



# Annual Governance Statement 2015 – 2016

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## Scope of Responsibility

Blaenau Gwent County Borough Council ('the Authority') is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a general duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Authority has approved and adopted a Code of Governance, which is consistent with the principles of

based on an ongoing process designed to identify the key risks of the Authority, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. These will include achievement or not of the Council's policies, aims and objectives.

The governance framework has been in place at the Authority for the year ended 31 March 2016 and up to the date of approval of the Annual Statement of Accounts.

For 2015, the Council received two Certificates of Compliance against the Council's assessment of performance contained within the Corporate Improvement Plan Stage 1 and Stage 2. In the Annual Improvement Report 2014/2015 issued in August 2015, WAO concluded that the Council had the potential to comply with the requirements of the Local Government Measure during 2015/16, and was in a positive position compared to previous years, and was moving in the right direction.

A full list of recommendations / proposals for improvement made by the Wales Audit Office are available from the Corporate Performance Team, and progress against their achievement is included in the Joint Finance and Performance Report. A list of the proposals made during 2015/16 are attached at Appendix A.

## The Governance Framework

The governance framework includes the key elements of the systems and processes that comprise the Authority's governance arrangements, along with an assessment of their effectiveness. The ways in which the Authority demonstrates this are discussed below. Each core principle set out in the Authority's Code of Governance is listed, along with the self-assessment of how well it is applied and how we propose to improve in future. The review of effectiveness is informed by the work of the Senior Managers, who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and by comments from the external auditors and other regulators.

**Core Principle 1**  
**Focusing on the purpose of the Authority and on outcomes for the community including citizens and service users and creating and implementing a vision for the local area**

### How we do this:

Blaenau Gwent's Single Integrated Plan (SIP) 'Making a Difference, 2013 – 2017' was adopted by Council in June 2013. The plan sets out the Authority's vision for the community and service users. Implementation of the plan was overseen by the Local Service Board which monitors

The Authority has a Strategic Transformation Team charged with the overall governance

The Corporate Improvement Network has been developed with a representative from each directorate to provide operational capacity for performance and improvement across the Council. This group is supported by the Programme Steering Group (Performance) who provide the strategic lead for the effective and consistent application of performance across the Council. The Council has updated and agreed its Performance Management and Improvement Framework which is used by the Programme Steering Group to ensure compliance across the Council. Under the Transforming Blaenau Gwent Programme phase one of the performance consolidation model was implemented in July 2015 and work towards phase two is being undertaken. The model consolidates performance management capacity across the Council not only to realise financial efficiencies but also to develop skills, knowledge and capacity and create a level of resilience. Some issues with data quality, including national data, have been identified, and support work is to be undertaken as part of phase two of the performance model implementation to ensure on-going reliability and validity of data.

A new performance management system (to replace Ffynnon), utilised by the whole council has been developed. The new system incorporates the majority of the Councils business planning

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targeted work on areas of data quality that have been identified as needing to improve.

**Core Principle 2**  
**Members and Officers working together to achieve a common purpose with clearly defined functions and roles.**

### How we do this:

Blaenau Gwent has 42 elected members who coll-0.002.481 re 0 3A321sl-0.00.3b8hasiae481 r7(2)Tj 14

There are three statutory posts in place namely the Head of Paid Service, the Monitoring Officer and the Section 151 Officer. These are satisfied by the appointments of the Temporary Lead Corporate Director, replacing the post of Chief Executive from March 2016, the Head of Legal and Compliance and the Chief Finance Officer, respectively. These post holders are charged with ensuring elected Members receive appropriate legal and financial advice.

There are three further officer roles, namely, the Corporate Director of Education, the Corporate Director of Social Services and the Head of Democratic Services, who undertake statutory functions for Education, Social Services and Democratic Services respectively. The Corporate Director of Social Services will leave the Authority in September 2016. A temporary appointment has been made to this post to ensure the Authority's statutory function continues to be fulfilled. One further director holds the position of Corporate Director of Environment and Regeneration.

### Review of Effectiveness:

Each Committee conforms to legislative requirements including compliance with the Local Government Measure.

The Authority's Scrutiny Committees can 'call in' a decision which has been made by the Executive Committee but not yet implemented. No decisions were called in during 2015/16.

Work has been undertaken to strengthen Scrutiny arrangements following both internal and external evaluation. Proposals for improvement from the WAO governance review, issued in April 2016, which included a focus on scrutiny, will be included in the scrutiny action plan.

The Scrutiny Action Plan is monitored quarterly by the Democratic Services Committee who then make recommendations to Council. Reference to the scrutiny function is also included within the Performance Management Improvement Framework. Structured meetings including terms of reference have been established between the Chairs and Vice Chairs of Scrutiny, the Head of Democratic Services, the Corporate Performance Manager and the Scrutiny Officer.

The Member Development Strategy has been endorsed by Council and the Annual Programme is in development. Procedures for Member Personal Development Reviews (PDR) have also been adopted and implemented, the findings of which will help inform the training and development programme. The Council holds Level 1 of The Wales Charter for Member Support and Development awarded by the Welsh Local Government Association, recognising the Authority

A staff survey was undertaken in July and August 2014, that highlighted the need for improved interactions with elected members. An action plan was developed and a working group set up to address the issues raised. A further staff survey was issued in August 2016, the results of which will be analysed and acted upon accordingly.

Engagement arrangements with WAO are in place with monthly meetings with the Head of Policy and Performance and the Head of Paid Service / Lead Director respectively. A quarterly meeting is also undertaken which includes the Leadership, Executive Member and the Chair of the Audit Committee.

Regular meetings have taken place between the Lead Corporate Director, political leaders and the Welsh Government Link Officer. These are to continue for the rly mReg orpordv1(r)-6(s)-2(h602 Tc

## The Strategic Equality Plan

our work has had on individual's lives as well as the key challenges we have faced. The last report was published in July 2015, with the most recent report due for publication in September 2016. The information contained in the report will be of interest to a wide audience that includes citizens living in Blaenau Gwent and regulators.

The Council has an established engagement framework for staff and the Council's Organisational Development policies lay out procedures to ensure no improper influences on appointments take place.

## Conclusions and Recommendations for Improvement :

- x Embedding of the action points from the new Strategic Equalities P3 0 T2J -0JittionRecc



Failure to support the implementation of change to ensure capability and capacity of the Council's workforce to deliver the Council's service specification	Not having the capacity and capability to deliver services.
Failure to improve educational standards	Educational standards remain low in comparison with welsh averages.
Failure to improve attendance rates within the Council.	Unacceptable impact on the ability of the Council to deliver services effectively and financially support the cost of sickness absence.
Recent changes to operating practices in waste services could lead to failure to achieve WG recycling targets.	WG recycling targets not met with both financial and reputational consequences.
Failure to implement Welsh Language Standards	Poor service delivery, financial sanctions and reputational issues.
Failure to fully implement the Social Services and Wellbeing Act 2014	Reduction in services provision and quality. Lack of improvement in key areas. Reputational damage. Failure to meet statutory targets. Criticism from regulators. Potential judicial review.
Supreme Court judgement has resulted in a huge increase in Deprivation of Liberty Safeguards (DoLS) authorisation requests.	Back log of requests. Unable to meet obligations under the Mental Capacity Act 2005. Possible litigation.

A copy of the full Corporate Risk Register can be obtained from the Risk Management and Insurance Section.

The Authority's assurance arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit. The Internal Audit Service is subject to regular review by the Authority's external auditors, who place reliance on the work carried out by the section where possible.

Internal Audit Services issued 36 audit opinions during the year.

<b>Audit Grading</b>	<b>No of audits</b>
Full Assurance	4
Reasonable Assurance	18
Limited Assurance	8
No Assurance	6

The numbers of limited assurance and no assurance audit gradings decreased compared to their comparable gradings from 2014-15. However, i

Wider Corporate Management Team continues to receive periodical reviews of Internal Audit findings to ensure corrective action is taken and improved internal controls are achieved.

The annual report of the Director of Social Services was published in July 2015. Blaenau Gwent has been working towards the principles of the Social Services and Wellbeing Act for some time, developing preventative services (in Supporting People and Families First) - d -0.0oprovtolm

The Authority has a clear set of strategic outcomes, supporting actions and competencies which relate to service delivery. Both Members and Officers receive appropriate training to enable them to develop / enhance the necessary skills to fulfil their roles.

A Performance Coaching Scheme exists for Officers and a Personal Development Review Scheme (PDRs) for Members to ensure an appropriate level of competency and to identify any further training needs or continuous professional development requirements that are required for the job role, or to prepare them for future roles. The current round of PDRs for Members are currently being finalised, all senior salary holders undertake a PDR as set out in the Councils agreed procedures. Each officer post has a detailed job description and person specification, and selection is made through a robust recruitment process to meet the specific skills and competencies of the post. Role descriptions for Members are established and included in the constitution. The assessment for the WLGA Charter made positive comment on this feature.

### Review of Effectiveness:

The Authority monitors performance reviews through the management structure.

There is an established Engagement and Consultation Framework agreed with and in place for trade union involvement.

Project Management training is provided and supporting documentation is available for all staff who deliver projects and is mandatory for identified officers. Guidance documentation and support is available to members and officers for Financial Efficiency Projects to ensure a consistent approach is taken in developing and delivering those projects.

With the austerity measures implemented by the council there has been a reduction in external training opportunities however in house, on the job training continues and essential external training is still undertaken. Both managers and staff have the ability to discuss both capability and capacity as part of the performance review process.

The Authority has developed and is implementing a Leadership Programme to provide Senior Managers with the appropriate skills to undertake their roles.

Three staff have been the subject of the capability process during the period April 2015 – March 2016.

### Conclusions and Recommendations for Improvement:

- x Continued implementation of the PDR and Member Development Programme
- x Continued embedding of the self-assessment and performance review processes.
- x Further embedding of the Leadership programme

**Core Principle 6**  
**Engaging with local people and other stakeholders to ensure robust local public accountability**

## How we do this:

The Blaenau Gwent engagement strategy has been developed to reflect the national principles of engagement and endorsed in line with the Single Integrated Plan. Via the former Local Service Board, a citizen's panel, has been established and has been recently reviewed and refreshed. Alongside this there are a number of well-established and important forums including the Youth Forum, Access 4 All Forum and the Older Peoples Network.

A multi-agency engagement sub group of the former LSB Officer Network to facilitate a more coherent and consistent approach to citizen engagement across Blaenau Gwent has been established and supports the engagement work required as part of the Wellbeing of Future Generations Act.

Members of the public can get involved with the business of the Council by voting for elected Members, suggesting items of business for meetings, taking part in meetings, bringing their views to the attention of the relevant overview and scrutiny meeting or making comments or complaints. The mechanisms for how to get involved in these ways are described in the constitution.

on the Let's Talk via Participation Cymru (who attended a drop in session in 2014) has been positive, and was provided in line with the national principles for engagement. Let's Talk has also been recognised as a positive approach by the Wales Audit Office.

A revised third sector agreement has been endorsed via the PSB and the Executive Committee.

The Engagement Team has supported a number of engagement and participation activities and events including: monthly Youth Forums; six-monthly School Grand Council; quarterly Over 50's Network and Forum; Access for All Forums; Let's Talk Engagement Programme and engagement around the Abertillery 3-16 School.

In August 2014 an assessment of arrangements to meet our statutory requirements was undertaken by the representatives from the Welsh Government Young People, Children and Families Team. The findings identified that there was a significant level of proactive commitment to participation, with clear evidence that participation is embedded as mainstream business across the Council.

The authority received and processed 608 Freedom of Information requests during the year and responded to 84.05% of the requests within 20 working days, which is comparable with other Welsh Local Authorities.

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	<p>Financial Efficiency Projects identified for 2015/16 (either as part of the budget setting process or subsequently) have achieved £6.128m in line with the savings target and a further £4.8m savings proposals are to be put to Council for consideration and built into the 2016/17 base budget. For the medium term future, the Council intends to adopt a strategic financial plan which will focus on its core functions. Within this framework the Authority will be looking at ways to achieve savings whilst mitigating the impact on services.</p>	
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There were significant changes within waste services during 2015/16, which resulted in a capital investment programme of £5 million to introduce a new kerbside recycling service along with a new Waste Transfer Station at Silent Valley.

The recycling figures are lower than anticipated 49%, which could result in financial penalties in excess of £400,000 for 2016/17. S, which could r a capic 0l Q ql

	WRAP (Waste Resource Action Programme).	
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