

Annual Governance Statement



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1 Foreword

“Delivering together”

The Council’s [Corporate Plan 2023-28](#), approved by Council in March 2023, sets out what the Council’s long-term well-being objectives are so that amongst all of the complexity of increased demand and reduced resources the Council can keep a clear focus on what is really important for our communities.

The plan is about the people of Bridgend. The Council worked with residents, staff, trade unions, elected members and businesses to shape our ambitions for everyone over the next 5 years. The plan responds to the short- and medium-term issues, like the financial crisis, while protecting the natural environment and helping young people meet their potential for the long-term. Sustainability is at the centre of all we do, including our commitment to achieving net-zero carbon status by 2030.

The Corporate Plan sets out the Council’s 7 Wellbeing Objectives:

- A County Borough where we protect our most vulnerable
- A County Borough with fair work, skilled, high-quality jobs and thriving towns
- A County Borough with thriving valleys communities
- A County Borough where we help people meet their potential
- A County Borough that is responding to the climate and natural emergency
- A County Borough where people feel valued, heard and part of their community
- A County Borough where we support people to live healthy and happy lives

It is necessary to ensure that our communities and those that use and pay for our services, those who deliver our services, and our partners and suppliers, have confidence in our governance arrangements. They must be assured that our services are provided effectively and efficiently and delivered on a consistent basis, that public money is safeguarded and properly accounted for and that decisions are taken transparently and lawfully. This is especially the case given the challenges arising from the cost-of-living crisis and the ramifications arising from the current conflict in Ukraine.

The Council has a duty to set well-being objectives under the Well-being of Future Generations (Wales) Act 2015 and the Local Government Elections (Wales) Act 2021 to make arrangements and keep under review the extent to which it is exercising its functions effectively, using its resources economically, efficiently and effectively and to ensure its governance is effective for securing these performance requirements. Our governance arrangements operate effectively in supporting the Council in meeting its challenges and responsibilities and have continued to do so in the current uncertain times. Improvements are continually being made and opportunities to do so going forward have been identified. These will be monitored during 2023-24 to ensure that the necessary improvements are made.



Cllr Huw David
Leader of the Council



Mark Shephard
Chief Executive

2 Governance Framework

What is Corporate Governance?

Corporate governance comprises the systems, processes, culture and values by which the Council is directed and controlled, led and held to account, and how it engages with stakeholders. It is also about the way that Councillors and employees think and act.

The Governance Framework enables the Council to monitor the achievement of its strategic objectives and to consider whether they have led to the delivery of appropriate, cost-effective services.

What this Statement tells you

This Statement describes the extent to which the Council has complied with its Code of Corporate Governance and the requirements of the Accounts and Audit (Wales) Regulations 2014 and the Accounts and Audit (Wales) (Amendment) Regulations 2018 for the year ended 31 March 2023.

It also sets out how the Council has responded to governance issues identified during 2022-23 and actions to be undertaken during 2023-24 following an annual review of the Governance Framework.

The Statement has been prepared in accordance with the 2016 guidance: '[Delivering Good Governance in Local Government Framework](#)' produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE).



Bridgend Market

The Council's Governance Responsibilities

The 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.

The Council must consider the longer-term impact of any decisions it makes, and should work collaboratively with other public bodies to improve well-being in Wales.¹

As a public body the Council has to ensure it delivers sustainable social, cultural, environmental and economic outcomes as a key focus of its governance process and structures. This is achieved by:

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

The Council's Code of Corporate Governance sets out its commitment to, and responsibility for, ensuring that there is a sound system of governance in place. The [Code of Corporate Governance](#) is on the Council's website.

The Council's Code of Corporate Governance sets out the seven principles of good governance in line with CIPFA's 'Delivering Good Governance in Local Government: Framework'.

Bridgend County Borough Council Code of Governance The Council's Governance Principles are based on the following:	
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



¹ Well-being of Future Generations (Wales) Act 2015

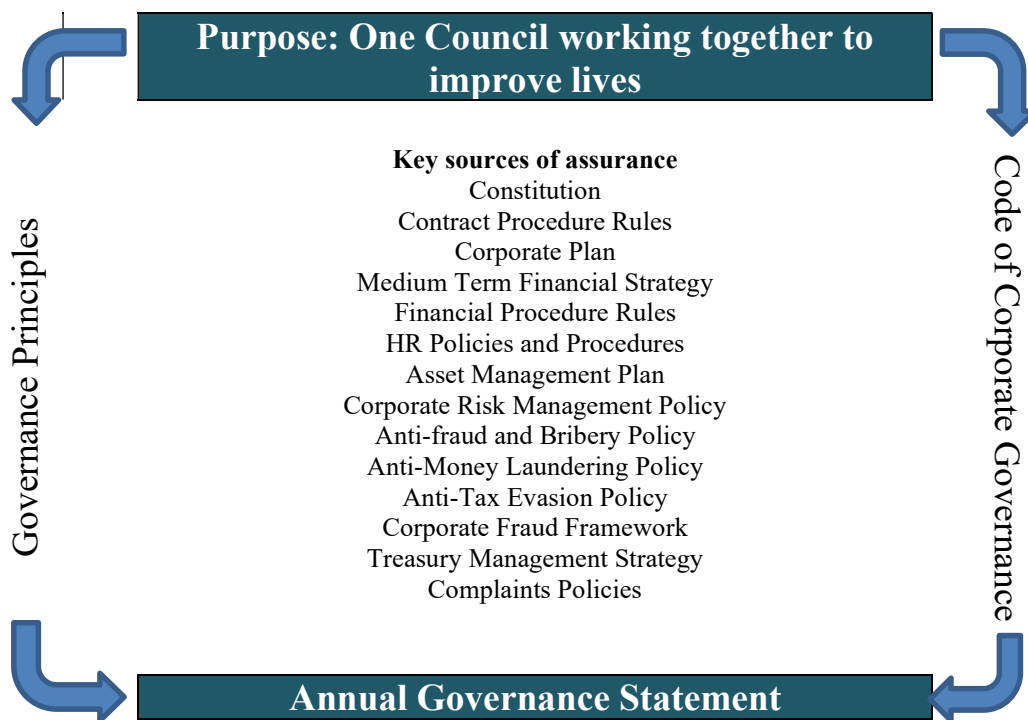
The Council's Governance Framework

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.

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 the risk; the system of internal control is designed to identify and prioritise risks, evaluate the likelihood of those risks materialising and manage their impact.

In order to review the effectiveness of the governance framework, assurances are provided to, and challenged by, the Governance and Audit Committee, Scrutiny Committees, Standards Committee, Council, Cabinet and Corporate Management Board as appropriate. In addition the Section 151 Officer promotes and delivers good financial management and the Monitoring Officer promotes and delivers legal and ethical assurance.

Some of the key elements of the governance framework are highlighted below.



More widely, as part of its partnership and joint working arrangements, the Council is involved in bespoke external governance arrangements driven by the different partnership and delivery arrangements in place. Examples of these include the following:

- The Council is one of ten Councils jointly delivering the Cardiff Capital Region City Deal (CCRCD), which has in place joint Scrutiny and Cabinet to ensure governance in its implementation. The CCRCD aims to raise economic prosperity, job prospects and improve digital and transport connectivity and is a significant investment into the South Wales economy. The Council is

committed to contributing to the delivery of these objectives across the region to ensure that the community and business within the Borough can benefit from this investment

- The Local Government and Elections (Wales) Act provides Ministers with the powers to establish Corporate Joint Committees covering the four functions of economic wellbeing, transport, strategic planning and school improvement. The Welsh Government's South East Wales Corporate Joint Committee Regulations 2021 established a Corporate Joint Committee (CJC) for the Cardiff City Deal region (CCRCD) and provided that the three core functions (economic well-being, transport and strategic planning) would be conferred on the South East Wales CJC. A transition plan has been developed and regular updates on progress are presented to the Cabinet of the CCRCD and to the Corporate Joint Committee.
- The Council works closely with Health and there is in place regional arrangements managed by the Cwm Taf Regional Partnership Board. The Regional Safeguarding Board and Regional Partnership Board provide leadership across the region for safeguarding and integrated planning of health and social care services though the Adoption Service continues to operate on the previous 'Western Bay' footprint.
- The Council is a participant in a number of shared services, with other local authorities, such as the Shared Regulatory Services with Cardiff and the Vale of Glamorgan Councils, and Central South Consortium, a joint education service for five local authorities. These are governed by joint committees which comprise elected members from each of the local authorities. The Council also is a partner in the Regional Internal Audit Shared Services with Vale of Glamorgan, Rhondda Cynon Taf County Borough Council and Merthyr Tydfil County Borough Council.

Decision Making and Responsibilities

The Council consists of 51 elected Members (a reduction of 3 members), with an elected Leader and Cabinet who are supported and held to account by Scrutiny Committees. The Council's constitution sets out how the Council operates, how decisions are made and the procedures for ensuring that the Council is efficient, transparent and accountable to local people. It contains the basic rules governing the Council's business and sets out a list of functions and decisions exercisable by officers. It also contains the rules and protocols by which the Council, Members and officers operate.



Through the [Constitution](#), along with the Member's Code of Conduct, Standards Committee and role of Internal Audit, the Council operates with **integrity**, **ethical values** and within its **legal** powers. The Constitution has been updated to take into account the new legislative requirements placed on local authorities under the Local Government and Elections (Wales) Act 2021. It was approved by Council on 19 October 2022 and implemented from 1 December 2022. A [guide to the Constitution](#) has also been produced and published on the website, which will enable a better understanding of the Constitution for members of the public.

All Council and Committee meetings' agendas, papers and minutes can be viewed on-line and pre-pandemic all meetings were open to the public unless exempt or confidential matters were being discussed. Since the pandemic meetings are held virtually and recorded and placed on the Council's website for the public to access. The Council's forward work programme contains information about all matters that are likely to be the subject of a decision taken by full Council or Cabinet during the forthcoming period. They also include information regarding Scrutiny Committees. To further enhance

openness and **comprehensive stakeholder engagement** the Council has a Citizen's Panel, which takes part in surveys on a range of issues. The Council also uses social media to promote services and engage with the public and makes information available in a range of formats to maximise the opportunity for information sharing and to enable residents to communicate with the Council.

Local Government and Elections (Wales) Act 2021

The Local Government and Elections (Wales) Act received Royal Assent on 20 January 2021. The Act is a substantial piece of legislation covering electoral reform, public participation, governance and performance and regional working. There are many reforms within the Act, however, in summary the Act introduces:

- Reform of electoral arrangements for local government, including extending the voting franchise to 16- and 17-year olds;
- Introduction of a general power of competence;
- Reforming public participation in local government;
- Reforms around democratic governance and leadership;
- Collaborative working;
- Reform of the performance and governance regime;
- Powers to facilitate voluntary mergers of principal councils.

In order to provide local authorities with certainty as to what legislative changes are being implemented when, and ensure the required preparations can be made, Welsh Government has made three Commencement Orders, which will be accompanied by other relevant subordinate legislation, which brought the relevant provisions into force on a series of dates between March 2021 and 5 May 2022.

The Act will continue to have a wide-ranging impact on the organisation, powers, performance measurement and governance of the Council. From May 2022 the composition of the Governance and Audit Committee has changed, and one-third of its members are required to be lay members, including the Chair of the Committee. For the Council the Governance and Audit Committee now comprises 8 elected members and 4 lay members. New responsibilities, some of which the Committee has already started to assume, include:

- a role in reviewing the Council's self-assessment report and making any recommendations for change;
- consideration of the outcome and response to a panel performance assessment of the Council, and;
- responsibility for making reports and recommendations in relation to the authority's ability to handle complaints effectively.

Role of the Governance and Audit Committee

The **Governance and Audit Committee** provides independent assurance on the Council's internal control environment. It is a statutory Committee for the duration of 2021-22 consisted of 11 Councillors and 1 Lay Member. Following implantation of the Local Government and Elections Act, from 2022-23 it consists of 8 Councillors and 4 Lay Members. Its main functions are:

- Review and scrutinise reports and recommendations in relation to the Council's Financial Affairs
- Review and scrutinise reports and recommendations on the appropriateness of the Council's risk management, internal control and corporate governance arrangements
- Oversee the Council's internal and external audit arrangements
- To be responsible for ensuring effective scrutiny of the Treasury Management Strategy and Policies
- To monitor the Council's Anti-Fraud and Bribery Strategy, Anti-Money Laundering Policy and Anti-Tax Evasion Policy
- To review and approve the Council's Annual Governance Statement and the Annual Statement of Accounts
- To review and consider reports from the External Auditor and Inspectors
- To review and assess the Council's ability to handle complaints effectively and make recommendations in this respect
- To review the Council's draft self assessment report on its performance and, if deemed necessary, make recommendations for changes to the conclusions



Tremains Wood

3 Assessing Performance

Under the Local Government and Elections (Wales) Act 2021 the Council has a duty to report on its performance through an [annual self-assessment report](#). This is a wider assessment than the previous [Annual Report](#), which was an annual self-evaluation of progress against the Council’s Corporate Plan. The Annual Report looked back on the progress made during the year on the steps to meet the well-being objectives. The self-assessment report is much wider and must set out the Council’s conclusions on the extent to which it met the performance requirements during that financial year, and any actions it intends to take, or has already taken, to increase the extent to which it is meeting the performance requirements. The duty includes a requirement for Governance and Audit Committee to review the draft report, which they did in June 2022, and for the final report to be submitted to at least the Auditor General for Wales, His Majesty’s Chief Inspector of Education and Training in Wales and Welsh Ministers.

The Corporate Plan

The Corporate Plan 2023-28, approved in March 2023 sets out the Council’s ambition: ‘**Delivering Together**’. The Plan defines the Council’s seven well-being objectives and its organisational values and principles that underpin how it will work to deliver its priorities. Over the next 5 years the Council wants to invest in the right things, the things that make the biggest difference and are most valued by its customers. However, the Council faces difficult choices in how it prioritises spending and will not be able to do everything for everyone. The Plan sets out how the Council will work.



		Your Council’s Wellbeing Objectives						
		Protecting our most vulnerable	Fair work, skilled, jobs and thriving towns	Creating thriving valleys communities	Helping people meet their potential	Responding to the climate and nature emergency	Making people feel valued, heard and part of their community	Supporting people to be healthy and happy
National Wellbeing Goal	A prosperous Wales		●	●	●	●	●	●
	A resilient Wales	●	●	●	●	●	●	●
	A healthier Wales	●		●		●	●	●
	A more equal Wales	●	●	●	●		●	●
	A Wales of cohesive communities	●		●			●	
	Vibrant culture and thriving Welsh language		●	●	●			●
	A globally responsible Wales		●	●		●	●	●

Underpinning the Council’s Corporate Plan and throughout its decisions-making process, the principles of the Well-being of Future Generations (Wales) Act 2015 are applied. The table shows how the Council’s well-being objectives contribute to the seven well-being goals.

























In addition to the seven well-being goals, the Well-being of Future Generations (Wales) Act 2015 puts in place the sustainable development principle and defines the five ways of working that public bodies must adopt to demonstrate they have applied the sustainable development principle. The five ways of working are:

Long-term: thinking of future generations and of our natural resources.

Prevention: this is the step before any issues arise and is aimed at making sure that solutions and interventions are targeted and available to stop statutory services being required.

Integration and Collaboration: with colleagues and partners. Ensure decisions are joined up across services and work more closely with partners in the public, private and third sectors.

Involvement: consult and involved local people in planning and delivering services.

5 Ways of Working	Long term	Prevention	Integration	Collaboration	Involvement
Our Principles					
To support communities and people to create their own solutions and reduce dependency on the Council.					
To focus diminishing resources on communities and individuals with the greatest need.					
To use good information from service users and communities to inform its decisions.					
To encourage and develop capacity amongst the third sector to identify and respond to local needs.					
To not let uncertainty over the future of public services prevent meaningful and pragmatic collaboration with other public sector bodies.					
To work as one Council and discourage different parts of the organisation from developing multiple processes or unnecessarily different approaches.					
To transform the organisation and many of its services to deliver financial budget reductions as well as improvements.					

Welsh language – Wales has two official languages, Welsh and English, and services and information should be equally available in both. The Council has a statutory duty under the Welsh Language (Wales) Measure 2011 to promote the Welsh language and to facilitate the use of the Welsh language more widely within the Borough. The Council has a [Welsh Language Promotion Strategy 2021 to 2026](#) as required under the Measure. The Council's internal business language is English, but all the services and information we provide for local people will be equally available in either language.

The Corporate Plan identifies a number of key principles which underpin its Well-being objectives and has adopted a set of values that represent what the Council stands for and influences how it works. The key principles are set out below.

- Wherever possible the Council will support communities and people to create their own solutions and reduce dependency on the Council
- The Council will focus diminishing resources on communities and individuals with the greatest need
- The Council will use good information from service users and communities to inform its decisions
- The Council will encourage and develop capacity amongst the third sector to identify and respond to local needs
- The Council will not let uncertainty over the future of public services prevent meaningful and pragmatic collaboration with other public sector bodies
- The Council will work as one Council and discourage different parts of the organisation from developing multiple processes or unnecessarily different approaches
- The Council will transform the organisation and many of its services and in so doing will deliver financial budget reductions as well as improvements

Future Service Delivery

The UK has emerged from the COVID-19 pandemic and although the virus still is in circulation, its impacts are much reduced. A Future Service Delivery Model for the Council has been developed, which outlines plans for future service delivery going forward. The Council has introduced a Hybrid Working Policy for many staff, which offers a blended approach that can take account of the wide range of services delivered by the Council. The application of hybrid working is dependent on the demands and needs of the role undertaken by the employee and the service within which the role is based. It also offers employees greater flexibility in their work practices, promoting a better work-life balance. The Council has also implemented a new Flexitime Working Hours Scheme which works alongside the Hybrid Working Policy and enables employees to have an element of flexibility in relation to working hours where this meets the operational requirements and needs of the service.

Cost of Living crisis

The rising costs of fuel, food and other essentials and inflation at the highest levels in many years, households in the Borough and across the UK are facing significant financial pressures. On 15 February 2022 the Welsh Government announced a package of measure to help people with support towards the increased cost of living. This included a £150 cost-of-living payment which would be provided to those living in council tax bands A-D and all households who were recipients of the Council Tax Reduction Scheme in properties in council tax bands A-I. Welsh Government also announced a discretionary support scheme would be available to be used by each local authority to support other households who were outside the criteria for the main scheme that it considered to be in need of assistance with their living costs. The discretionary scheme included £60 payments to households in council tax bands E to F and £50 vouchers for each pupil entitled to free school meals. A total of £1,260,415 was paid out including £729,390 for Council Tax, £499,440 for free school meals and £31,585 for homelessness and food banks/warm banks. The Council and its partners have also actively worked to provide support to residents in need. This includes the provision of food support, warm spaces and financial support. All Awen libraries in the county borough are taking part in Awen's Warm Welcome Programme with free tea, coffee, hot chocolate and cup-a-soup and an enhanced activity programme. Financial support from the Council includes the Council Tax Reduction benefit for people on low incomes; various grants for education support including free school meals; and supporting the delivery of the Welsh Government's Fuel Support Scheme and HM Government Energy Bills Support Scheme Alternative Funding and Alternative Fuel Payment Alternative Fund schemes.

The rate of inflation increases has also had a significant effect. The annual rate of inflation reached 11.1% in October 2022, a 41-year high, before easing in subsequent months. It rose again however from 10.1% in January 2023 to 10.4% in February. Not only is this impact felt by households, but it is also affecting businesses as they struggle with increasing costs and the pressures that places on businesses.

Decarbonisation 2030

Welsh Government declared a [Climate Emergency](#) in April 2019. Following this the Welsh Government committed to achieving a carbon neutral public sector by 2030. In June 2020 Bridgend County Borough Council Cabinet

approved a report that set out the crucial roles that the Council has to play through the management of its own resources, organisations and businesses to respond to the challenges set out in the United Nations Intergovernmental Panel on Climate Change (IPCC) October 2018 report.

The Council declared its own climate emergency in June 2020 and set up its [Climate Emergency Response programme](#), which has a commitment to achieve net zero carbon emissions by 2030 across its operations. The Council developed its [2030 Net Zero Carbon Strategy](#) over the period April 2021 to August 2022. The Council undertook a series of officer workshops to contribute to the draft strategy, and a 12-week public consultation during June to August 2022. The final strategy was approved by Cabinet on 13 December 2022. It is recognised that the resource challenge faced by all public bodies in Wales to achieve net zero carbon by 2030 is significant. The delivery of the Strategy is a corporate responsibility and all Directorates will have a role to play in achieving net zero. Delivery will also require an on-going partnership with external stakeholders and a wide range of funders. Council agreed a specific annual 2030 Decarbonisation capital budget of £0.4 million each year to 2030-31 as part of the Medium-Term Financial Strategy 2023-24 to 2026-27, however the level of resources to deliver 2030 Net Zero will be substantially more than this. Schemes to deliver 2030 Net Zero will require feasibility funding to finalise detailed costs and delivery profiles, and proposals will be submitted wherever possible to funding sources to secure external resources to fund initiatives. There are existing schemes that contribute to the 2030 Net Zero targets including the provision of electric vehicle charging points; energy efficient lighting and LED street lighting; and installed roof-mounted solar panels. The Council has undertaken coastal protection, extended areas of local nature reserves and tree-planting and approved a socially responsible [Procurement Strategy](#).

Inspections

Care Inspectorate Wales carry out regulatory inspections of the Council's registered care provision. The Council is a significant provider of adult and children's regulated care services. In the last year leadership has been strengthened through the appointment of dedicated Responsible Individuals for children's and adults social care registered provision. Responsible Individuals have legal responsibilities in accordance with the Regulation and Inspection of Care (Wales) Act (2018). There have been a number of regulatory inspections in 2022-23. There have been regular meetings between senior officers and Care Inspectorate Wales during 2020-21 to provide assurance in respect of the safety and wellbeing of people during the COVID-19 pandemic. An assurance check was carried out by Care Inspectorate Wales in April 2021, this was followed by a Performance Evaluation Inspection of Children's Services in May 2022 and an improvement check in November 2022. The Cabinet has approved a 3 year strategic plan to improve outcomes in children's social care, and the improvements in this plan, and the Care Inspectorate Wales inspection, are being overseen by a board chaired by the Chief Executive and advised by an independent expert in children's social care. There is also a Social Services Member Improvement Panel which is chaired by the Deputy Leader, which is also advised by an independent advisor.

The findings of the performance evaluation inspection and follow up check are set out below:

Principle	Areas of improvement identified from PEI – May 2022	Progress identified from improvement check – November 2022
People	Seeking, hearing (including the use of direct work) and recording the voice of the child	Significant improvements made and must be sustained
People	People consistently feel listened to and treated with dignity and respect	Some improvements made; further action is required
People	Workforce recruitment and retention	Some improvements made; further action is required

People	Management oversight	Significant improvements made; further action is required
People	Staff support, supervision and training	Some improvements made; further action is required
Prevention	Provision of information, advice, and assistance. People receive the right support at the right time	Some improvements made; further action is required
Partnerships	Thresholds for early help and statutory services	Some improvements made; further action is required
Partnerships	Learning from reviews and audits	Some improvements made; further action is required
Well-being	Compliance with statutory responsibilities	Some improvements made; further action is required
Well-being	Arrangements for supervised contact between children and their families	Some improvements made; further action is required
Well-being	Identification and response to child exploitation	Some improvements made; further action is required

The Inspection noted that many of the pressures experienced by the Council's Children's Services reflected recovery from the Covid pandemic, including high levels of demand and increased complexity of people's needs. Critical defects in the number of social workers, because of recruitment and retention issues, along with staff absences and a highly competitive market, had resulted in the loss of experienced staff and a reliance on newly qualified and agency social workers. Recruitment and retention remain a significant pressure point for the service. The inspection noted that the workforce position remains fragile.

As part of the response to the inspection, the Council set up the Improving Outcomes for Children Board, which was set up in March 2022 and is chaired by the Chief Executive. Care Inspectorate Wales noted that this Board has made a positive impact through improved oversight of Children's Services and early help services, ensuring there is sufficient information about, and scrutiny of, performance.

There continues to be a strong focus and considerable work to make improvements. The Council has commissioned external expertise to support with identifying how well services are working, and how they can be improved or refined to maximise their impact and outcomes for children and families.

On 24 November 2022 the Cwm Taf Morgannwg Safeguarding Board published the Child Practice Review in relation to the tragic death of Logan Mwangi. The Board has accepted in full the findings of the Child Practice Review and the Safeguarding Board and the Council will implement the review recommendations. Care Inspectorate Wales will monitor the Council's progress through their ongoing review of performance.

Annual Improvement

Audit Wales², our External Auditor, assesses the Council's arrangements for delivering continuous improvement and subsequent performance, the results of which are published in their [Annual Audit Summary 2022](#). In March 2023 they reported that the 'Auditor General certified that the Council had met its remaining Local Government (Wales) Measure 2009 duties for the financial year 2021-22, as served by an order made under the Local Government and Elections (Wales) Act 2021'. The auditor also noted as part of its Springing forward review that the Council made positive progress in delivering

² Since 1 April 2020 the Wales Audit Office and Auditor General are branded as Audit Wales. The statutory names remain Wales Audit Office and Auditor General for Wales.

its previous asset management strategy and needs to ensure future strategic asset plans are fully shaped by the sustainable development principle. The review did identify, however, that workforce challenges are impacting on the Council's ability to plan more strategically and critically, to ensure its buildings meet statutory safety requirements. The review identified that the Council needs to develop a corporate workforce plan shaped by the sustainable development principle, to address these workforce challenges and strengthen its resilience.

To ensure that the outcomes of all audits, reviews and inspections, and the specific recommendations for the Council are recorded, a regulatory tracker has been developed. This includes the outcome of inspections by Estyn, Care Inspectorate Wales and HM Inspectorates for Probation and Prisons as well as Audit Wales work. The purpose of the tracker will be to ensure that relevant recommendations and actions therefrom are reported and monitored, including by elected members, and then reviewed by the relevant Scrutiny committees. Actions are considered and scrutinised at Directorate Management Teams and considered by the Corporate Management Board and Cabinet on a regular basis to ensure corporate and political oversight. Governance and Audit Committee will receive 6-monthly updates each January and July.

Audit Wales have undertaken and reported on a number of reviews during the year, the key outcomes of which are set out below.

Report	Key outcomes
Direct Payments for Adult Social Care (April 2022)	<p>Whilst not specific to Bridgend, this review looked at how local authorities provide Direct Payment services to adults, examining their impact and value for money.</p> <p>The overall conclusion was that Direct Payments support people's independence and are highly valued by service users and carers, but inconsistencies in the way they are promoted and managed by local authorities mean services are not always equitable and it is difficult to assess overall value for money.</p>
Springing Forward – Strategic Workforce Management – Bridgend County Borough Council (October 2022)	<p>Audit Wales reviewed the Council's arrangements for managing its workforce with a primary focus on how well the Council strategically plans the use of its workforce, how it monitors the use of its workforce assets and how it reviews and evaluates the effectiveness of its arrangements. The review noted:</p> <ul style="list-style-type: none"> • Like many other councils, Bridgend is experiencing significant workforce challenges, and years of continued service restructures and staffing cuts to deliver savings are impacting on its ability to plan and maintain service performance. • The Council is taking action to respond to its significant workforce issues, but needs to develop a corporate workforce plan shaped by the sustainable development principle and needs capacity to effectively shape solutions for its significant workforce challenges in the medium to long term • The Council has focussed on addressing short term critical workforce pressures particularly in Social Services, but in the absence of a strategic Workforce Plan to guide and inform approaches to managing these challenges we have emerging concerns about the Council's resilience to continue to respond to critical issues. • The Council has arrangements to monitor workforce issues and it has not yet developed a framework to effectively benchmark, measure success and affordability of its future services delivery model but has acted on lessons learnt. <p>A number of recommendations were identified:</p>

	<ul style="list-style-type: none"> • The Council needs to urgently develop its strategic workforce approach, embedding the sustainable development principle at its core, to enable it to address the significant workforce issues it faces. • The Council should develop a suite of strategic quantitative and qualitative measure to enhance its ability to understand the impacts and affordability of its workforce plans and actions • The Council should also explore opportunities to benchmark its own performance over time and its arrangements with other bodies to provide a different dimension to its performance management data. Whilst also offering an insight to how other bodies are performing and discovering notable practice elsewhere. <p>The Council has progressed the following actions:</p> <ul style="list-style-type: none"> • The draft Strategic Workforce Plan has been shared with Cabinet & Corporate Management Board, Heads of Service and the Trade Unions. • Strategic Workforce Planning training for Senior Leadership Teams is due to be delivered by the LGA to HR Managers (in August) and Corporate Management Board (in September), before considering wider training across the organisation. • Delivery plans will be developed in response to the workforce themes, which will identify what the Council has done and what it plans to do next. • Service workforce planning will also be developed and will be taken forward through close collaboration between Directorate managers and the respective HR Business Partners.
<p><u>Springing Forward – Strategic Asset Management – Bridgend County Borough Council</u> (October 2022)</p>	<p>Audit Wales reviewed the Council’s arrangements for managing its assets with a primary focus on office accommodation and buildings from which the Council delivers services to its residents. Audit Wales looked at how the Council strategically plans the use of its assets, how it monitors the use of its assets and how it reviews and evaluates the effectiveness of its arrangements. Overall, the review found that the Council made positive progress in delivering its previous asset management strategy and now needs to ensure future strategic asset plans are fully shaped by the sustainable development principle. However, workforce challenges are impacting on its ability to plan more strategically and critically, to ensure its buildings meet statutory safety requirements.</p>
<p><u>Assurance and Risk Assessment Review – Bridgend County Borough Council</u> (October 2022)</p>	<p>This work was to find the level of audit assurance and/or where further audit work may be required in future years in relation to risks the Council putting in place proper arrangements to secure value for money in the use of resources. It also helped in assessing the extent to which the Council is applying the sustainable development principle in taking steps to meet its well-being objectives. The work focussed on the following areas:</p> <ul style="list-style-type: none"> • Financial position • Implications of the Local Government and Elections (Wales) Act 2021 • Carbon reduction plan • Disabled Facility Grants • Statutory Building Compliance <p>The key findings were:</p>

	<ul style="list-style-type: none"> • The Council continues to be well placed to maintain its financial resilience. However, this will be tested by challenges being posed by the current economic climate. • The Council is developing and implementing aspects of the Local Government and Elections (Wales) Act • The Council has a draft carbon reduction strategy but has not yet fully determined the resources needed to deliver it nor how others will contribute to its delivery • The Council has been slow to respond to Audit Wales proposals for improvement in relation to Disabled Facilities Grants and performance remains poor, worsened by the pandemic. The Council is developing a new operating model for 2023-24 which is intended to be simpler, better co-ordinated and more responsive to service user needs. • The Council has improved its statutory building compliance targets in asbestos surveys and fire risk assessments where compliance remains at higher levels. However, it is not meeting its targets for gas servicing and legionella testing and therefore not mitigating all the significant risks associated with non-compliance. <p>The Council has progressed the following actions:</p> <ul style="list-style-type: none"> • Work is nearing completion on the development of a contractor framework for Disabled Facilities Grants to improve the time taken to procure agreed works • Staff vacancies have been an issue for this service. Posts are now covered with agency staff but the service will continued to seek permanent staff • Time taken to complete Disabled Facilities Grants for children has increased in the last year
<p><u>Transformational Leadership Programme Board – Baseline Governance Review – Cwm Taf Morgannwg Regional Partnership Board</u> (January 2023)</p>	<p>The review sought to gain assurance that the health board [Cwm Taf Morgannwg University Health Board] and the three councils [Rhondda Cynon Taf County Borough Council, Merthyr Tydfil County Borough Council and Bridgend County Borough Council] are working together effectively through the aegis of the Transformation Leadership Programme Board to support regional integrated working across the Cwm Taf Morgannwg region. The review sought to answer the question: ‘Are the Transformation Leadership Programme Board arrangements supporting the four bodies to develop effective and sustainable approaches to regional workings?’ Overall Audit Wales found that the Transformation Leadership Programme Board is well-placed to develop stronger regional working building on the productive relationships over the past 18 months. However, it needs to ensure its planning is more integrated and longer term, strengthen aspects of its governance arrangements and be more ambitious in using its combined core resources to have a greater impact on the Cwm Taf Morgannwg region.</p>
<p><u>Performance Management Review – Bridgend County Borough Council</u> (February 2023)</p>	<p>The review sought establish how well the Council’s performance management arrangements inform the Council of progress in meeting its priorities. The review found that the Council’s performance management arrangements do not consistently enable it to effectively evaluate and manage its performance. The report noted that weaknesses in performance information are limiting the Council’s awareness of its own performance and its ability to manage its performance effectively. The Council’s focus on collecting, rather than analysing data and ensuring its accuracy, limits the impact of its performance management arrangements.</p>

Managing Risk

The Council faces a range of risks as would be expected from the broad range of services it delivers and activities it is engaged with. On a day-to-day basis operational risk arises from the challenge of ensuring sufficient capacity and capability to advise on, and to deliver, the key policy objectives of the Council.

The Council has developed a robust approach to the management of risk. The Corporate Risk Management Policy is aligned with Directorate Plans and the Council's performance management framework. The Council defines risk as: 'Any potential development or occurrence which, if it came to fruition, would jeopardise the Council's ability to:

- achieve its well-being objectives
- provide services as planned
- fulfil its statutory duties, including the duty to make arrangements to secure continuous improvement.'

Risks are viewed from both a Service and Council-wide perspective which ensures the key risks are distilled in the [Corporate Risk Assessment](#). The Risk Assessment sets out how the Council is addressing these risks and the mitigating actions it will put in place to reduce them. It is regularly reviewed and challenged by both senior management and the Governance and Audit Committee. It is not possible to eliminate all risk of failure to meet the targets in the Council's policies, aims and objectives and cannot therefore provide absolute assurance of effectiveness, but one of reasonable assurance.

During 2021-22 detailed Risk Management Guidance was developed for use by all departments across the Council. It enables staff to identify risks, prioritise them and implement actions to mitigate them, in a consistent and timely manner. Training was rolled out to all directorate management teams and the roles and responsibilities at each stage of the process outlined. Directorate Business Plans were revised to ensure that processes and actions are aligned with the corporate risk management process.

In early 2023 the Council purchased risk management software to improve the monitoring and reporting of risk. This software will enable a single point of storage for all compliance and risk related records, with a simple to use interface and is aligned to Enterprise Risk Management standards. It will enable the Council to monitor progress and provide easy to understand risk reports for users and Committees in the role in managing and assessing risks. It is in the early stages of implementation and roll-out will take place through 2023.

Financial Management

The financial management of the Council is conducted in accordance with all relevant legislation and the Constitution. The Council has in place Financial Procedure Rules, Contract Procedure Rules, a specific Financial Scheme for Schools, and the scheme of delegation also provides the framework for financial control. The Section 151 Officer is responsible 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.

The Council's ability to deliver savings and contain its expenditure within its overall budget is well established. However, the Council faces significant challenges in the future in the face of uncertain

funding levels and cost pressures, the impact of Cost-of-Living crisis and the current conflict in the Ukraine. The Council estimates that it will need to generate approximately £17 million of savings over the period 2023-24 to 2026-27. The Medium-Term Financial Strategy has taken account of known cost pressures and priority areas in line with the Corporate Plan and undertaken extensive consultation to ensure a robust process. To ensure greater involvement of stakeholders in the development of the Medium Term Financial Strategy a five week consultation 'Shaping Bridgend's Future' was undertaken between 19 December 2022 and 22 January 2023, the emphasis of which was to seek views on the priority areas for residents, in order to enable us to review and prioritise the budget and make Bridgend 'Fit for the Future'. It was recognised that budget planning for 2023-24 is more uncertain than ever before, and that the Council is facing even more cost pressures than experienced in previous years, as a result of the cost-of-living crisis, conflict in Ukraine and worsening economic circumstances. We needed to know what has worked well, and where we need to continue to make changes or improvements to ensure that the Council is able to deliver sustainable and effective services for the next five to ten years. The consultation included an online survey, attendance at engagement events, a social media / web campaign and via the Authority's Citizens' Panel and targeted a range of stakeholders. The results were collated and presented to Cabinet on 7 February 2023 in order to further inform decisions on the Medium-Term Financial Strategy. The Medium Term Financial Strategy can be found on the Council's website [here](#). Welsh Government has given all-Wales indicative funding level for the 2024-25 financial year, but no indication of likely funding for Bridgend and no indication of funding levels for future years. Given this uncertainty, the Council has developed detailed budgets for year one of the Strategy with indicative budgets thereafter based on a range of funding scenarios.

The Council has in place robust arrangements for effective financial control through the Council's accounting procedures, key financial systems and the Financial Procedure Rules. The Financial Procedure Rules were reviewed during 2021-22 to better reflect current working practices and were approved by Cabinet in November 2021. Arrangements in place to demonstrate good financial control include established budget planning procedures and regular budget monitoring reports to Cabinet and Scrutiny Committee, as well as detailed information to budget holders. The Council prepares its Annual Accounts as required by the Accounts and Audit (Wales) Regulations and in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

The Council follows the CIPFA Code on Treasury Management and Welsh Government's Guidance on Local Authority Investments to ensure that funds invested are secure, accessible when necessary and attract an appropriate return and any borrowings needed are in line with the Council's Treasury Management Strategy, as approved by Council. As a number of local authorities in England have faced financial concerns and following a number of members' concerns regarding some investments this Council had made, the duration and limit of investments the Council can make to other local authorities was reviewed during the year and revised for the Treasury Management Strategy 2023-24. The revised limits are 2 years and £10 million. The Council has been able to invest monies across its wider investment options in line with the Council's [Treasury Management Strategy](#) and enable it to reduce its reliance on the Debt Management Office, though this remains a key investment option for the Council.

CIPFA issued a revised Treasury Management Code of Practice in December 2021, with full implementation from 2023-24. CIPFA also issued a new edition of the Prudential Code for Capital Finance in Local Authorities in December 2021. The Code requires local authorities to determine a Capital Strategy, to be approved by Council, which demonstrates that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. A significant change in the Code is that, to comply with the Code, an authority must not borrow to invest primarily for financial return. The Code does not require existing commercial investments, including property, to be sold. However, it does set out that authorities that have a need to borrow should review options for exiting their financial investments for commercial purposes. The Council is unlikely to invest for commercial purposes but will focus on delivering schemes that meet its service objectives. New indicators have been included on

affordability, and a 'Liability Benchmark' replaces the prudential indicators on gross debt and the capital financing requirement. The [Capital Strategy 2022-23](#) has been revised to reflect the changes in the Prudential Code. The Strategy continues to evolve to provide a robust, medium to long term capital plan for the Council.

Compliance with the CIFPA Financial Management Code of Practice

The Chartered Institute of Public Finance and Accountancy (CIPFA) launched the Financial Management Code of Practice (FM Code) in November 2019. The FM Code was developed in the context of increasing concerns about the financial resilience and sustainability of local authorities.

The FM Code sets out the principles by which authorities should be guided in managing their finances and the specific standards that they should, as a minimum, seek to achieve. It clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972 and emphasises the collective financial responsibility of the whole leadership including the relevant elected members.

By complying with the principles and standards within the code authorities will be able to demonstrate their financial sustainability. Whilst the Code is designed to be flexible to the nature, needs and circumstances of individual authorities, it is up to each authority to determine the extent to which it complies with the FM Code and to identify what action it may wish to take to better meet the standards that the FM Code sets out. The first full year of compliance with the Code was 2021-22 but the Council has demonstrated its compliance with the Code since the 2020-21 financial year. In its Guidance Bulletin 06 (*Application of the Good Governance Framework 2020/21*) CIPFA stated that the Annual Governance Statement should include the overall conclusion of an assessment of the organisation's compliance with the principles of the FM Code. Also, that where there are outstanding matters or areas for improvement, these should be included in the action plan.

The Council's assessment of its compliance with the 19 Standards outlined in the FM Code for 2022-23 identified that the Council could demonstrate compliance with all of the Standards, but that further actions could be taken to enhance compliance during 2023-24. These actions were included in the Action Plan for 2022-23 and were to:

- Provide additional training to full Council on Capital Strategy and Earmarked Reserves
- Provide Finance Training to Schools on Closing of Accounts procedures and requirements
- Rationalisation of Earmarked Reserves and develop timescales for usage
- Continue to review consistent under and overspends and re-align budgets accordingly
- Continue to develop budget reduction proposals for the full life of the MTFS

Progress against these are included in Section 5 – Improving Governance.

4 Audit Assurance

Audit and Audit Assurances

The Council is audited externally by the Auditor General for Wales, supported by Audit Wales. The objectives of this are to obtain assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; that the accounts have been prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom; and to issue an opinion thereon. They also assess our arrangements for securing economy, efficiency and effectiveness in the use of resources.

In 2022 the External Auditor gave an unqualified audit opinion on the financial statements 2021-22.

Audit Wales also audit a number of grant claims and in the year completed 5 audits of grants and returns. One claim – Housing Benefits - was qualified, due to a number of errors but these were not significant and no changes to the claim were made.

In addition Audit Wales undertake reviews of various services and also performance reviews throughout the year, the outcome of which are reported to the Governance and Audit Committee.

The Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2022-23 is:

“Reasonable Assurance”

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

Many council staff are continuing to work remotely, and systems and processes have had to be adjusted to cater for the new ways of working. Similarly, Internal Audit has worked remotely, conducting audits and obtaining evidence digitally as well as face to face where appropriate. Each audit has considered the potential impact of remote working to ensure adequate controls and governance arrangements remained in place.

Of the 9 audits that were deferred from 2021-22, 5 have been completed, 2 areas were covered within other audits whilst 2 have been deferred to 2023-24. Although in total 10 audits have been deferred into 2023-24 the successful recruitment into six posts during 2022-23 should assist in improving this moving forward.

The recommendations made to improve governance, risk management and control have been accepted and are at various stages of implementation.

Bridgend Bus Station

5 Improving Governance

A number of significant issues were identified in the Council's 2021-22 Annual Governance Statement. The progress made on the significant issues is shown below:

Issue	Governance Principle	Action	Update
Self-Assessment	F	The requirement to introduce a comprehensive 'self-assessment' of the Council's performance is progressing satisfactorily. The first Corporate Performance reporting and meeting of 2022/23, reflecting on quarter 4 performance of 2021/22, introduced self-assessment across all Directorates on Key question one, 'performance and outcomes'. It is anticipated that the process will evolve and continue to improve, additionally focussing on key question 2, 'use of resources', and also utilising the Annual Governance Statement to demonstrate effective reporting and assessment of governance. A series of workshops are planned in June and July 2022 to progress this, with the aim of reporting comprehensively on the Council's performance based on a process of consistent self-assessment, in September 2022.	The Council's first self-assessment was published in October 2022. Work is now underway to develop a self-assessment for 2022-23, with draft findings expected to be reported to Corporate Performance Assessment in June 2023, Corporate Overview and Scrutiny Committee and Governance and Audit Committee in July 2023, and Cabinet in September 2023. The Corporate Self-Assessment is available on the Council's website.
Corporate Joint Committees (CJCs)	A	The interim arrangements to establish a Corporate Joint Committee (CJC) for these areas of service has been progressed by the Cardiff Capital Region and reported to Cabinet.	The Cardiff Capital Regional Cabinet approved the transfer of its existing functions, which are principally in respect of the City Deal agreement to the South East Wales Corporate Joint Committee on 28 February 2022. Since this time a Transition Plan has been developed and is being progressed.
Financial Sustainability	F	Assumptions for future years' budgets will continue to be reviewed and amended to reflect the changing circumstances. Earmarked reserves will be reviewed and maintained to support specific pressures. Benefits and support payments, such as council tax support, winter fuel payments and cost of living	The MTFs was updated as part of the budget setting process for 2023-24 and was based on the financial information available at that time. to reflect the current position. The financial position for the Council was shared with members as part of the budget setting Council

		payments will be publicised widely and paid promptly.	meeting on 1 March 2023. The impact in the current year is being reported to Scrutiny (revenue monitoring), Cabinet and/or Council via the revenue and capital monitoring reports. A review of Earmarked Reserves is ongoing. The Council completed a second tranche of winter fuel payment and the discretionary Cost of Living Scheme to support residents. Information regarding the support available for residents is being publicised via the Council's website and social media accounts
Commissioned / Contracted Services	F	There is increasing evidence that both our existing contractors and those tendering for work are reflecting significantly increased costs in their submissions. The Council will need to respond to this proportionately and responsibly, recognising the very real pressures but managing the impact on the Council's contractual position and resources effectively, but at the same time ensuring that essential Council services are maintained. Additionally, the significant workforce issues impacting on our ability to recruit and retain staff in many parts of the Council are compromising our ability to deliver services effectively and reducing our capacity and resilience. A whole series of initiatives are being implemented to help mitigate the impact and address the most acute issues.	A key part of ensuring management of these cost risks within contracts has been the implementation of robust risk and contingency elements into the contract sum of new contracts. Where existing contracts are experiencing cost increases, an element of value engineering is taking place to deliver the project within the envelope. Where this is not possible additional financial resources will be required and prioritised dependent on the stage the project has reached. Where tender submissions are substantially above expected levels or capital allocations, then decisions are now being taken as to the priority and urgency of work against the backdrop of ensuring that essential Council services are maintained. All changes to the Capital Programme are submitted to Council for approval.
Review of Code of Corporate Governance and associated schedule	A	Last updated in 2017, needs review to ensure it reflects current governance framework. Work commenced on this during 2021-22 but this will be completed and ratified in 2022-23.	The updated Code of Corporate Governance was approved by Cabinet 7 February 2023.

Member Development	E	<p>The Member Induction Programme 2022-23 to support new and returning elected members was presented to Council on 9 February 2022. In addition to the ongoing Elected Members Learning and Development Programme, a Training Needs Analysis Questionnaire will be compiled and distributed during December 2022 – January 2023. All Members' responses will be analysed and, from this, the ongoing Programme will be developed and presented to the Democratic Services Committee.</p>	<p>The full Member Induction Programme has taken place following the election in May, and a number of additional events & training sessions have been held. This includes the Members Marketplace on the 5 September 2022, which provided the opportunity for Members to meet key officers from across the Council.</p> <p>Drop in events have been arranged by individual Directorates to give Members the opportunity to meet officers and discuss key issues.</p> <p>Member Development remains a regular agenda item of the Democratic Services Committee.</p> <p>Members will be invited to undertake a Personal Development Review which will identify any training needs for the next 12 month period.</p>
Impact on the Social care sector of the COVID-19 pandemic and the ending of the hardship funding to the sector	C	<p>A market stability plan has been developed to ensure that there are clear plans to deliver sufficiency of quantity and quality of provision in Bridgend.</p>	<p>The Market Stability Report was approved by Council in July 2022. It identified a significant number of actions to address sufficiency and sustainability of social care provision across a range of different sectors.</p> <p>A new planning group structure is being implemented to take forward the recommendations from the market stability work.</p> <p>In addition there are specific priority pieces of work progressing in the areas of children residential provision, foster care sufficiency, cost of care of adult care home provision and adult community care capacity.</p>
GDPR issues with new ways of working	A	<p>As the Hybrid Policy is implemented additional guidance will be developed on issues such as</p>	<p>The Information Governance Board meets quarterly to ensure that the Authority</p>

		<p>communicating securely, keeping software updated, safeguarding personal data and the need to use the Council's approved technology.</p> <p>The Council has strict ICT and Data Protection Act (DPA) policies and the Information Governance Board (with representation from each Directorate) continues to meet quarterly ensuring information security remains a top priority during this time.</p> <p>All staff and Elected Members are also required to undertake the mandatory DPA e-learning module.</p>	<p>remains compliant with data protection laws.</p> <p>A Bridgenders was circulated to all staff providing guidance on data protection whilst working from home.</p> <p>The new Hybrid Working policy set out responsibilities relating to ICT and equipment and the need for compliance with the ICT Code of Conduct. It also covers GDPR, confidentiality and data security in relation to working at home as well as in the office.</p>
Hybrid Meetings	A	A Multi-location Meetings Policy will be presented to Council for approval.	The Multi-locations Meetings Policy was approved by Council on 15 June 2022.

Based on a review of the governance framework, and an assessment of compliance with the CIPFA Financial Management Code, the following significant issues identified in 2022-23 will be addressed in 2023-24 with the links to the [Governance Principles](#) on page 5:

Issue	Governance Principle	What the issue is	Proposed Actions to address issue
Workforce Development	E	Like many other Councils Bridgend is experiencing significant workforce challenges particularly in Social Services. Audit Wales identified that the Council did not have in place a strategic Workforce Plan to guide and inform approaches to managing short term critical workforce pressures and ensuring future resilience within the workforce.	The Council's Strategic Workforce Plan is being developed and will embed sustainable development principles, to enable the Council to address the significant workforce issues it faces. The Plan will be considered by Corporate Management Board/Cabinet Corporate Management Board and the Trade Unions before implementation.
Strategic Asset Management	E	An Audit Wales review identified workforce challenges are impacting on the Council's ability to plan strategically and to ensure the Council's buildings meet statutory safety requirements.	Whilst not all workforce issues have been resolved, additional staff have been appointed, including a dedicated Legionella Officer. The statutory compliance figures are now significantly improved, with the 5 major areas (gas, electricity, fire,

			asbestos and legionella) now showing compliance in the 90% level.
Disabled Facility Grants (see AW report referred above)	F	The Council has been slow to respond to Audit Wales proposals for improvement in relation to Disabled Facilities Grants and performance remains poor. The council is developing a new operating model for 2023-24 which is intended to be simpler, better coordinated and more responsive to service user needs.	The Council will implement a contractors' framework during 2023-23, which will provide the Council with end-to-end ownership of the process from referral to completion.
Decarbonisation 2030	D	Whilst the Council has in place a Decarbonisation 2030 strategy, it has not fully identified the resources needed to implement the strategy nor how partners may help to deliver the strategy ambitions.	A detailed 2030 Action Plan is being prepared, which will set out the resources required to deliver the expected carbon reductions. This will be approved by Cabinet and will include details of partners and projects of mutual benefit that will contribute to the Councils Net Zero Ambitions.
Long to medium term financial management	F	<p>The Council has robust financial management process in place, but there are some areas where improvements can be made:</p> <ul style="list-style-type: none"> • provide additional training to full Council on Capital Strategy and Earmarked Reserves • provide finance training to schools on closing of accounts procedures and requirements • rationalisation of earmarked reserves and developing timescales for usage • continue to review consistently under and overspends and realign budgets accordingly • continue to develop budget reduction proposals for the full life of the Medium Term Financial Strategy 	<p>Treasury Management training was provided to members on 10 February 2023.</p> <p>Training with regards to the Capital Strategy is being provided to Councillors on 18 May 2023.</p> <p>A briefing note was shared with elected members in relation to reserves and how they have been built up and how they can be utilised.</p> <p>Earmarked reserves were reviewed throughout the year. A larger scale review has commenced in 2023-24.</p> <p>The budget was reported to Cabinet on a regular basis through the year with explanations included in the reports in relation to variances.</p> <p>The MTFS is reviewed during the financial year. Work has commenced early in 2023-24 to identify further areas for</p>

			possible budget reductions going forward.
Additional Training for Members to support their role in ensuring proper financial management of the Council	E	As new members have joined the Council it is crucial that they develop the skills and knowledge to undertake their role competently. There may be knowledge gaps in some areas particularly in relation to the Capital Strategy, Earmarked Reserves and Statement of Accounts.	Training to be provided on Capital Strategy, Earmarked Reserves and Statement of Accounts for all members.
Performance Management Arrangements	F	A review of the Council's performance management arrangements have identified that they do not consistently enable it to effectively manage its performance.	A performance management improvement plan has been developed and discussed with Corporate Management Board, Cabinet/Corporate Management Board and Governance and Audit Committee in May 2023. The plan covers the performance management framework, data quality and accuracy, culture, roles and responsibilities, performance management capacity and the performance management system. Many of the issues in the report will be addressed by the new Corporate Plan Delivery Plan to be approved by Council in July.

These issues will be monitored via a detailed action plan during 2023-24, with the responsible officer and deadline for implementation identified for each action and reported to Cabinet/Corporate Management Board and to the Governance and Audit Committee.

6 Assurance Statement

The Council reacted quickly to the Covid-19 pandemic to put in place controls to ensure that a record was maintained of decisions made to ensure that appropriate governance arrangements were in place. Given these arrangements no significant internal control or governance issues have arisen, and the Council continues to have in place appropriate internal control and governance arrangements.

Subject to the above issues being resolved, we can provide an overall reasonable assurance that Bridgend County Borough Council's governance arrangements remain fit for purpose.

Steps to address the matters referred to above will be taken to further enhance our governance arrangements.

Signed: _____ Date: _____
(Leader)

Signed: _____ Date: _____
(Chief Executive)

