

## APPENDIX B

### Annual Governance Statement Action Plan 2025-26 – half year review

Issue	Governance Principle	What the issue was	Proposed actions to address issue	Responsible Officer	6-month progress update
Value for Money	G	Update the Socially Responsible Procurement Strategy	<p>The Council has a Socially Responsible Procurement Strategy for 2021-2024, aimed at supporting the foundational economy, supporting implementation of the Council's 2030 Decarbonisation Strategy and the circular economy, maximising the delivery of social value and community benefits, and delivering value for money whilst considering the whole life cost, amongst others.</p> <p>The Strategy is being updated following the implementation of the Procurement Act 2023 to demonstrate how the Council will continue to secure value for money and manage demand. This will be finalised by the Autumn 2025. The strategy will be accompanied by a Delivery Plan with key milestones. This will be reviewed annually by CMB/ CCMB.</p>	Rachel Jones, Procurement	The updated Socially Responsible Procurement Strategy is due to be presented to Cabinet in the next quarter for approval.

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Waste	E	Transfer of Waste Service back to Council	The Waste Service arrangements will transfer back into the Council in July 2027. This project will be resource intensive and a number of officers will be involved from across the Council. An Internal Governance Board and a Waste Transition Board have been established to ensure the project is delivered on time and within the budget envelope.	Zak Shell, Head of Operations, Community Services	SLR Consultancy has been appointed to assist with the project, task logs for all service areas created and project leads by discipline are in place. Monthly progress updates being provided to Transition Board with RAG rating by area.
Financial Management and Sustainability	E	Provide additional training to full Council and Governance and Audit Committee Members as required on Budget Management, Capital Strategy, Treasury Management and Earmarked Reserves.	<p>A wide range of financial training has previously been provided to members, but to ensure members, including new members, maintain and develop their understanding of key financial issues, it is important to provide training on a regular basis.</p> <p>Member briefings will be provided on subjects such as the medium term financial strategy, budget monitoring, treasury management and earmarked reserves as needed.</p> <p>The Local Management of Schools Officer provides a dedicated Finance training</p>	Carys Lord, Chief Officer Finance, Housing and Change	<p>Training has been provided during the financial year as follows:</p> <p>8 September 2025 – training to all Governance and Audit Committee Members on the purpose and terms of reference of GAC, role of Audit Wales, internal audit and lay members.</p> <p>10 September 2025 – training for all Members and Lay Members on Fraud. Other briefings, eg on the budget, will be provided during the latter part of the year.</p>

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			session to new School Governors. There is also a planned Professional Development training session scheduled for Summer 2025 covering 'Managing a Deficit Budget' which will be available for Head teachers, Governors and School Finance Officer.		Governor training is provided termly and a professional development session on Managing a Deficit Budget was held on 4 June 2025 for headteachers, governors and school finance officers. 15 schools attended. 22 staff attended the training session.
Monitoring Financial Performance	E	A full review of Budget Research and Evaluation Panel (BREP), including its terms of reference, is undertaken at the start of the financial year.	<p>The Regional Internal Audit Service (RIAS) undertook an audit of 'Budget Savings 2023/24' and published its final report in April 2024. The RIAS provided an audit opinion of Substantial Assurance. One of the low level recommendations, which were agreed by the Chief Officer – Finance, Housing and Change, and will be implemented going forward:</p> <p>In line with the recommendations accepted by Cabinet, a full review of BREP, including its terms of reference, is undertaken at the start of the financial year.</p> <p>In addition, the structure of the Scrutiny committees has</p>	Carys Lord, Chief Officer, Finance, Housing and Change	A report was presented to Corporate Overview and Scrutiny Committee in April 2025, and a further report in July 2025, outlining proposals for a new Scrutiny Budget Working Group, to replace the previous Budget Research and Evaluation Panel. The reports outlined the structure and terms of reference of the new Working Group, and proposals for how this would be taken forward. During the last 6 months there have been meetings

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			been amended this year. This will result in COSC taking the lead on the budget scrutiny process.		of the full working group, the steering group and deep dive panels into specific services. The working group is due to present its recommendations to Cabinet in December.
School finances	F	There is an increase in the financial fragility of schools in the Borough and schools having to use their balances to fund activity with an increased risk of schools going into deficit.	School governors are responsible for monitoring and reporting school finance positions. Work is being done with schools to understand the impact of any budget reductions on individual schools. A Schools Deficit Management Group, consisting of headteachers and officers, has been reviewing the position and will be providing updates and recommendations for next steps to informal Cabinet. The finance team are also working closely with schools on deficit recovery plans to bring the deficits back into balance in line with the criteria set out in the Financial Scheme for Schools.	Lindsay Harvey, Corporate Director	The Finance Team continue to work closely with schools in managing and monitoring their budgets, particularly those with significant deficit budgets, who are required to attend termly support and review meetings with LA officers. These meetings are in accordance with the deficit budget protocol included in the Bridgend Financial Scheme for Schools. Deficit recovery plans have been submitted and approved, where appropriate, and progress will continue to be closely monitored throughout the financial year. Individual School

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					balances are reported regularly to Financial Performance and Monitoring (PFM) Board, and quarterly to Cabinet, at a high level. School balances have recently been discussed at recent Cabinet meetings and as part of 'Deep Dive' exercises.
Recruitment	E	Difficulties remain in certain areas for recruitment of staff.	Targeted recruitment continues in certain key areas, with bespoke recruitment packages being developed as appropriate. We continue to work regionally and nationally to develop solutions that will not destabilise the job market	Paul Miles, Human Resources and Organisational Development	Working alongside services we continue to promote and market our hard to fill posts.