Report Date	Number Made			Not Agreed	Implemented			Overdue			Future Target Date
				High	Medium	Total		High	Medium	Total	High	Medium	Total	
<b>2022-23</b>														
Home To Work Mileage in Council Vehicles	Communities	REASONABLE	27-01-23	0	4	4	0	0	2	2	0	0	0	2
<b>Total</b>				<b>0</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>2023-24</b>														
Rights of Way	Communities	REASONABLE	18-09-23	0	3	3	0	0	2	2	0	0	0	1
Corporate Safeguarding - Contracts	Cross Cutting	REASONABLE	01-12-23	0	2	2	0	0	1	1	0	0	0	1
Parking Enforcement	Communities	REASONABLE	10-01-24	1	1	2	0	0	1	1	1	0	1	0
Welsh Language Standards	Cross Cutting	REASONABLE	23-02-24	0	4	4	0	0	3	3	0	0	0	1
Procurement	Chief Executives	LIMITED	11-06-24	5	3	8	0	5	2	7	0	0	0	1
<b>Total</b>				<b>6</b>	<b>13</b>	<b>19</b>	<b>0</b>	<b>5</b>	<b>9</b>	<b>14</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>4</b>
<b>2024-25</b>														
Project Management	Chief Executives	REASONABLE	18-06-24	0	2	2	0	0	2	2	0	0	0	0
Corneli Primary School	Education & Family Support	REASONABLE	24-06-24	0	10	10	0	0	9	9	0	0	0	1
Porthcawl Harbour Annual Return	Cross Cutting	REASONABLE	15-07-24	0	1	1	0	0	0	0	0	1	1	0
Corporate Complaints & Compliments	Cross Cutting	REASONABLE	30-07-24	0	5	5	0	0	5	5	0	0	0	0
Quality Assurance (Social Services)	Social Services & Wellbeing	REASONABLE	08-08-24	0	4	4	0	0	4	4	0	0	0	0
Good Governance	Cross Cutting	REASONABLE	12-08-24	0	1	1	0	0	1	1	0	0	0	0
PCI-DSS	Chief Executives	LIMITED	12-09-24	0	3	3	0	0	3	3	0	0	0	0
Childrens' Respite & Residential Care - Financial Management & Cash Control	Social Services & Wellbeing	REASONABLE	03-10-24	0	5	5	0	0	5	5	0	0	0	0
Mobile Devices	Chief Executives	REASONABLE	03-10-24	0	3	3	0	0	3	3	0	0	0	0
Highways Inspections	Communities	REASONABLE	25-11-24	0	2	2	0	0	2	2	0	0	0	0
Residential & Non-Residential Financial Assessments	Chief Executives	SUBSTANTIAL	25-11-24	0	1	1	0	0	1	1	0	0	0	0
Contract Tender & Award	Communities	REASONABLE	29-11-24	1	3	4	0	1	3	4	0	0	0	0
Business Continuity Planning	Cross Cutting	LIMITED	28-01-25	2	3	5	0	0	0	0	0	0	0	5
Bottomline PTX BACS Payments	(blank)	REASONABLE	30-01-25	0	2	2	0	0	0	0	0	0	0	2
Health & Safety Arrangements	Education & Family Support	REASONABLE	10-02-25	0	3	3	0	0	0	0	0	0	0	3
Penybont Primary School	Education & Family Support	REASONABLE	10-02-25	1	9	10	0	0	2	2	0	0	0	8
Business Rates	Chief Executives	REASONABLE	26-02-25	0	1	1	0	0	0	0	0	0	0	1
Agency Staff	Chief Executives	REASONABLE	10-03-25	1	2	3	0	0	0	0	0	0	0	3
Penybont Purchasing Card	Education & Family Support	LIMITED	10-03-25	0	4	4	0	0	4	4	0	0	0	0
Recycling & Waste Management Follow Up	Cross Cutting	REASONABLE	25-03-25	0	2	2	0	0	2	2	0	0	0	0
Consultants	Cross Cutting	REASONABLE	31-03-25	0	6	6	0	0	3	3	0	0	0	3
Corporate Safeguarding	Cross Cutting	REASONABLE	04-04-25	0	4	4	0	0	0	0	0	0	0	4
Foster Carer Payments	Social Services & Wellbeing	REASONABLE	04-04-25	1	5	6	0	0	3	3	0	0	0	3
Major Project Team	Communities	REASONABLE	08-04-25	0	1	1	0	0	0	0	0	0	0	1
Tondu Primary School	Education & Family Support	REASONABLE	08-04-25	1	15	16	0	0	7	7	0	0	0	9
<b>Total</b>				<b>7</b>	<b>97</b>	<b>104</b>	<b>0</b>	<b>1</b>	<b>59</b>	<b>60</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>43</b>

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**Bridgend County Borough Council –Recommendation Monitoring**

**Recommendations Overdue - Audits Completed 2024/25**

<b>Audit</b>	<b>Final Report Date</b>	<b>Recommendation</b>	<b>Category</b>	<b>Agreed Action</b>	<b>Agreed Date</b>	<b>Current Position</b>	<b>Responsible Officer</b>
<b>Porthcawl Harbour Annual Return</b>  <i>Reasonable Opinion</i>	15/07/24	The Harbour Board should receive and agree the annual accounts, and this should be clearly documented in meeting minutes. Additionally, in line with the Harbour Engagement Strategy, a business plan should be provided to the Harbour Board and regularly monitored.	Medium	Agreed, accounts will be signed off and business plan agreed during the next Harbour Board meeting in October.	31/10/24  <u>Revised</u> 31/12/24	<u>Update November 2024</u> A proposal for an updated engagement strategy was presented to the October 2024 board meeting. The proposed changes are to have 2 meetings a year, instead of just one and for those meetings to occur in March and October. This will allow the accounts to be signed off in time for YE each year. Agreed in principle, ratification will occur via email in the coming weeks. Updated Business Plan is still in progress, and will be circulated, reviewed and agreed by email by the end of the year.	Harbour Master

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**Bridgend County Borough Council –Recommendation Monitoring**

**Recommendations Outstanding - Audits Completed Before 2024/25**

<b>Audit</b>	<b>Final Report Date</b>	<b>Recommendation</b>	<b>Category</b>	<b>Agreed Action</b>	<b>Agreed Date</b>	<b>Current Position</b>	<b>Responsible Officer</b>
<b>Parking Enforcement</b>  <i>Reasonable Opinion</i>	10-01-24	The Council puts in place an overarching strategy or policy to outline the key duties, powers and objectives of the Parking Enforcement Team.	High	The existing Bridgend County Borough Council parking strategy was produced in 2014 and refreshed in 2017.	31/01/24  Revised 31/03/25	<u>Update April 2025</u> Duties of and responsibilities updated in annual report format, currently being produced 90% complete just awaiting financial information to be inserted. Expected within the next few weeks.	Parking Services Manager, & Traffic Management & Parking Team Leader

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**Bridgend County Borough Council –Recommendation Monitoring**

**Recommendations Made In Pre 2024/25 Audits with a Future Implementation Date**

<b>Audit</b>	<b>Final Report Date</b>	<b>Recommendation</b>	<b>Category</b>	<b>Agreed Action</b>	<b>Agreed Date</b>	<b>Current Position</b>	<b>Responsible Officer</b>
<b>Home To Work Mileage in Council Vehicles</b>  <i>Reasonable Opinion</i>	27/01/23	A corporate policy is developed in relation to the use of Council vehicles	Medium	Agreed that a Corporate Policy is to be developed on the use of corporate vehicles. This task will require support from Human Resources, Fleet Services as well as the representative departments of BCBC. The process will involve research, drafting, sign off, consultation and approval. As such any timescale is speculative but could be deliverable in 7 months	30/09/23  Revised 31/03/24 31/03/25	Update April 2025 A consultancy commission is in the process of being made, to look a broader fleet maintenance and use review. The home to work / council vehicle issue is now forming part of that commission	Group Manager Highways and Green Spaces as Lead officer
		Where there is a possible requirement to take a vehicle home, a business case should be presented and authorised at the appropriate level.	Medium	This should be addressed within the policy referenced above	30/09/23  Revised 31/03/24 31/03/25	As above	As above
<b>Rights of Way</b>  <i>Reasonable</i>	18/09/23	Seek to introduce and publicise a single automated method of reporting and recording maintenance issues and seek to utilise the CAMS systems functionality to record data, help maximise efficiencies and increase monitoring capabilities.	Medium	As there are many ways the team currently receives information it will be problematic to develop a single portal in the first instance. However, this can be worked towards by utilising the CAMS system as the first point of entry.	31/12/23  Revised 30/06/25	Update March 2025 Co-operative working is taking place with the central customer services team where reports of issues are being recorded via the CRM system. However, issues reported directly to the Rights of Way team are not being recorded through the CAMS system	Rights of Way Manager

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Audit	Final Report Date	Recommendation	Category	Agreed Action	Agreed Date	Current Position	Responsible Officer
<b>Corporate Safeguarding Contracts</b> <i>Reasonable</i>	1/12/23	To include reference to the Contractor Safeguarding Protocol within the CPRs and CSP and communicate the Contractor Safeguarding Protocol with contract managers, contractors, and ensure it is uploaded to the public website timely.	Medium	When reviewing our CPRs we will include the contractors safeguarding protocol as a mandatory document to include within a tender pack and ensure contract managers are familiar with the protocol. The external procurement webpage is due to go live and the protocol will be available on the site.	1/03/24  <u>Revised</u> 30/04/25	<u>Update January 2025</u> The Corporate Procurement Manager advised that there had been a delay in updating CPRs due to a delay in the new procurement act. The other part of this rec is the inclusion of the Contractor Safeguarding Protocol within the Corporate Safeguarding Policy.	Chief Officer/ Corporate Procurement Manager/ Corporate Safeguarding Officer
<b>Welsh Language Standards</b> <i>Reasonable</i>	23/02/24	In line with Welsh Language Standard 122 & 126 (Operational), the text of the homepage of the intranet, interface and menus must be available in Welsh and fully functional.	Medium	Work is underway to ensure there is an option of a bilingual staff intranet.	30/04/24  <u>Revised</u> 30/04/26	<u>Update November 2024</u> The intranet project was put on hold due to our website CMS provider pulling support, the intranet is next in line, and it has been agreed we can start the transfer of the old intranet once the website transfer is complete. This new site will be bilingual in the same way the website is. The extremely long target date was challenged and informed that this risk has been escalated to managers to try and bring this date forward.	Digital and Social Media Officer
<b>Procurement</b> <i>Limited</i>	11/06/24	The Council implements a system to easily identify supplier spend for which there is no established contract between the Council and the supplier.	Medium	Procurement and finance have been looking into this and agree that a system is necessary. It has been identified that the finance system has the capabilities, but would need the host of the system to provide advice on the functionalities, this would be at a cost of £2,000.	30/07/24  <u>Revised</u> 31/07/25	<u>Update February 2025</u> An upgrade to the Financial System in July 2025. Given the timeframe, the interim measures are that any alternative to this would be a very intensive manual task	Group Manager, Chief Accountant / Corporate Procurement Manager

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>24 APRIL 2025</b>
<b>Report Title:</b>	<b>FORWARD WORK PROGRAMME 2025-26</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Responsible Officer:</b>	<b>DEBORAH EXTON DEPUTY HEAD OF FINANCE</b>
<b>Policy Framework and Procedure Rules:</b>	There is no impact on the policy framework and procedure rules.
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• The Governance and Audit Committee has a number of core functions and responsibilities within its remit.</li> <li>• It receives a number of reports and presentations throughout the year to enable it to carry out those core functions and responsibilities effectively and to provide it with confidence in the financial governance of the Authority.</li> <li>• To enable the Committee to provide this assurance and to ensure it is covering its range of responsibilities, a Forward Work Programme (FWP) is presented at each meeting, setting out the reports to be presented at future meetings, for approval or amendment, as necessary.</li> <li>• The updated Forward Work Programme (FWP) for 2025-26 is at Appendix A.</li> <li>• Committee is requested to approve the updated FWP or request changes for future meetings.</li> </ul>

## 1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for the updated Forward Work Programme for 2025-26.

## 2. Background

- 2.1 The core functions of an effective Governance and Audit Committee include the responsibility to:
- review, scrutinise and issue reports and recommendations in relation to the Authority's financial affairs.

- consider the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting, governance processes, performance assessment and complaints arrangements.
- seek assurances that action is being taken on risk-related issues identified by auditors and inspectors.
- consider the effectiveness of the Council's anti-fraud and corruption arrangements.
- be satisfied that the Council's assurance statements properly reflect the risk environment and any actions required to improve it.
- oversee the work of internal audit (including the annual plan and strategy) and monitor performance.
- review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
- receive the annual report of the Head of Internal Audit.
- consider the reports of external audit and inspection agencies, where applicable.
- ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- review and approve the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
- review and make any recommendations for change to the Council's draft self-assessment report.
- consider panel performance assessment reports into how the Council is meeting its performance requirements.

2.2 Effective Governance and Audit Committees help to raise the profile of governance, internal control, risk management and financial reporting issues within an organisation, as well as providing a forum for the discussion of issues raised by internal and external auditors. They enhance public trust and confidence in the financial governance of an authority.

### 3. Current situation / proposal

3.1 In order to assist the Committee in ensuring that due consideration is given to all aspects of their core functions the updated Forward Work Programme for 2025-26 is attached at **Appendix A**. Committee Members are asked to endorse this schedule, confirm the list of people they would like to invite for each item (if appropriate), and indicate whether any additional information or research is required. Dates of Committee meetings are subject to approval at the Annual Meeting of Council in May.

3.2 Shown below are the items scheduled to be presented at the next scheduled meeting, proposed to be held on 19 June 2025.

<b>Proposed Agenda Items – 19 June 2025</b>	
1	Governance and Audit Committee Action Record
2	Audit Wales Governance and Audit Committee Reports

3	Going Concern Assessment
4	Audit Enquiries Letter
5	Annual Internal Audit Report 2024-25
6	Internal Audit Annual Strategy and Audit Plan 2025-26
7	Internal Audit Shared Service Charter
8	Corporate Risk Assessment
9	Anti-Fraud, Bribery and Corruption Policy
10	Anti-Money Laundering Policy
11	Use of Council Vehicles Outside of Work
12	Corporate Complaints System
13	Updated Forward Work Programme

3.3 The schedule of items for discussion at specific meetings may be subject to change, to take into account other items that need to be considered, and operational factors.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

#### **6. Climate Change Implications**

6.1 There are no climate change implications arising from this report.

#### **7. Safeguarding and Corporate Parent Implications**

7.1 There are no safeguarding or corporate parent implications arising from this report.

#### **8. Financial Implications**

8.1 There are no financial implications arising from this report.

#### **9. Recommendation**

9.1 That the Committee considers and approves the updated Forward Work Programme for 2025-26.

## **Background documents**

None

GOVERNANCE AND AUDIT COMMITTEE FORWARD WORK PROGRAMME 2025-26	Frequency	19 June 2025	17 July 2025	25 September 2025	27 November 2025	29 January 2026	23 April 2026
<b>Standing Items</b>							
Governance and Audit Committee Action Record	Each meeting	✓	✓	✓	✓	✓	✓
Audit Wales Governance and Audit Committee Reports	Each meeting	✓	✓	✓	✓	✓	✓
Updated Forward Work Programme	Each meeting	✓	✓	✓	✓	✓	✓
<b>Annual Accounts</b>							
Statement of Accounts 2024-25 (unaudited)	Annually		✓				
Porthcawl Harbour Return 2024-25 (unaudited)	Annually		✓				
Going Concern Assessment	Annually	✓					
Audit Enquiries Letter	Annually	✓					
Audit Wales Audit of Accounts Report <i>(included with Audited Statement of Accounts Report item)</i>	Annually				✓		
Audited Statement of Accounts <i>(including final Annual Governance Statement)</i>	Annually				✓		
Porthcawl Harbour Return (audit letter)	Annually				✓		
<b>Governance</b>							
Draft Annual Governance Statement	Annually		✓				
Half Year Review of the Annual Governance Statement	Annually				✓		
Code of Corporate Governance	Annually						✓
Audit Wales Annual Audit Plan <i>(included in Audit Wales Governance and Audit Committee Reports item)</i>	Annually						✓
Annual Audit Summary <i>(included in Audit Wales Governance and Audit Committee Reports item)</i>	Annually					✓	
<b>Internal Audit Reports</b>							
Annual Internal Audit Report 2024-25	Annually	✓					
Internal Audit Shared Service Charter	Annually	✓					✓
Internal Audit Annual Strategy and Audit Plan 2025-26	Annually	✓					
Self Assessment of the Governance and Audit Committee	Annually			✓			
Internal Audit Progress Reports	Quarterly			✓	✓	✓	✓
Internal Audit Recommendation Monitoring Report	Quarterly			✓	✓	✓	✓
Governance and Audit Committee Annual Report	Annually (unless revised)			✓			
<b>Treasury Management</b>							
Treasury Management Outturn Report 2024-25	Annually		✓				
Treasury Management Half Year Report 2025-26	Annually				✓		
Treasury Management Strategy 2026-27	Annually					✓	
<b>Risk Assurance</b>							
Corporate Risk Assessment	6 monthly	✓				✓	
Corporate Risk Policy	Annually					✓	
<b>Counter Fraud</b>							
Corporate Fraud Report 2024-25	Annually		✓				
Anti-Tax Evasion Policy (to be considered April 2025, then April 2027)	Biennially						
Anti-Fraud, Bribery and Corruption Policy (June 2025, then June 2027)	Biennially	✓					
Anti-Money Laundering Policy (June 2025, then June 2027)	Biennially	✓					
<b>Performance Related</b>							
Complaints Process	Annually				✓		
Regulatory Tracker	6 monthly		✓			✓	
Annual Self-Assessment of the Council's Performance (Corporate Self-Assessment)	Annually with approach report in April		✓				✓

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