

Annual Governance Statement 2016-17

1. Scope of Responsibility

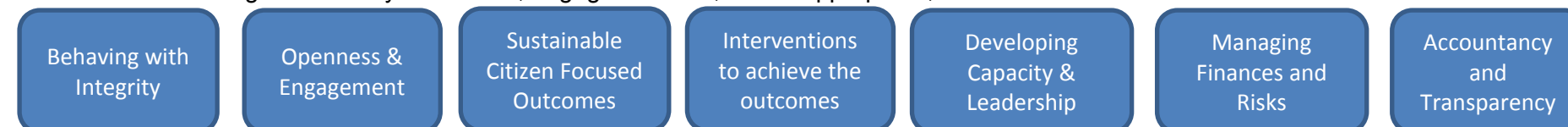
- 1.1 Bridgend County Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.
- 1.2 The Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the exercise of its functions in terms of strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.
- 1.3 In discharging its overall responsibilities, the Council is responsible for ensuring that it has proper arrangements for the governance of its affairs and a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.
- 1.4 The Council has adopted a Code of Corporate Governance which is consistent with the framework developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) (The 2007 edition). In 2016, the *Delivering Good Governance in Local Government Framework* was revised and updated, with guidance notes produced for Welsh Authorities. A new set of seven principles was developed, setting out characteristics of effective governance for all local authority bodies as defined by CIPFA and SOLACE. These principles have superseded those set out previously in 2007. The Council is reviewing its Code of Corporate Governance to reflect the new principles set out by CIPFA and SOLACE (the 2016 edition).
- 1.5 Following discussion with Wales Audit Office (WAO), it has been agreed that 2016-17 will be a transitional year in the way that the Council produces its Annual Governance Statement. For the purposes of this report, the Council has followed the historical six principles as set out in the 2007 Framework in demonstrating strong governance and where possible has included evidence to support governance against the new principles. Next year the Council will use the new principles in producing its Annual Governance Statement in line with the new 2016 framework.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems, processes and values by which the Council is directed and controlled and the means by which it accounts to, engages with and leads the local community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to make appropriate use and prevent loss of public funds. It also assists with managing the risk of failure to achieve policies, aims and objectives. It does not eliminate all risk; the system of internal control is designed to identify and prioritise risks, evaluate the likelihood of those risks materialising and to manage their impact.
- 2.3 The following paragraphs summarise the governance framework and the system of internal control, which has been in place within the Council for the year ended 31 March 2017. The description of the arrangements in place is built around the core principles set out in the Council's Code of Corporate Governance.

3. The Governance Framework

Corporate Governance comprises the systems and processes, cultures and values, by which local government are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities



Key Documents: Annual Review/ Production

Annual Report
Annual Governance Statement
Asset Management Plan
Budget Book
Communications, Marketing and Engagement Strategy
Code of Corporate Governance
Corporate Plan
Corporate Risk Assessment
Directorate Business Plans
Financial Resilience Report
Medium Term Financial Strategy
Single Integrated Partnership Plan
Statement of Accounts
Treasury Management Strategy
Workforce Plan

Key Documents: Ad hoc Review/Production

Anti-Fraud and Bribery Policy
Anti-Money Laundering Policy
Assessment of Local Wellbeing
Business Continuity Plans
Code of Conduct – Part 5 of the Constitution
Constitution
Contract Procedure Rules
Corporate Complaints Policy
Corporate Training and Development
Elected Member Learning & Development Strategy
Financial Procedure Rules
Health & Safety Gap Analysis/Policy
Human Resources Protocols & Management Guidelines
Information & Communications Technology Strategy
Information Management Strategy
Performance Management Framework
Record of Decisions
Shaping Bridgend's Future Consultation
Social Services Representations & Complaints Procedure
Strategic Equality Plan
Welsh Language Standards
Whistleblowing Policy

Process/ Regulatory Monitoring

Audit Committee
Annual Improvement Report (WAO)
Budget Monitoring Reports to Cabinet & Scrutiny Committees
Citizens' Panel
Corporate Assessment (WAO)
Corporate Safeguarding Policy
Corporate Performance Assessment (CPA)
Council Tax Leaflet
External Audit
Forward Work Programme for Committees
Freedom of Information
Head of Finance – s151 Officer
Inspectorate Reports
Internal Audit
Job Descriptions
Job Evaluation Process
Law & Governance
Member Development and Induction
Monitoring Officer
Regulatory, Scrutiny & Standards Committees
Scheme of Delegation
Staff Induction
Treasury Management Monitoring Reports

- 3.1 During 2016-17 the Bridgend and Vale Internal Audit Shared Service carried out an audit of the Council's governance framework. On the basis of the audit work and taking into account all available evidence, the Head of Internal Audit has concluded that "a satisfactory assurance level can be applied to standards of internal control at Bridgend CBC for the period stated". The Annual Opinion Report of the Head of Internal Audit for the period April 2016 to March 2017 is available via this link:
<https://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=132&MId=2737&Ver=4&LLL=0>
- 3.2 The six principles of corporate governance (2007 Framework) that underpin the effective governance of all local authority bodies as defined by CIPFA and SOLACE are as follows:
- Focusing on the Council's purpose and on outcomes for the community and creating and implementing a vision for the local area; (*Putting the Citizen First; Achieving Value for Money*).
 - Members and officers working together to achieve a common purpose with clearly defined functions and roles; (*Knowing Who Does What and Why*);
 - Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour; (*Living Public Service Values*);
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk; (*Fostering Innovative Delivery*);
 - Developing the capacity and capability of Members and officers to be effective; (*Being a Learning Organisation*);
 - Engaging with local people and other stakeholders to ensure robust public accountability; (*Engaging with Others*).
- 3.3 The Council has identified the following points whilst gathering evidence under each of the principles to gain assurance that governance within the Council is robust. The new 2016 principles are outlined in brackets where it is possible to map these against the historic principles as per the CIPFA guidance 2016.
- 4. Principle 1 - Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area (CIPFA 2016 - Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits)**
- 4.1 The Council has a clear vision – one Council working together to improve lives. In 2016, the Council developed a new set of corporate priorities and defined clear outcomes for each priority. A new corporate plan for 2016-2020 was created to realise the vision and to deliver outcomes for the local people, taking account of the significant challenges ahead of our communities – not least the increasing demands made on many of our services against the background of forecast reductions in funding from Welsh Government. The new plan sets out how the Council is to change and what its focus will be over the next four years. The three corporate priorities are as follows:
- Supporting a successful economy
 - Helping people to become more self-reliant
 - Smarter use of resources
- 4.2 The Council has reviewed these priorities recently against the requirements of the Well-being of Future Generations (Wales) Act 2015 as well as the requirements of the Local government (Wales) Measure 2009, and decided that these three priorities are its improvement objectives under the Measure and wellbeing objectives under the Act. The reviewed Corporate Plan for 2017-18 has reflected these amendments. It has also embedded the Council's wellbeing state, required by the Act, into the document, and sets out how our priorities link to the seven national wellbeing goals.

- 4.3 The vision, principles and improvement priorities set out in the Corporate Plan available via this link <http://www.bridgend.gov.uk/media/414512/reviewed-bcbc-corporate-plan-2016-2020-for-17-18.pdf> give the direction for development of Directorate Business Plans. The Corporate Plan identifies a number of outcome-focused success indicators, some of which are benchmarking measures. The indicators included in the Plan are aimed at measuring the success of our outcomes and evidence our joined up working with citizens and partners, as well as providing a measure of performance. These are reported to Corporate Performance Assessment (CPA) panel on a regular basis and subject to scrutiny on a bi- annual basis.
- 4.4 Alongside the Corporate Plan, the Council approved a Medium Term Financial Strategy (MTFS) for the period 2016-17 to 2019-20 available via this link <https://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=142&MId=2341&Ver=4&LLL=0> This provides an integrated planning and financial framework for the next four years, including the detailed budget strategy for the next financial year. The annual revenue budget and forward financial planning together with the capital programme enables the Council to align its financial resources with its new priorities. Quarterly budget monitoring reports are submitted to Cabinet and to Scrutiny Committee, with the Corporate Resources and Improvement Scrutiny Committee nominated as the lead Scrutiny Committee.
- 4.5 The Council has a range of projects and programmes in progress to ensure that the improvement priorities are achieved and provides corporate leadership that supports change throughout the Council. The Corporate Programme Management Board (PMB) oversees a number of major initiatives to deliver change:
- School modernisation programme;
 - Remodelling Adult Social Care;
 - Remodelling Childrens Social Services;
 - Successful Economy Programme;
 - Strategic Review of the School Curriculum and Estate;
 - Third Sector Programme;
 - Digital Transformation programme;
 - Rationalising the Estate programme; and
 - Strategic collaboration projects e.g. City Deal.
- 4.6 The Council works collaboratively with a number of partners providing joint services to maximise efficiencies and improve outcomes for the benefit of our citizens. Key collaborations include: Shared Regulatory Service, Central South Consortium, Western Bay, HALO, Awen, Coychurch Crematorium. These partnerships are initially monitored by those elected members appointed by Cabinet/ Council to represent the Council's interests on the outside body. The Overview and Scrutiny Committee also receive reports from Council partners which enable Elected Members to monitor the governance arrangements and the outcomes being delivered.
- 4.7 The Auditor General carried out an audit of the Council's Improvement Plan for 2016-17, and also one for 2017-18, and certified that "the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties".
- 4.8 The Auditor General audited the Council's assessment of its performance in 2015-16 in accordance with the Measure and his Code of Audit Practice and certified in November 2016 that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

- 4.9 The Auditor General undertook a Corporate Assessment of the Council in 2015-16. The purpose of the assessment was to provide a position statement on the Council's capacity and capability to deliver continuous improvement. The focus of the assessment was on the extent to which arrangements are helping to improve service performance and outcomes for citizens.
- 4.10 The assessment considered the Council's track record of performance and outcomes as well as examining the key arrangements necessary to underpin improvements in services and functions. The auditors interviewed, met with, observed, and conducted online surveys of elected members, senior officers and frontline staff, both individually and collectively.
- 4.11 The outcome of the assessment is very positive. The Auditor General's overall conclusion is that *"the Council is developing appropriate plans for the future and subject to aligning ICT and human resource functions with the transformation programme, is well placed to secure improvement"*.
- 4.12 The Auditor General found no reason to make any formal recommendations, or conduct an inspection, or recommend that Ministers of Welsh Government intervene. He did, however, make eight proposals for improvement (including some of those included in the above mentioned AIR report). In 2016-17, the Council took action to address all the proposals. A follow-up audit has been planned by the WAO to ensure progress.
- 4.13 Other activities that demonstrate the Council's commitment to Principle 1 - **"Putting the Citizen First"**, included:
- Ongoing use of the Citizens' Panel (a representative group of over 1,500 residents aged 16+) and extensive public consultation and engagement activity undertaken with citizens on various Council services and policies including reduction proposals;
 - Delivery of the Council's Communications, Marketing and Engagement Strategy 2016-17
 - Highest response by % of residents in Wales to the budget consultation
 - Increased the range of ways citizens can complete surveys ie desktop, tablet or mobile.
 - Introduced an email database (in addition to the Citizens' Panel of over 1,500 residents who have requested to be kept up to date on key consultations.
 - Citizen engagement and involvement activities to inform Bridgend's Assessment of Wellbeing, and public consultation on the draft assessment developed by the Public Services Board
- 5. Principle 2 - Members and Officers working together to achieve a common purpose with clearly defined functions and roles**
- 5.1 The Council aims to ensure that the roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear. It operates a Leader and Cabinet system within which:
- The Council sets the overall budget and appoints the Leader of the Council;
 - The Leader appoints members of the Cabinet and announces the Deputy Leader and the portfolio of Cabinet Members, details of which are published on the website;
 - Audit Committee has a clearly defined function providing an independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process. Audit Committee appoints its own Chairperson;

- In total there are five Scrutiny Committees who advise on policy formulation and hold the Cabinet to account in relation to specific matters. They may also review areas of activity which are not the responsibility of the Cabinet or matters of wider local concern;
 - Regulatory Committees (e.g. Licencing, Development Control) are in place to determine matters as defined within the Council's Constitution;
 - In the case of executive functions which are not exercised by Cabinet as a whole, functions may be discharged by: -
 - a committee of the Cabinet;
 - an individual member of the Cabinet;
 - an officer;
 - an area committee;
 - joint arrangements; or
 - another local authority
 - Clear arrangements are in place to record decisions made by Cabinet Members and officers under delegated powers.
- 5.2 There is a Standards Committee to promote and maintain high standards of conduct by Town and Community Councillors and County Borough Councillors, lay members, co-opted members and Church and Parent Governor Representatives. In total there are 8 members of the Committee, representing the above.
- 5.3 The Constitution is at the heart of the Council's business and assigns responsibility within the Council. It also provides a framework that regulates the behaviour of individuals and groups through codes of conduct, protocols and standing orders.
- 5.4 The Constitution is a comprehensive document that is kept under continual review by the Monitoring Officer. It provides a point of reference for individuals and organisations both inside and outside the Council. Its Rules of Procedure govern the overall framework within which the Council operates. Procedural rules and codes of conduct outline how the Constitution will be put into effect. Whilst the Constitution is required by statute its content is not fully prescribed. The Council is satisfied that it is consistent with statute, regulations and guidance. The Corporate Director, Operational and Partnership Services is the Monitoring Officer appointed under Section 5 of the Local Government and Housing Act 1989. The post holder holds overall responsibility for ensuring compliance with the law and his staff work closely with departments to advise on legal matters.
- 5.5 All Committees have clear terms of reference that set out their roles and responsibilities and work programmes. These are reviewed by the committee during the year and updated as required. The Audit Committee, through its work programme, provides assurance to the Council on the effectiveness of the governance arrangements, risk management framework and internal control environment.
- 5.6 The Council's Chief Executive (as Head of Paid Service) leads the Council's officers and chairs the Corporate Management Board. Changes to the management structure were proposed by the Chief Executive (following the post of the Corporate Director – Resources becoming vacant) and were agreed by Council in April 2016
- 5.7 Since the deletion of the post of Corporate Director, the Head of Finance has been nominated as the Council's Section 151 Officer, as required by the 1972 Local Government Act, and carries overall responsibility for ensuring that the Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role

of the Chief Financial Officer in Local Government (2010). The corporate finance function provides a range of support to departments and determines the budget preparation and financial monitoring process. Whilst not a Corporate Director, the Section 151 Officer is a member of the Corporate Management Board on the same basis as other members.

- 5.8 The Corporate Director – Social Services and Wellbeing is statutory Director for Social Services, as defined by the Local Authority Social Services Act 1970, which outlines the six core responsibilities across all the Social Services functions, including ensuring that the Council has proper safeguards to protect vulnerable children and adults. Following changes made in December 2014, the Corporate Director – Social Services and Wellbeing now holds line management responsibility for the social care functions for children and adults. This has enabled the new ways of working laid down by the Social Services and Wellbeing (Wales) Act 2014 to be embedded within the service. The CSSIW report of 2014-15, published in October 2015, recognises that these changes have created additional leadership capacity to meet the challenges ahead within social services.
- 5.9 The role of the Assistant Chief Executive was changed at Council in April 2016 to that of Corporate Director of Operational and Partnerships Services, acknowledging the scale and complexity of an increased portfolio of services.
- 5.10 The Corporate Director – Education and Family Support (formerly Corporate Director – Education and Transformation, until April 2016) is the Chief Education Officer, as prescribed by the Education Act 1996 and statutory Director for Children and Young People, as defined by the Children Act 2004. The incumbent post holder has taken a secondment to Welsh Government and an interim Head of Service was engaged in April 2017 to cover this role for the duration of the secondment.
- 5.11 The Council's Workforce Plan aims to identify critical workforce issues and provide a structured and co-ordinated approach to building the capacity and capability of our workforce. Updated annually by Human Resources (HR) in consultation with Business Managers, the plan incorporates an action plan of HR and Organisational Development (OD) Action Plan and is approved by the Corporate Management Board.
- 5.12 Corporate training and development opportunities are provided for priority areas either through targeted face to face training and e-learning, which employees can access through a learning management system. Specialist training is also provided and co-ordinated by service areas, which includes training to meet new legislative requirements.
- 5.13 Training needs are identified through the employee appraisal process where managers are able to identify with employees their development needs. A Core Training Framework is available providing details of corporate training available to assist this process.
- 5.14 Job descriptions are available which set out the job purpose and summarise main responsibilities and activities of the role. These are reviewed as part of the appraisal process. Appraisals take place between January and June each year and actions and targets are linked to service priorities reflected in annual business plans.
- 5.15 Terms and conditions of employment are set out for all employees via their Written Statement of Particulars of Employment. These comprise national terms and conditions of employment and those negotiated on a local basis, e.g. the Council's Pay and Grading Scheme
- 5.16 HR policies protocols and managers' guidelines are available and are reviewed to ensure they are compliant with employment legislation, best practice and meet organisational needs. These are developed in consultation with legal colleagues and Trade Union representatives. The key policies are approved by Cabinet.

- 5.17 Health and wellbeing support is available for employees through the Care First counselling and employee assistance scheme which provides 24/7 access to counselling and advice on a broad range of workplace and personal matters, as well as a programme to help improve employees' health and wellbeing.
- 5.18 The Council's Performance Management Framework, revised and adopted by Cabinet in June 2014, continues to guide the Council's integrated Corporate, business and financial planning and performance management processes and practice. The Framework is structured around the 'Plan, Do, Review, Revise' model. It clearly defines the Council's processes and procedures for performance management at each stage, including monitoring and performance data. It establishes the roles and responsibilities of members, managers and staff through the cycle. It shows the relationship between process and plans at corporate, directorate and service level, linking to individual appraisals. It includes expectations around the style and behaviour of managers to support the further evolution of a strong culture of self-assessment.
- 5.19 During 2016-17, the Council strengthened the Corporate Management Board (CMB) challenge on Performance Management, to complement the Corporate Performance Assessment (CPA). This structured challenge further developed the use of Performance Indicators linked to service improvement and extended the opportunities for more detailed discussion of performance issues. The Performance Management system has been further developed to reflect these changes and continues to provide timely, consistent management information for managing service improvement and decision making.
- 5.20 In his Corporate Assessment report, published in January 2016, the Auditor General for Wales noted that the Council has clarified roles and responsibilities and established effective arrangements for holding people to account. He also found that Cabinet members and the CMB were working closely together to develop the options for the future role of the Council and to identify new opportunities for engaging with local communities.
- 6. Principle 3 - Promoting Values for the Council and Demonstrating the Values of Good Governance through upholding High Standards of Conduct and Behaviour (CIPFA 2016 - Principle A – *Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law*)**
- 6.1 There is a clear vision for the Council, that is, always to act as 'One Council working together to improve lives'. The Council recognises that it will become a smaller, more flexible and innovative authority that will continue to work with partners and local communities to create a future in which residents have access to a more responsive and tailored service. It will also mean that residents take greater responsibility for making that happen, both for their own sake and for that of the community as a whole. These values are set out in the Council's Corporate Plan.
- 6.2 In developing its new Corporate Plan for 2016-2020, the Council identified a new set of principles. These have been developed to help steer the Council to become the sort of organisation that it needs to be in order to meet new challenges.
- 6.3 The Council is committed to the sustainable development principle and the five ways of working provided by the Well-being of Future Generations (Wales) Act 2015. The Council appointed a Cabinet Member for Well-being and Future Generations to lead the implementation of the Act. The Council has integrated well-being planning into its corporate and business planning process. The Council is reviewing its Performance Management Framework to ensure the sustainable development principle and the five ways of working underpin everything it does: plan-do-review-revise.

- 6.4 The behaviour of elected members and officers is governed by codes of conduct. Elected members are provided with training in accordance with the Elected Member Learning and Development Strategy which is approved by Council and co-ordinated by Democratic Services. Topics include code of conduct, declarations of interest and other subjects which clarify the behaviours of elected members. Some training particularly relating to regulatory functions have been identified as mandatory to ensure that Elected Members have a full understanding of their role before they make key decisions. Democratic Services also monitors training, provides reminders and maintain documents and publish a variety of documents and registers including the register of Gifts and Hospitality for Elected Members and Officers.
- 6.5 The Council takes fraud, corruption and maladministration very seriously and has the following procedures and policies, which aim to prevent or deal with such occurrences;
- Anti-Fraud and Bribery Policy
 - Whistleblowing Policy
 - Anti-Money Laundering Policy
 - HR policies regarding the disciplining of staff involved in such incidents
 - Corporate Complaints Policy
 - Social Services Representations & Complaints Procedure
 - Financial Procedure Rules
 - Contract Procedure Rules
- 6.6 Conduct of Members is monitored by the Public Services Ombudsman for Wales and the standards reflect Welsh Government Public Service Values. The Council's Standards Committee also considers any reports submitted by the Ombudsman and the Monitoring Officer and any representations received relating to alleged breaches of the Code of Conduct. There has not been a referral to the Standards Committee in respect of a BCBC member for many years and the Monitoring Officer has utilised the internal informal protocol approved by the Public Services Ombudsman for Wales successfully.
- 6.7 The Audit Committee helps raise the profile of internal control and risk management within the Council. This enhances public trust and confidence in the financial governance of the Council.
- 6.8 The Council has a protocol for the use of Social Media. Link: <http://www1.bridgend.gov.uk/media-centre/terms-and-conditions/social-media-policy.aspx> Council. The aim of this is to be clear about how the Council will engage with users and manage expectations.
- 7. Principle 4 - Taking Informed and Transparent Decisions which are subject to effective scrutiny and Managing Risk (CIPFA 2016 - Principle F – Managing risks and performance through robust internal control and strong public financial management)**
- 7.1 The Council's Constitution sets out how the Council operates and the process for policy and decision-making. Within this framework, key decisions are made by the Cabinet. All Cabinet meetings are open to the public (except on the limited occasions where items are exempt or confidential).
- 7.2 All decisions made by the Cabinet are taken on the basis of written reports, including assessments of the legal, financial, and equalities implications. Consultation (including with ward members when appropriate) is a routine part of the process.
- 7.3 The decision-making process is monitored by five Overview and Scrutiny Committees, which support the work of the Council as a whole. The Council's constitution provides for the Chairs

of these committees to be appointed based on the political balance of the elected members that form the Council. The members of a Scrutiny Committee can “call in” a decision that has been made by the Cabinet but not yet implemented. They may recommend that the Cabinet reconsider the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and on the development of policy.

- 7.4 Other decisions are made by Cabinet Members individually or by officers under delegated powers. The authority to make day-to-day operational decisions is detailed within the Schemes of Delegation.
- 7.5 Policies and procedures that assist the governance of Council's operations include Financial Procedure Rules (FPRs); Contract Procedure Rules (CPRs); the Grants Policy and the Corporate Risk Management Policy. All managers have responsibility to ensure compliance with these policies.
- 7.6 The Council has adopted a category management approach to procurement. This is a strategic approach where our procurement resources are organised to focus on specific areas of spends. This enables category specialists to focus their time and conduct in depth market analysis to fully leverage procurement decisions on behalf of the Council as a whole. The results can be significantly greater than traditional transactional based purchasing methods. The corporate procurement unit also utilises and promotes collaborative frameworks, particularly the National Procurement Services (NPS).
- 7.7 The Council's Performance Management Framework describes the 'Golden Thread' for planning which links the Council's vision of “ One Council working together to improve lives” through services delivered at the frontline of the Council and how external factors influence the vision. The external factors include national priorities from both Welsh and UK Government and local priorities from Citizens, Partners, and the Public Services Board that is currently preparing its Wellbeing Plan and objectives that will influence/ and be influenced by the Council's priorities in the future. The vision and priorities set out in the Corporate Plan have a direct relationship with directorate business plans, service delivery plans, group delivery plans and individuals' objectives within staff appraisals.
- 7.8 The Corporate Performance Assessment (CPA) is undertaken on a quarterly basis and is attended by Cabinet Members, Corporate Management Board, and Heads of Service. The purpose of the CPA is as follows:
- Obtain a holistic view of the Council's performance;
 - Identify and explore cross-cutting issues;
 - Critically challenge areas of poor performance; and
 - Identify service improvement opportunities, risks to delivery and resource implications.
- 7.9 Specifically, the CPA monitors:
- Financial position by Directorate;
 - The Council's improvement priorities as defined by the Corporate Plan;
 - Service actions that are linked to directorate priorities as defined by the Corporate Plan;
 - Key indicators/measures, through four perspectives that are linked to directorate priorities in line with the Corporate Plan and at Service level for monitoring key operational performance; and
 - Corporate risks.
- 7.10 When necessary, the CPA may also, by way of exception, monitor progress against relevant national and collaborative initiatives.

- 7.11 During the latter part of 2015, Cabinet and CMB reviewed the current CPA process and agreed that for 2016-17, the CPA would cover a broader range of measures to assess performance both of the Corporate Plan and at Service level in relation to business as usual activities. It was agreed that outcomes would be measured through four perspectives, concentrating on performance indicators that supported tangible outcomes. The indicators would measure value for money, service user outcomes, internal processes and organisational capacity. Indicators are monitored at the Head of Service level for there to be greater accountability across the organisation and a balanced scorecard approach is used in monitoring performance for 2016-17 onwards. CPA undertaken during 2016-17 reflected the new process, with work ongoing during the year to strengthen the suite of indicators used to challenge performance at Head of Service and Corporate Director Level.
- 7.12 The Council has developed a robust approach to the management of risk. The Corporate Risk Management Policy is aligned with Directorate Business Plans and the Council's performance management framework. All risks identified are assessed against the corporate criteria.
- 7.13 Risks are viewed from both a Service and Council-wide perspective which allows the key risks to be distilled in the Corporate Risk Register. Key corporate risks are monitored at the highest level within the Council, including Cabinet, Senior Management Team, Programme Management Board, CPA Overview and Scrutiny Committees and Audit Committee. The Council's approach ensures that key risks are considered when determining Council priorities, targets and objectives and are incorporated in Directorates' Business Plans. The main risks facing the Council that were identified during 2016-17 are set out in the Council's Corporate Risk Register which can be accessed via this link:
<http://www.bridgend.gov.uk/media/393300/risk-register-2016-17.pdf>
- 7.14 In April 2015 Senior Management Team (SMT) received a report on Health and Safety gap analysis. It was decided that the risk should be escalated to the Corporate Risk Register. The risk describes the Council's duties and identifies that there are areas where there can be improvement in some health and safety arrangements.
- 7.15 The financial management of the Council is conducted in accordance with all relevant legislation and the Constitution. In particular, the Financial Procedure Rules and Contract Procedure Rules and the scheme of delegation provide the framework for financial control. The Section 151 Officer has responsibility for establishing a clear framework for the management of the Council's financial affairs and for ensuring that arrangements are made for their proper administration. As part of its performance management framework, the Council links the strategic planning process with the budget process and ensures alignment between them, facilitating the allocation of resources to corporate priorities. Chief Officers are responsible for financial management within their respective services. CMB regularly monitor the overall budgetary position and achievement of specific budget reductions and quarterly budget monitoring reports are produced for Cabinet and Scrutiny Committee. This work informs the production of the statutory annual Statement of Accounts.
- 7.16 The Council is committed to demonstrating due regard to the Equality Act 2010 and the Public Sector Equality Duty. It published its Strategic Equality Plan 2016-2020 on 1 April 2016. The plan outlines the Council's approach to ensuring equality of opportunity for customers, citizens, residents and visitors and seeks to ensure that Bridgend County Borough is a fair and welcoming place to be. The plan has been written based on what we know about our services and on the views and needs of Bridgend County Borough citizens and the people who use them. The Council has a duty to publish Strategic Equality Plan annual reports with the most recent going to Cabinet Equalities Committee in March 2017. The annual reports review and reflect on previous work and outline progress made by the Council on each of its equality objectives and themes. Heads of Service and Senior Service Managers are responsible for ensuring the actions in the Strategic Equality Action Plan are achieved.

Updates are provided to the Cabinet Equalities Committee and to the Bridgend Equality Forum. Committee and Council reports requiring a policy decision are supported by equality impact assessments.

8. Principle 5 - Developing the Capacity and Capability of Members and Officers to be Effective *(CIPFA2016 - Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it)*

- 8.1 The Council aims to ensure that members and officers of the Council have the skills, knowledge and capacity they need to discharge their responsibilities as outlined in their job/role descriptions. New members and staff are provided with an induction to familiarise them with protocols, procedures, values and aims of the Council.
- 8.2 Organisational structures in respect of Member responsibility and Directorate portfolios are contained within the constitution and are available on the BCBC website. Members also have agreed role descriptions.
- 8.3 There is an Elected Member Learning & Development Strategy 2012-17, which provides a framework for supporting elected members in the roles that they are required to undertake both within, and outside, the Council. The Strategy assists members to develop and strengthen their ability to be confident and effective political and community leaders.
- 8.4 Modern.Gov the Committee Administrative system is used to automate many of the administrative duties in respect of elected members and the formal decision making process. The system aids decision making, enables the tracking of actions and monitoring of decisions and provides a web-based decision register.
- 8.5 The Council takes a pragmatic approach to delegation of powers for decision making enabling lower level decisions to be subject to 'calling to account' but not 'call in' by scrutiny. The scheme is reviewed in detail regularly, updated to reflect any changes in legislation and following changes to the corporate structure and is published to the intranet. The Authority is informed of any changes that have been made using Bridgend's messages. Delegated powers and limits are clearly set out as are the use of sub delegations enabling effective and timely decision making.
- 8.6 While undertaking his Corporate Assessment of Bridgend County Borough Council, the Auditor General for Wales found that Elected Members of the Council benefitted from a range of opportunities that equipped them with the skills they needed to discharge their roles effectively.
- 8.7 The Member Development Programme is regularly reviewed to ensure that any training activities are appropriate, relevant and timely. Webcasting Training has been delivered to elected Members and to Officers. A provider has been sourced and webcasting of Council and Committee meetings has become a performance indicator requiring at least 10 meetings to be webcast until 2018.
- 8.8 In 2016-17 a cross party group of 3 Elected Members participated in the Leadership academy co-ordinated by the Welsh Local Government Agency (WLGA) consisting of 3 modules including Leading through relationships, Leading Innovation and Change and Community Leadership. The Academy also supported the personal development of these Members and promoted collaborative working across Wales.

9. Principle 6 - Engaging with local people and other stakeholders to ensure robust public accountability *(CIPFA 2016 - Principle B – Ensuring openness and comprehensive stakeholder engagement)*

- 9.1 The Council is committed to understanding and learning from the views of the public and using their feedback to help shape services and policies. There is a consultation and engagement toolkit in place to help managers to ensure consultation activities are robust as well as following legal guidance (Gunning's principles) and Participation Cymru's National Principles for Public Engagement in Wales that have been adopted by the Council. The planning and decision-making processes are designed to include consultation with stakeholders. The Communications, Marketing and Engagement Strategy provides a framework for engagement activities, which are undertaken by the Council.
- 9.2 The Welsh Language (Wales) Measure was introduced by Welsh Government in March 2010 and a compliance notice was served on the Council on the 30th September 2015. The Authority has made significant steps in its use of the Welsh Language to give Welsh speakers improved, enforceable rights in relation to the Welsh language and has implemented a number of the standards. The Council is negotiating with the Welsh Language Commissioner in relation to implementing the remaining standards.
- 9.3 The Council has a Citizens' Panel made up of over 1,500 residents aged 16 or over from across the county borough. Its panel members agree to take part in three or four surveys a year about a range of issues relating to Council services and policies. This has helped to understand residents' opinions about the services the Council provides and to help improve things in the future. The panel is currently representative of residents aged 25 and over. The consultation team has key performance indicators in place to increase representation of 16-24 year olds, Welsh speakers and disabled residents, as well as indicators to increase representation across each ward to a minimum 1 per cent.
- 9.4 During 2016-17, the Council consulted on a wide range of issues including the following (this list is not exhaustive):
- Shaping Bridgend's Future;
 - Understanding demand for Welsh language education
 - Bridgend Town Centre access survey
 - Household waste: additional allowance scheme
 - Digital transformation
- 9.5 The Shaping Bridgend's Future consultation included 15 community engagement events/stands throughout the county borough, and, an online survey which captured the views of the public on how to achieve the necessary budget savings.
- 9.6 Social media is used to promote services and engage with the public, Regular Q&A sessions/debates are held as part of consultation exercises to capture citizen's feedback. This has been successfully implemented as part of the "household waste and recycling review" and the "Shaping Bridgend's Future" consultations.
- 9.7 Increasingly, surveys are being made available on desktop, tablet and mobile to increase the likelihood of residents responding. The consultation team has also created a database of over 1,500 residents who are interested in receiving HTML emails regarding key consultations happening in the county borough.
- 9.8 Citizens' Panel members and residents who opt to receive key consultation updates are sent engagement details on projects that may be of interest to them. Using the database has seen a 68% improvement in response rate for the PSB survey (online consultation on the Wellbeing Assessment) in 2017. Bridgend Business Forum members, the youth Council and the Bridgend Equality Forum are all invited to share their views (when relevant) to improve representation.

9.9 There is regular communication with staff through managerial arrangements which is supplemented by

- Bridgenders
- Bridgenders Bulletin
- Chief Executive updates to employees
- Senior Management workshops

Trade Union meetings are held regularly with the Head of HR and representative Cabinet members.

9.10 The Corporate Plan is published on the Council's website, is communicated widely to staff and approved by Members, through the normal democratic process. Performance data is also published on the Web, to support the Council's achievements in delivering its improvements for the year. The Annual report is published on the website and like the Corporate Plan and performance data is agreed by elected members at Cabinet and Council on an Annual Basis. Notifications for the Corporate Plan and the Annual Report are published on the website and the local gazette on annually. The Annual Report is also available in key public buildings around the Borough for citizens to read.

9.11 The Council operates both a Corporate Complaints Procedure and a Social Services Representations & Complaints Procedure and uses this to identify areas where service quality is not satisfactory, and to take action to improve. Complaints can be made electronically, in writing and for Social Services complaints can also be made verbally. The Council has set target times for responding to all complaints received to ensure accountability. The operation of the Complaints Policy is reported annually to full Council as it provides an opportunity for improvement in service delivery. Social Services also produce an Annual Report on their complaints which is reported to Cabinet.

9.12 There is a Corporate Safeguarding policy which includes details of Safeguarding in Employment.

9.13 The Recruitment and Selection Protocol and Managers' Guidelines detail the pre-employment vetting which involves establishing full employment histories; proof of identity; satisfactory references; health assessment; checks of qualifications; asylum and immigration checks; and criminal record checks with the Disclosure and Barring Service.

9.14 The Disclosure & Barring Service Policy applies to employees, volunteers, work placements and elected members. In addition, foster carers and prospective adoptive parents, student placements, licencing and school transport arrangements and any other regulated positions also come under the provisions of this policy. Additionally it applies to those directly employed by governing bodies.

9.15 The Council makes a large amount of information available to its citizens in an open and friendly way. Information can be obtained through the Council website and many other publications. Under the Freedom of Information Act, the Council is required to increase access to the information it holds, and part of the Act requires the provision of a Publication Scheme. The Scheme has been approved by the Information Commissioner's Office who is responsible for ensuring compliance with the legislation. The Scheme provides a guide to the information routinely made available to the public. Not all the information the Council publishes is detailed in the publication scheme. Information that is not published can be requested by making a FOI request. The Council considers all requests under the provisions of the legislation and adheres to the requirement to respond within 20 working days.

9.16 All Council meetings are open to the public except where personal or confidential matters are discussed. All public agendas, reports and minutes are available on the Council's website.

Work Programmes with agreed timescales for report, submission, approval by Legal and Finance, publication and distribution aid decision making at a strategic level. This ensures a corporate check on the impact of decisions and also probity both in legal and financial authorisations. The Council also implemented a webcasting facility in early 2016, which provides live streaming and an archive facility. The number of webcast viewers is monitored and the results are reported to the Democratic Services Committee. Officers and members work together to identify those meetings which are considered to be of key public interest and suitable for webcasting. Members of the public and 'expert' witnesses can participate by speaking at Overview and Scrutiny Committees similar to arrangements already in place for Development Control Committee.

- 9.17 The Well-being of Future Generations (Wales) 2015 Act (the Act) gained royal assent on 29 April 2015. The Act establishes Public Services Boards in each local authority, which replaced Local Service Boards from 1 April 2016. The Council is one of the four statutory members of Bridgend Public Services Board (PSB). The Board also includes 'Invited Participants'. The work of the PSB can be found at [Public Services Board - Bridgend County Borough Council: http://www.bridgend.gov.uk/services/public-services-board.aspx](http://www.bridgend.gov.uk/services/public-services-board.aspx).
- 9.18 The main focus of the PSB in 2016-17 has been the statutory requirement to publish an Assessment of Local Wellbeing by April 2017. The Assessment will inform the wellbeing objectives to be included in the Wellbeing Plan which will be published by May 2018. The PSB is also responsible for implementing Bridgend County Together, the Single Integrated Partnership Plan for Bridgend, until it is replaced by the Wellbeing Plan. The PSB is taking a project approach to delivering its identified priorities. During the year the PSB also agreed its Terms of reference and developed its governance arrangements, including embedding in Scrutiny arrangements.
- 9.19 In the Medium Term Financial Strategy 2016-17 to 2019-20, over 10% of budget reductions identified over the 4 year period were identified as coming from collaboration and service transformation. Council have agreed that collaboration should focus on projects which have the potential to generate the greatest benefit, make a clear contribution to the Council's corporate priorities and result in a clear service benefit. In the recently published White Paper 'Reforming Local Government: Resilient and Renewed' the Welsh Government sets out its proposals for mandatory and systematic regional working to offer an opportunity to strengthen, regularise and simplify the existing arrangements between Local Authorities. Services that could be affected include transport, land use planning and building control, social services, education and public protection. Whilst the authority is already operating collaboratively in a number of these areas of service, there are still areas where joint working can be progressed.

10. Review of Effectiveness

- 10.1 The Council has responsibility for annually reviewing the effectiveness of its governance framework, including the system of internal control. This is informed by the work of Internal Audit and chief officers within the Council who have responsibility for the development and maintenance of the internal control environment. The Council also draws assurance on its governance arrangements from independent sources and in particular Internal Audit, External Audit and other external regulators.
- 10.2 The following elements are key to the Council in monitoring and reviewing its governance:
- The Constitution, which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. It also includes the Codes of Conduct for both members and employees.

- The Cabinet (as Executive) who are responsible for considering overall financial and performance management and receive comprehensive reports on a regular basis. The Cabinet is also responsible for key decisions and for initiating corrective action in relation to risk and internal control issues.
- The Scrutiny function which holds the Cabinet to account. The Corporate Resources and Improvement Overview and Scrutiny Committee is responsible for maintaining an overview of financial performance including value for money. The Partnerships and Governance Overview and Scrutiny Committee maintain an overview of cross-cutting matters. In the Committee's Terms of Reference it has a responsibility "to consider the Council's policies and strategies in relation to collaborative and partnership working arrangements". The Committee Chairpersons liaise with each other to ensure the effective scrutiny of collaborative collaboration topics to ensure that work programmes are co-ordinated to prevent duplication.
- The Audit Committee which provides the focus for reviewing the effectiveness of the system of internal control. Much of this work is primarily based upon reviewing the work of Internal Audit and receiving reports from the Council's external auditors. The Committee met regularly throughout the year and provided independent assurance to the Council in relation to the effectiveness of the risk management framework, internal control environment and governance matters.

10.3 Additional requirements of the Local Government (Wales) Measure 2011 included:

- the election of the Chairperson of the Audit Committee by the Audit Committee itself rather than by an appointment by Council;
- the requirement that Audit Committee must have at least one lay-member, a professional representative with no connections to the Council that is able to assist in the role of the Audit Committee. The number of lay-members required to support the committee is being kept under review;
- the appointment of a Head of Democratic Services

10.4 A comprehensive Member Development Programme has been provided to ensure that all members (including the Lay and Co-opted Members) have the opportunity to gain a comprehensive understanding of their role as described in the Elected Member Role Descriptions approved by Council. All Elected Members were offered training on Treasury Management to assist them in scrutinising the Annual Treasury Management Strategy of the Council. The effectiveness of member training has been recognised by Estyn which noted that training provided to elected members increased their understanding and ability to interrogate data to enable them to challenge performance particularly regarding school performance data.

10.5 Members have a key role to play in safeguarding children and adults at risk. Members have been able to access training to further their understanding of their responsibilities in relation to safeguarding children and adults. The training which took place over several dates between October and December 2016 considered safeguarding within the context of the Social Services & Wellbeing (Wales) Act 2014.

10.6 The Council has adopted the WLGA model of role descriptions for all committee Member and Chairpersons including the Audit Committee. These have been adapted to reflect the specific roles undertaken in the Council which enables members to better understand their role and identify any further support or training that they require to effectively carry out their duties. This

will increase the ability of Audit Committee members to analyse, monitor and challenge the effective performance of the Council.

- 10.7 The Cabinet and Scrutiny Committee functions provide a further mechanism for review and challenge of any issues that may impact upon the system of internal control. Scrutiny Committees establish Research and Evaluation panels (including to the review of budget proposals); they undertake reviews of specific areas of Council operations and make recommendations to Cabinet for improvement.
- 10.8 Internal Audit also provides independent and objective assurance. It undertakes a continuous audit of Council services that are assessed and prioritised according to relative risk. This risk assessment draws upon the corporate and service risks identified as part of the Service planning process. During 2016-17, in carrying out its duties, Internal Audit worked to the Public Sector Internal Audit Standards (PSIAS). The PSIAS is applicable to all areas of the United Kingdom public sector and is based on the Chartered Institute of Internal Auditor's (CIIA's) International Professional Practices Framework. In accordance with the Public Sector Internal Standards the Internal Audit Shared Service underwent an external assessment, which has been agreed by the Council's Audit Committee. Following a procurement exercise, CIPFA were commissioned to undertake the assessment which commenced at the end of January 2017 and concluded in February 2017. The outcome of the assessment was reported to the Council's Audit Committee on 27 April, which indicated that the assessment identified no areas of non-compliance with the standards that would affect the overall scope or operation of the internal audit activity. A number of recommendations have been made and whilst a number have already been actioned, the Council's Audit Committee will retain oversight of the implementation process to ensure that all recommendations are addressed.
- 10.9 Internal Audit completed a programme of reviews in accordance with the Annual Audit Plan for 2016-17. As part of the normal audit reporting process, recommendations were made and agreed with the relevant chief officers to address any issues that could impact upon the system of internal control. The internal audit arrangement enables the Chief Internal Auditor to provide an opinion on the internal control, risk management and governance arrangements. In addition, Internal Audit undertakes fraud investigation and is proactive in fraud detection work. This includes reviewing the control environment in areas where fraud or irregularity has occurred. Any significant weaknesses in the control environment identified by Internal Audit are reported to senior management, the Audit Committee and Cabinet as appropriate.
- 10.10 The Head of Internal Audit has found that Bridgend County Borough Council is committed to the principles of good governance and as a result has adopted a formal Code of Corporate Governance (COCG) for the last six years. In 2016-17, the Council's financial management arrangements were found to be conforming to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).
- 10.11 The Council is subject to an annual programme of independent external audits and statutory inspections which report on the Council's governance, performance and accounting arrangements. During 2015-16 the Council was subject to two significant pieces of assessment work both of which were undertaken on behalf of the Auditor General for Wales, the Financial Resilience Assessment and the Corporate Assessment and followed up by the Wales Audit Office in 2016-17.
- 10.12 Following on from the WAO proposals for improvement, the production and focus of the Annual Report was reviewed for 2015-16 making it more outcome focused and easier for citizens to understand the improvements the Council made in line with the improvements set out in the Corporate Plan. The effectiveness of the improved Annual Report 2015-16 is yet to be assessed by the WAO.

- 10.13 The Financial Resilience Assessment was undertaken during June to September 2016 and focused on delivery of the 2015-16 savings plans, the quality of its medium term financial plans and the robustness of its 2016-17 savings plans. The auditors also followed up their 2015-16 work to determine what the Council did as a consequence of what it learnt and how it had responded to the proposals for improvement in relation to financial planning. The auditors sampled some of the savings proposals for 2016-17 and looked at the underlying assumptions, and whether there are adequate mechanisms to ensure they can be delivered in the planned timescale. In the review they found that the Council has strengthened its arrangements for reporting on the use of reserves but its approach to developing savings plans weakens arrangements. Over half of the savings plans are insufficiently well developed when setting the annual budget to ensure delivery in planned timescales and indicative savings plans for future years lack detail.
- 10.14 Overall the assessment concluded that “Whilst the Council has a sound financial planning framework underdeveloped savings plans may not fully support future financial resilience”. They made one proposal for improvement:
- That the Council strengthen financial planning arrangements by:
 - ensuring that savings proposals are fully developed and include realistic delivery timescales prior to inclusion in the annual budget; and
 - identifying indicative savings proposals over the period of the MTF5.
- 10.15 The Corporate Assessment undertaken by the Auditor General for Wales in 2015-16 sought to answer the following question, “Is the Council capable of delivering its priorities and improved outcomes for citizens?”
- 10.16 As a result of this work, the Auditor General has concluded that the Council is developing appropriate plans for the future and is well placed to secure improvement. The Auditor General came to this conclusion because the Council:
- is consulting on key strategic themes designed to improve its focus on priority activity for the future;
 - has effective governance arrangements in place to support improvement and drive change;
 - has performance management arrangements that are driving improvement in key service areas but the way in which performance evaluation is presented is inconsistent;
 - strong financial and asset management arrangements are in place but the Council has not yet established a vision for the way in which human resource and ICT services will be delivered in the future and;
 - collaborates across a wide range of activities and whilst it is able to identify improved outcomes from some activities it is not yet able to evaluate the impact of Local Service Board activity.
- 10.17 Since the conclusions of the Auditor General, the ICT Service has been developed to support the Council’s transformation agenda. An ICT Strategy has been developed and approved by Cabinet. The digital transformation is a key project to enable change as part of the Council’s transformation programme and training and development opportunities have been put in place to help address recruitment and retention issues within the ICT service.
- 10.18 The HR service has been further developed, specifically workforce planning so that they support the Council’s transformation agenda and ensure workforce considerations are embedded in service business planning.

- 10.19 The Council has addressed the areas where improvement was identified by the Corporate Assessment, including the way in which its performance is evaluated and presented, evidenced by its annual report for 2015-16, performance report to Scrutiny Committees, and the Council's Corporate Plan and directorate business plans for 2017-18.
- 10.20 The Council has strong mechanisms in place to engage with citizens and partners to ensure there is transparency and public accountability. This includes for example in March 2017 a leaflet regarding the changes in household waste collection being enclosed with the annual Council tax bill to all households paying Council tax. The development of the Council's social media presence has extended the Council's communication, consultation and engagement mechanisms. Public interaction on our social media accounts including Q & A sessions with CMB, have increased public engagement which has directly informed our FAQs relating to the changes in provision of services to our citizens.
- 10.21 In 2016-17 the Auditor General for Wales undertook a Governance thematic review. The purpose of the review was to "provide assurance that Councils' governance arrangements are well-placed to respond to future challenges, as well as identify opportunities to strengthen arrangements and approaches". The review would also "provide insight and promote improvement through assessment of each of the 22 Councils' governance arrangements in relation to service change, taking into account the revised CIPFA framework, the Public Sector Equality Duty and the Future Generations (Wales) Act". The focus of the review was on Councils' governance arrangements for determining service changes. The result of the review is yet to be known.
- 10.22 The Public Services Ombudsman for Wales reports on each Council in Wales the number of complaints received and investigated. In July 2016 the Council received its Annual Letter for 2015-16. The letter noted an increase in the number of complaints received, 38 in 2015-16 compared to 33 in 2014-15. The comparative figure for the local authority average was 41 for 2015-16 (42 for 2014-15). One investigation was commenced by the Ombudsman in 2015-16. The Annual Letter noted that Planning and Building Control remain the biggest single area of complaints, followed by Road and Transport and Children's Services which both saw a 60% increase from last year. No "upheld" reports were issued and only one Quick Fix or Voluntary Settlement outcome recorded during the year.
- 10.23 Social Services is a regulated service area and there is an annual programme of inspection carried out by the Care and Social Services Inspectorate in Wales (CSSIW). In addition, the Director and Heads of Service have quarterly performance review meetings with CSSIW which ensure regulatory requirements are met and that significant service developments, challenges, workforce, performance and consultation activity is discussed. During 2016-17, the CSSIW completed a review of adult safeguarding and a review of carers. The verbal feedback following these reviews was positive.
- 10.24 There was an inspection of children's social care during January/February 2017. The inspection focussed on how children and families are empowered to access help and care and support services and on the quality of outcomes achieved for children in need of help, care and support and/or protection, including children who have recently become looked after by the local authority. The inspection also evaluated the quality of leadership, management and governance arrangements in place to develop and support service delivery. Formal feedback from this is still awaited and an action plan to progress the recommendations will be developed; it is planned that this will report into Scrutiny in July 2017. The relevant actions arising out of this inspection will be included in the Director of Social Services Annual Report 2016-17 which is in the process of being finalised.

- 10.25 The regulated service areas are also subject to an annual inspection and this includes the 4 older people residential care homes, the supported living environments, the three Children's Homes and the Fostering service.
- 10.26 The Statutory Director of Social Services annual report 2015-16 was submitted to CSSIW. It confirmed that the key priorities for the directorate during 2015-16 were to progress the objectives of the directorate business plan and also contribute to the new corporate priorities for 2016-17; to contribute to the Medium Term Financial Strategy (MTFS); to implement the new Social Services and Wellbeing (Wales) Act 2014 (SSWBA) and also implement the new Welsh Community Care Information System (WCCIS) – making Bridgend the first local authority in Wales to do so.
- 10.27 CSSIW confirmed in their subsequent performance review meeting with the Director and the two Heads of Service that they were satisfied that the annual report reflected the work undertaken in key areas including our achievements and future plans for the Directorate.
- 10.28 The remodelling Adult Social Care Board remains. The key transformation programme continues to be the central foundation for strengthening the remodelling workstreams and leads the prevention and wellbeing agenda across Bridgend, and regionally across the Western Bay Health and Social Care Collaboration. Key areas for remodelling in adult social services include the embedding of the new ways of working as laid down by the Social Services and Wellbeing (Wales) Act, for example the provision of information, advice and assistance. Progress has also been made towards the implementation of the extra care model, the remodelling of Home Care, Learning Disability and Mental health services as well as the continued development of the common access point based at Trem y Mor.
- 10.29 The budget approved for 2016-17 included savings proposals of £7.477 million (3.55% of net service budgets). However, as at quarter 3, £1.845 million of these proposals are at risk of not being realised, but the expenditure associated with them has in some instances been offset by vacancy management and other savings elsewhere within the budget. The impact of this is that there is still a recurrent pressure on 2017-18 budgets which will need to be addressed by implementing the proposals or identifying and delivering alternatives. Future monitoring reports will review achievement against these targets in addition to current year budget reductions.

11. Significant Governance Issues

- 11.1 Across the whole of the United Kingdom, local councils are facing unprecedented challenges following reduced Government funding and increased demands on essential services. Between 2016-17 and 2019-20, the Council is expecting to have to make budget reductions of £35.5 million. Budget cuts of this scale present a significant challenge that will require the Council to make many difficult decisions about which services can be maintained and which cannot. It will mean that "business as usual", however well managed, will not be enough. The challenge will be to consider alternative delivery models for services across the Council and this will be essential to mitigate the impact of cuts and assist in continuing to provide priority services. As the Council continues to experience reduced resources, increased demands on services and new and innovative forms of delivery, it is necessary to ensure that the control environment, including governance and risk management, remains robust, proportionate and as efficient and effective as possible.
- 11.2 The Council remains unwavering in its commitment towards improving and finding ways of delivering local services, providing better outcomes for residents and achieving savings that will ensure they can deliver a succession of balanced budgets.

11.3 Based on the internal audit work carried out for the year 2016-17, the Head of Internal Audit concluded that the Council's framework of governance, risk management and control is considered to be reasonable and that "there are no significant cross cutting internal control weaknesses identified which would have an impact on the Council's Annual Governance Statement". The weaknesses that have been identified are service specific and the recommendations made to improve the overall control environment have been accepted and are being / will be implemented.

Action Plan

1. Review the Performance Management Framework to incorporate the requirements of the Well-being of Future Generations (Wales) Act 2015
2. Promote the new Code of Corporate Governance and the Well-being of Future Generations (Wales) Act to ensure they underpin everything the Council does.
3. Democratic Services will update and publish the Cabinet Forward Work Programme (FWP) on the website to improve transparency and access to the general public. The scheme of delegation will also be published on the BCBC website.
4. The AGS working group set up during the year will continue to work together to review the Council's Code of Corporate Governance to reflect the CIPFA new principles 2016.
5. The Council will put measures in place to respond to the recommendations within the Financial Resilience report and ensure that financial planning arrangements are strengthened with more robust savings delivery plans and implementation timescales.

12. Certification of Annual Governance Statement

Steps to address and mitigate the matters referred to in section 11 above will be taken to further enhance our governance arrangements.

Signed:

Section 151 Officer.....Date.....

Chief Executive Officer.....Date.....

Leader of the Council.....Date.....