

ANNUAL GOVERNANCE STATEMENT

This statement meets the requirement to produce a Statement of Internal Control pursuant to Section 5 of the Accounts and Audit (Wales) Regulations 2014 (as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018).

Part 1: SCOPE OF RESPONSIBILITY

1.1 GwE was established as a Joint Committee to be a regional school effectiveness and improvement service by the 6 North Wales local authorities in 2013 by undertaking the functions that are detailed in an agreement between the Joint Committee and the authorities. In the agreement, the Councils have agreed to work together in a partnering relationship to establish a Regional School Effectiveness and Improvement Service to be accountable to, and undertake the statutory functions of the Councils in respect of school improvement and effectiveness.

1.2 The Councils' vision was to establish a Regional School Effectiveness and Improvement service to be accountable to, and undertake the statutory responsibilities of, the six local North Wales Authorities in respect of the duties to monitor; challenge; provide support services for curriculum continued professional development and management of schools, and in addition provide services that can be commissioned by schools and local authorities.

1.3 GwE 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.

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

Part 2: THE PURPOSE OF THE GOVERNANCE FRAMEWORK

2.1 The governance framework comprises the systems and processes, and culture and values, by which GwE is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authorities that are part of GwE to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

2.3 The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of GwE's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

2.4 The governance framework described above has been in place at GwE for the year ended 31 March 2020 and up to the date of approval of the 2019/20 statement of accounts.

Part 3: THE GOVERNANCE FRAMEWORK

3.1 GwE has used the Delivering Good Governance in Local Government Framework (2016) in compiling its Annual Governance Statement. The Framework comprises two Core Principles and five Supporting Principles:

Core principles

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law; and
- Ensuring openness and comprehensive stakeholder engagement.

Supporting principles

- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity’s capacity, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control, and strong public financial management; and
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

3.2 GwE has applied these principles to structure its Annual Governance Statement for financial year ending 31 March 2020 and to assess the arrangements in place.

3.3 GwE has a range of governance arrangements in place, many of which are set out in the Inter Authority Agreement and / or are part of the governance arrangements of Gwynedd Council (as host authority).

Table 1 – Examples of key systems, processes and documents in place within GwE

| Good Governance Principles | Examples of key systems, processes and documents in place within GwE |
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| Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law. | <p>By signing the Inter Authority Agreement, the Councils have agreed that they would maintain their relationship in accordance with the following principles of good governance:</p> <ul style="list-style-type: none"> • Openness and Trust • Commitment and Drive • Skills and Creativity • Effective Relationships • Developing and Adaptive • Reputation and Standing • Reasonableness of Decision Making • Necessary Consents • Members and Officers' Commitments |
| Ensuring openness and comprehensive stakeholder engagement | <p>Forward plans for committee meetings together with the matters to be considered, where appropriate.</p> <p>Full stakeholder engagement via various forums both within & outside the formal governance structure, e.g. Headteacher</p> |

| | |
|--|---|
| | Forums & the User Groups. |
| Defining outcomes in terms of sustainable economic, social and environmental benefits; | Performance Management Framework 3 year business plan & annual business plans Quarterly business plan monitoring reports to the Joint Committee |
| Determining the interventions necessary to optimise the achievement of the intended outcomes; | Regular risk management updates to the Joint Committee Medium Term Financial Plan Annual budgetary plan Scrutiny Committees Challenge & Review sessions with Welsh Government. Children And Young People's Committee LA Estyn Inspections / Improvement Conferences Estyn Local Authority / Link Visits Categorisation Process / Moderation County Quality Board's |
| Developing the entity's capacity, including the capability of its leadership and the individuals within it | 3 Year Business Plan Annual Business Plan Self-evaluation process & annual report preparation Annual Report |
| Managing risks and performance through robust internal control, and strong public financial management | Risk Register updates Annual Report Internal audit Host authority financial regulations Medium Term Financial Plan |
| Implementing good practices in transparency, reporting and audit to deliver effective accountability. | Statement of accounts Annual Governance Statement Production of reports on key areas of business Internal & external audit Independent external evaluations throughout the year, e.g. Steve Munby Local Authority Scrutiny Committees |

3.4 Functions

3.4.1 The Councils have signed an agreement on 13 February 2013 to formalise each of their roles and responsibilities in respect of the Service, and have appointed Gwynedd Council the Host Authority for operating and maintaining the Service in accordance with the terms of the agreed Final Business Case.

3.4.2 The agreement is comprehensive, and includes information on governance and administrative aspects of the Joint Committee. The agreement is the foundation of GwE's governance framework within which GwE operates and allocates responsibility and accountability, as follows:

- The GwE Joint Committee;
- The GwE Management Board;
- The GwE User Group(s);
- The Host Authority.

3.5 Membership

3.5.1 The Councils have entered into an Agreement to establish and implement GwE pursuant to the powers conferred on them by Section 9 of the Local Government Wales Measure 2009, Section 2 of the Local Government Act 2000 Sections 101 and 102 of the Local Government Act 1972 and associated Regulations.

3.5.2 Membership of the Joint Committee includes one member each from Isle of Anglesey County Council, Gwynedd Council, Conwy County Borough Council, Denbighshire County Council, Flintshire County Council, and Wrexham County Borough Council with voting rights.

3.5.3 The Statutory Chief Education Officers, one from each local authority in North Wales, are currently officer members without voting rights.

3.5.4 One Diocese Representative, one Primary Schools Representative, one Secondary Schools Representative, one Special Schools Representative and one Governor Representative are co-opted non-voting members.

3.6 Principles

By signing the agreement, the Councils have agreed that they would maintain their relationship in accordance with the following principles of good governance:

- **Openness and Trust**
In relation to the Agreement the Councils will be open and trusting in their dealings with each other, make information and analysis available to each other, discuss and develop ideas openly and contribute fully to all aspects of making the joint working successful;
- **Commitment and Drive**
The Councils will be fully committed to working jointly, will seek to fully motivate employees and will address the challenges of the Service with drive, enthusiasm and a determination to succeed;
- **Skills and Creativity**
The Councils recognise that each brings complementary skills and knowledge which they will apply creatively to achieving the Councils' objectives, continuity, resolution of difficulties and the development of the joint working relationship and the personnel working within it;
- **Effective Relationships**
The roles and responsibilities of each Council will be clear with relationships developed at the appropriate levels within each organisation with direct and easy access to each other's representatives;
- **Developing and Adaptive**
The Councils recognise that they are engaged in what could be a long term relationship which needs to develop and adapt and will use reasonable endeavours to develop and maintain an effective joint process to ensure that the relationship develops appropriately and in line with these principles and objectives;

- Reputation and Standing

The Councils agree that, in relation to this Agreement and the Service generally, they shall pay the utmost regard to the standing and reputation of one another and shall not do or fail to do anything which may bring the standing or reputation of any other Council into disrepute or attract adverse publicity to any other Council;

- Reasonableness of Decision Making

The Councils agree that all decisions made in relation to this Agreement and the Service generally shall be made by them acting reasonably and in good faith;

- Necessary Consents

Each Council hereby represents to the other Councils that it has obtained all necessary consents sufficient to ensure the delegation of functions and responsibilities provided for by this Agreement; and

- Members and Officers' Commitments

Each Council shall use its reasonable endeavours to procure that their respective members and officers who are involved in the Service shall at all times act in the best interests of the Service, and respond in a timely manner to all relevant requests from the other Councils.

3.7 The Host Authority

3.7.1 The Inter Authority Agreement states that the Councils have agreed, with effect from the Commencement Date of the service, that Gwynedd Council will be the Host Council for the Service which shall be carried out for and on behalf of itself and the Councils and Gwynedd Council agrees to act in that capacity subject to and in accordance with and to the extent provided for by the terms of this Agreement. For the avoidance of doubt the role of Host Council includes:

- subject to the indemnities and warranties act as the employing authority for any staff engaged in the discharge of the Service's functions (appointing, employing or accepting the secondment of staff) in accordance with this Agreement;
- being the legal point of contact for the purposes of managing the Service;
- providing such administrative resources and facilities that may be necessary for the purpose of discharging the Service and hold all central funds;
- providing such Human Resources Services that may be necessary for the purpose of discharging the Service and hold all central funds;
- provide senior officers who will act as Secretary, Monitoring Officer, and Treasurer (who will also be the Section 151 Officer) for the Service and who will therefore act as the primary legal and financial advisers to the Service;
- power to enter into contracts for supplies and services as required for the purposes of the Service.

3.7.2 For the avoidance of doubt the duties and responsibilities of the Host Authority pursuant to this agreement shall only bind the Host Authority to the extent that they have been resourced by the Councils through this Agreement.

3.7.3 Save and except where otherwise required by law all staff employed by the Host Authority pursuant to this agreement shall be employed on the Host Authority's relevant terms and conditions of employment and related staff policies including salary structures.

3.7.4 If the Host Council defaults and the Agreement is terminated in respect of it pursuant to Clause 2 (Termination) or the Host Council withdraws pursuant to Clauses 21 or 22 (Withdrawal), then a replacement Host Council will be appointed by the Councils and the withdrawing/defaulting Host Council will not have the right to vote in regard to any such appointment.

3.7.5 For the duration of this Agreement, the Host Council shall act diligently and in good faith in all its dealings with the other Councils and

3.7.6 For the duration of this Agreement, the other Councils shall act diligently and in good faith in all their dealings with the Host Council and shall use their reasonable endeavours to assist the Host Council to support the Service.

3.8 Officer Conduct

To ensure a consistent approach to working practices & processes, all officers are subject to the terms & conditions of employment (which are based on Gwynedd Council's operating terms and conditions).

Part 4: ASSESSING THE GOVERNANCE FRAMEWORK

4.1 GwE has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

4.2 In line with the Core and Supporting Principles of the Framework, the approach taken to assess GwE's arrangements has been:

- Provide a brief description of the arrangements and procedures in place;
- Examine and document the main activities that have taken place around these areas, taking account of supporting evidence from GwE's internal processes and audit reports.
- Form a view on the extent to which the activities comply with the procedures in place; and
- Make proposals for improvement.

4.3 Gwynedd Council is the Host Authority of the Joint Committee. As a result, therefore, reviews of the effectiveness of the Local Code of Governance, the Constitution and the system of internal control of that authority will also incorporate the basis of the Joint Committee's governance.

4.4 The effectiveness of GwE's governance arrangements is set out in section 5.

Part 5: THE EFFECTIVENESS OF GOVERNANCE ARRANGEMENTS

5.1 Progress made to implement recommendations reported in the 2018/19 Annual Governance Statement

5.1.1 The 2018/19 Annual Governance Statement identified areas where improvements were deemed necessary to further reinforce the effectiveness of GwE's current arrangements.

5.1.2 These were detailed in the GwE Business Plan for 2019/20 & Risk Register and in particularly Strategic Objective 6, i.e. ensure that GwE has strong governance and effective business and operational support that provides value for money.

5.1.3 During the year plans were reviewed on a quarterly basis, evaluating progress and impact; the Joint Committee received reports on progress at their meetings.

5.1.4 As at 31 March 2020, progress had been made against all of the improvements & will be further developed during 2020/21.

5.1.5 Based on the above, it is considered that overall, sufficient progress has been made during 2019/20 in the delivery of the proposals for improvement with the requirement for further work to be completed in 2020/21. Details of which are included in Part 7 of this statement.

5.2 Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law.

5.2.1 GwE follows Gwynedd Council operating rules, which details how decisions need to be made and the procedures to be followed to ensure they are efficient, transparent and available to local people.

5.2.2 GwE, supported by the host authority, has procedures in place to ensure the Joint Committee meetings are conducted effectively and decision making is effective. This includes, ensuring minutes of meetings are accurate; publishing online meeting programmes & reports in advance of meetings; making decisions based on evidence based reports; and publishing the minutes of meetings. A review

of a sample of GwE Joint Committee meetings during the year confirmed that the procedures had been followed.

5.2.3 GwE adopts the employment policies of the host authority. All officers starting with GwE are provided with an induction & staff handbook. In addition, a Professional Review process is in place for all staff & is reviewed on a termly basis.

5.2.4 Staff quality assurance processes continue to develop and evolve in line with national developments and principles. Messages and information are communicated clearly and on a regular basis to all employees. Generic, purposeful and effective support programmes are offered. Full and sector team meetings offer regular opportunities for collaboration, consultation and contributing to discussions and decisions regarding GwE's direction of work during a period of considerable change.

5.2.5 In the event that an officer decides to operate outside the intended terms and conditions of employment, arrangements were in place for officers to 'blow the whistle' through the host authority's Whistleblowing Policy & Procedure. In addition to the Whistleblowing policy, there were arrangements in place to tackle potential fraud, bribery & corruption.

5.2.6 GwE follows the host authority's gifts & hospitality policy and arrangements were in place, via registers, to record gifts and hospitality in line with the Policy.

5.2.7 GwE has adopted the following personal and service values:

- Impartiality
- Fairness
- Respect for diversity
- Being supportive and cooperative
- Bilingualism
- Objectivity
- Insistent on high standards
- Honesty.

These personal and service values are included within all job descriptions; & are used to inform discussions as part of the Professional Review process.

5.2.8 The Managing Director leads the GwE officers & chairs the Senior Leadership Team.

5.2.9 During the 2019/20 financial year, one senior post holder left their position. Following an internal review of the Senior Leadership Team, it was agreed by the Joint Committee that the position not be filled. This reduction of one senior role contributed towards GwE meeting its requirements in terms of permanent savings.

5.3 Ensuring openness and comprehensive stakeholder engagement

5.3.1 Members of the GwE Joint Committee are governed by the Code of Conduct of their relevant Council. The Codes of Conduct for Councillors and employees within the Constitution of the Host Authority are built on the principles of openness, transparency and honesty.

5.3.2 General Data Protection Regulation

The General Data Protection Regulation (GDPR) came into force on the 25th May 2018.

GwE follows the guidance from the host authority; formally records the lawful basis upon which data / information is processed within suites of documents called Data Protection Registers; and has 'Privacy Notices' that are available on the website setting out how it intends to use information and how it will deliver its services and statutory responsibilities. The Business Senior Leadership Team within GwE ensures GDPR compliance, working closely with the host authority statutory information management officer. It is considered that this approach continues to support GwE in complying with the GDPR and demonstrates openness and transparency when dealing with its customers.

5.3.3 GwE, supported by the host authority, operates a Freedom of Information (FOI) Act 2000 publication scheme in accordance with legislative requirements. During 2019/20, 2 FOI requests were received and were responded to within 20 working days.

5.3.4 A Full Business Case has been provided for the Service, dated March 2012, with the business case showing evidence that clear objectives have been established and are SMART and that an appropriate work programme is in place.

5.3.5 The clear and robust accountability framework in a key strength in GwE. Detailed business plans on all levels of planning address all aspects of the work of GwE, and clearly note the contribution of the service to the transformation agenda. Plans are fully costed, with clear success criteria and milestones for delivering objectives. A 3 Year Business Plan, 2017-2020 is in place for the service which has been approved by the Joint Committee (03/10/17) & Welsh Government. The Business Plan ensures an appropriate work programme (annual business plan) is in place & monitoring reports are presented to the Joint Committee at their meetings. GwE consulted on its vision and priorities for 2019/20 and the Annual Business Plan 2019/20 was approved by the Joint Committee on 20 February 2019.

5.3.6 There are detailed self-evaluation arrangements. Plans are reviewed on a quarterly basis, evaluating progress and impact. Staff on all levels fully understand their responsibility for continued improvement and accountability. During 2019/20, the Joint Committee has received quarterly business plan updates. Based on the updates provided, it is considered that appropriate and regular information is made available to the Joint Committee to review and challenge performance and hold management to account.

5.3.7 Looking ahead, uncertainty is expected on future year resources levels provided by the UK Government to Welsh Government due, primarily to the impact of Covid-19 and Brexit. GwE has a medium term financial plan which is updated as required. It will be imperative to revisit the medium term financial plan at the appropriate time in order to re-model options & help frame medium term service planning.

5.3.8 GwE has a forward work plan of committee meetings and the Joint Committee meeting of 20 February 2019 agreed the annual meetings calendar for 2019/20.

5.3.9 The GwE Joint Committee is the main decision body & has appropriate membership. The terms of reference of the Joint Committee set out some of its responsibilities together with a list of members of the Joint Committee and voting rights. The role of the Authorities has been identified in the Agreement.

5.3.10 During 2019/20 the Joint Committee met on the following dates:

- 22/05/19
- 08/07/19
- 11/09/19
- 17/11/19
- 26/02/20

During these meetings, the Joint Committee received 31 reports, all of which were published on the host authority & GwE's website prior to the meetings. Key decisions were also taken by the GwE Management Board. A sample of the GwE Joint Committee reports was reviewed & confirmed that a consistent format was used.

5.3.11 Based on the above information, it is considered that the decision making arrangements operated during 2019/20 were open & transparent, & compliant with the Inter Authority Agreement.

5.3.12 As a result of the adoption of the National Model for Regional Joint Working the governance structure of GwE was reviewed. This involved creating an Advisory Board and a Management Board and a review of the structure of the Joint Committee. The review of the agreement is in the process of being formalised.

5.3.13 The Service follows Gwynedd Council complaints procedure. During 2019/20 no complaints have been received.

5.3.14 Schools provide feedback via the User Group that has been established to provide support to the Joint Committee as well as challenge. Appropriate representatives from secondary and primary schools of the 6 authorities belong to the user group.

The User Group is operating effectively because:

- It has the right to report and make recommendations to the Joint Committee on any matter within the scope of functions of the Service.
- The group met on the following dates:
 - 03/04/19 (primary)
 - 21/06/19 (secondary)
 - 20/09/19(primary)
 - 20/09/19 (secondary)
 - 09/12/19 (primary)
 - 28/01/20 (primary)
- The group includes:
 - 6 Secondary representatives, one from each Authority
 - 6 Primary representatives, one from each Authority
 - 1 representatives of Special Schools
 - School Governors - 1 representative per Council.

5.3.15 GwE encourage stakeholder engagement & feedback via a broad range of communication & engagement methods. Examples include: attendance at Headteacher federation meetings; focus group discussions on specific areas; weekly bulletin; social media etc.

5.3.16 It is proposed that the formalisation of the governance review is finalised.

5.4 Defining outcomes in terms of sustainable economic, social and environmental benefits.

5.4.1 The draft regional priorities for 2019/20 were approved by the Joint Committee at their meeting on the 20th of February 2019. The regional business plan (level 1) sets out the priority areas for improvement across the region, these were defined as:

- Developing a high-quality education profession
- Inspirational leaders working collaboratively to raise standards
- Strong and inclusive schools committed to excellence, equity and well-being
- Robust assessment, evaluation and accountability arrangements supporting a self-improving system
- Transformational Curriculum
- Business

5.4.2 GwE's base budget for the 2019/20 financial year was approved by the Joint Committee at their meeting on the 20th of February 2019.

5.4.3 In addition to the level 1 business plan, each Local Authority has a detailed business plan agreed upon by the head of service and the core lead. Progress towards agreed outcomes on a local authority level is reviewed regularly in meetings between the core lead and Local Authority. Ongoing issues are referred to GwE Senior leaders in a timely manner.

5.4.4 The regional business plan set out the priorities across the region. These priorities are those at Level 1 and are the responsibility of the Managing Director and Chair of the Management Board to deliver as the accountable officers. The Joint Committee are ultimately accountable for the delivery against the priorities.

5.4.5 Annual Level 2 and 3 plans sit below the Level 1 plan and give more detailed information with regard to national, regional and local priorities. The Level 2 and 3 plans provide detail with regard to the actions to be delivered and the outputs and success criteria to be achieved. The 3 level business planning framework developed ensures accountability for delivery and provides the structure for monitoring progress effectively.

5.4.6 During 2019/20, the Joint Committee has received quarterly business plan updates. Based on the updates provided, it is considered that appropriate and regular information is made available to the Joint Committee to review and challenge performance and hold management to account. The information is also made public.

5.5 Determining the interventions necessary to optimise the achievement of the intended outcomes

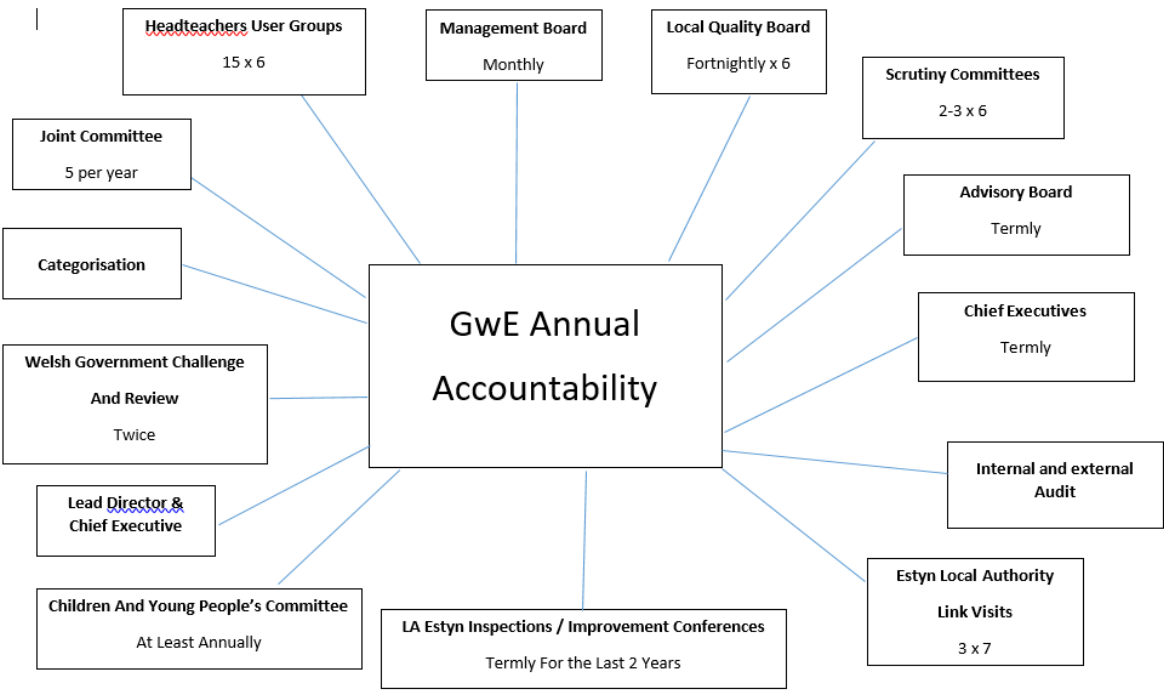
5.5.1 The clear and robust accountability framework in a key strength in GwE. Detailed business plans on all levels of planning address all aspects of the work of GwE, and clearly note the contribution of the service to the transformation agenda. Plans are fully costed, with clear success criteria and milestones for delivering objectives.

5.5.2 There are detailed self-evaluation arrangements. Plans are reviewed on a quarterly basis, evaluating progress and impact. Staff on all levels fully understand their responsibility for continued improvement and accountability.

5.5.3 Each Local Authority has a detailed business plan agreed upon by the head of service and the core adviser. Progress towards agreed outcomes on a local authority level is reviewed regularly in meetings between the lead adviser and Local Authority. Ongoing issues are referred to GwE Senior leaders in a timely manner.

5.5.4 Performance reports were presented to the Joint Committee & LA Scrutiny Committees during 2019/20, with reports also presented to Welsh Government as part of the Challenge & Review meetings. The Welsh Government annual autumn Challenge and Review meetings are chaired by the Cabinet Secretary for Education focusing on performance, progress, planning and budgets in the context of national priorities. The last meeting was very positive and it was expressed that it had set a high bar, demonstrating the political maturity of the Joint Committee.

5.5.5 The diagram below illustrates the annual accountability reporting completed by GwE during 2019/20.



5.5.6 Based on the above, it is considered that the information published during 2019/20 would provide opportunity for stakeholders to understand GwE's performance & hold it to account.

5.5.7 At the Joint Committee meeting held on the 11th of September 2019, the Joint Committee approved the efficiency savings target implementation plan. The cumulative total savings of £206,485 was therefore applied to the core budget in 2019/20. With this context in mind, GwE allocated resources & put in place arrangements to maximise its impact.

5.6 Developing the entity's capacity, including the capability of its leadership & the individuals within

5.6.1 The consistency and quality of challenge and support to schools is good. Regular training, support and discussions ensure that Supporting Improvement Advisers' knowledge and understanding of national and local developments, and the implications of this on their roles, is good.

5.6.2 Quality Assurance processes continue to develop and evolve in line with national developments and principles. Messages and information are communicated clearly and on a regular basis to all employees. Generic, purposeful and effective support programmes are offered. Full and sector team meetings offer regular opportunities for collaboration, consultation and contributing to discussions and decisions regarding GwE's direction of work during a period of considerable change.

5.6.3 There are detailed self-evaluation arrangements. Plans are reviewed on a quarterly basis, evaluating progress and impact. Staff on all levels fully understand their responsibility for continued improvement and accountability.

5.6.4 A Professional Review process is in place for all staff & is reviewed on a termly basis. Staff are encouraged to participate in various professional development activities during the year.

5.6.5 During 2019/20, specific training was provided to members & Scrutiny members by GwE & also by Welsh Government.

5.6.6 It is proposed that staff development continues & is built upon during the next year ensuring that staff receive any new support requirements / developments as a result of Covid-19.

5.7 Managing risks and performance through robust internal control and strong public financial management

5.7.1 There are rigorous and comprehensive arrangements in place to accurately identify and manage risks on a local, regional and national level. The risk register is a live document, which is updated on a regular basis in order to identify increasing risks or risks which are no longer deemed as high level. It is reviewed every month in a senior leadership meeting and the Management Board and the Joint Committee review the register on a quarterly basis. Through effective management of risks to the region, GwE is able to support the region's objectives, make effective use of resources and meet the outcomes as intended.

5.7.2 Under the agreement, the Service's Managing Director will report annually to the Joint Committee and to each individual Council on the performance of the Service in undertaking Functions and achieving Key Service Objectives.

5.7.3 The Annual Report for 2018/19 was presented to the Joint Committee at their meeting on 22/05/2019.

5.7.4 The membership & meeting frequency of the GwE Joint Committee during 2019/20 was in line with the Inter Authority Agreement.

5.7.5 GwE function under the corporate policies of the host authority, including information management. GwE also have in place specific documentation relating to their work, e.g. WASPI Data Disclosure agreement relating to the disclosure of personal pupil information contained within the School Statutory returns, Local Authority and Schools Management information systems and other educational data systems including tracking systems (e.g. FFT, Incerts).

5.7.6 At the balance sheet date, GwE function under the corporate policies of the host authority, including financial procedure rules.

5.7.7 The Wales Audit Office audits GwE’s annual statement of accounts and the outcome from the audit reported to the Joint Committee.

5.7.8 GwE’s financial & operational performance is monitored and scrutinised by the GwE Joint Committee.

5.7.9 The latest audited statement of accounts (i.e. for the 2018/19 financial year) received an unqualified audit report and were approved at the meeting of the Joint Committee on the 11th of September 2019, this being in advance of the statutory deadline of the 15th of September.

5.7.10 The latest Wales Audit Office report ‘Audit of Financial Statements Report and Management Letter’ reported to the Joint Committee on the 11th of September 2019 concluded that the accounting statements and related notes:

- give a true and fair view of the financial position of GwE Joint Committee as at 31 March 2019 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2018-19.

5.7.11 The 11th of September 2019 Wales Audit Office report make one recommendation to be addressed by GwE and the host authority.

| Matter arising 1 – Regional Consortia School Improvement Grant - Education Improvement Grant element | |
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| Findings | GwE are the administering body for the new Regional Consortia School Improvement Grant, an element of which is be distributed by Gwynedd Council (acting as host authority) amongst the other North Wales Councils (GwE’s constituent local authorities). The 2018-19 award amount was £35,844k of which £26,638k relating to the Education Improvement Grant is redistributed. £24,636k was redistributed to the other local authorities in North Wales and £2,002k was retained by GwE. The basis of redistribution is agreed annually by the GwE Management Committee adjusting the prior years allocation by any cuts to the grant income from the Welsh Government. The figures are then confirmed as accurate by the finance department of each authority (we have evidenced this via review of email returns to GwE) Formal grant offer letters are not sent out to each authority confirming the EIG amount, however we have evidenced that annual EIG grant compliance returns are certified by each authority. We have agreed the fund transfers to bank statements and remittance advice and we are satisfied that the distribution is scrutinised by the GwE Management Committee, which includes representatives from each local authority, who would identify a material misstatement were there to be one. However, we have not been able to evidence the specific Management Meeting Committee meeting agenda item or meeting minutes explicitly confirming the approval of this allocation. |
| Recommendation | It is recommended that the GwE Management Board meetings include an agenda item to explicitly agree the annual EIG distribution. |
| Priority | Low. |
| Benefit of Implementing Recommendation | To ensure that EIG redistribution is formally approved by the GwE Management Committee confirming the allocation is appropriate and in accordance with the GwE and the EIG priorities. |

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| Accepted in full by management | Yes. |
| Management response | Agreed. |
| Implementation date | During 2019-20 |

The recommendation was agreed by Management & was implemented on 11 October 2019.

5.7.12 The consortium has effective financial management processes in place. Communication and consultation on financial arrangements is effective, and GwE staff, the host local authority and Joint Committee all review the core funding and grant expenditure on a regular basis.

5.7.13 A robust financial analysis supports the work of delivering the business plan. A medium term financial plan and workforce plan are both aligned with the business plan. Through increasingly effective use of data to identify key priorities, the link between the business planning process and decisions regarding financial planning is strengthened as the work streams that underpin the business plan clearly note the resources to be used.

5.7.14 A formal framework was produced to assess the wider value for money provided by GwE. The judgement is now consistent across all stakeholders on how to measure the value for money of GwE activities within the structure and objectives of the business plan.

5.7.15 It is proposed that the value for money framework is enhanced during the year in order to demonstrate further the prioritisation of resources.

5.8 Implementing good practices in transparency, reporting, and audit to deliver effective accountability

5.8.1 GwE has implemented an open and consistent approach to reporting its business, as set out in sections 5.4 & 5.5 of the Annual Governance Statement, with the aim of helping to ensure information is understandable to stakeholders and that they have the opportunity to challenge GwE's performance, plans and decisions.

5.8.2 A review of a sample of information reported to the Joint Committee has revealed that:

- Annual Reports and Plans are reported publicly, providing an overview of performance, for example;
- Performance management reports are reported quarterly & all information is made available publicly;
- The minutes of meetings confirm that designated officers attend each meeting to orally present reports and answer questions, and a number of occasions were noted where updates were delivered via presentations.

Part 6: SIGNIFICANT GOVERNANCE ISSUES

6.1 The processes outlined in previous sections of this statement describe the methods used by GwE to identify the most significant governance issues that need to be addressed.

6.2 Based on the assessment undertaken, it is considered that GwE's governance arrangements were fit for purpose and publicly demonstrated how they contributed to the delivery of improved school performance outcomes as set out in the Business Plan.

6.3 The overall conclusion has been based upon:

- An open approach to engaging with stakeholders, planning and delivering services, and reporting and scrutiny of GwE's performance;
- Clear arrangements for decision making that were supported by robust service management and financial management arrangements;

- The reporting of understandable priorities and ambition, as set out in GwE’s Business Plan, with progress reports demonstrating improvement in outcomes and performance at the same time as maintaining financial stability;
- Sound arrangements to support elected Members and Officers in the effective discharge of their responsibilities and also in maintaining high standards of conduct when undertaking business on behalf of GwE;
- A medium term approach to financial planning that helped inform strategic decision making and prioritisation of resources.

6.4 Notwithstanding this overall position, the assessment has identified areas where improvements are deemed necessary to further reinforce the effectiveness of GwE’s current arrangements. These are detailed in section 7.

6.5 The response to COVID-19 has dramatically changed our lives. In this challenging context, the education system and schooling has been significantly disrupted. On 23 March 2020, schools were re-purposed to support children of key workers and some vulnerable learners. School leaders have worked tirelessly to adapt to new arrangements and develop processes to support the learners and families within their homes and communities. GwE staff have also adapted their work in order to continue to provide services and support for all our school communities.

The main priorities and work streams for GwE during this period have been as follows:

- Phase 1: Pre-lockdown
- Phase 2: Supporting schools at the beginning of lockdown
- Phase 3: Distance Learning
- Phase 4: Supporting schools to re-open
- Phase 5: Blended Learning

A report was shared with the Joint Committee at their meeting on 15 July 2020, detailing the activities, outcomes and impact of our work since the lockdown begun, covering the period 23 March 2020 to 22 May 2020 (Phase 1 – 4 above).

We see that Supporting Improvement Advisers (SIAs) will have an evolving role over the coming months in supporting schools with the following aspects:

- Supporting distance learning and developing a blended approach to encompass distance learning and face to face learning
- Supporting the repurposing of schools
- Supporting Professional Learning (PL)

A further report will be presented to the Joint Committee in September 2020.

6.6 Governance arrangements in GwE have continued during COVID-19 with all meetings continuing via online platforms. No disruption to arrangements have been experienced.

6.7 Looking ahead the robust governance arrangements in place in GwE, together with implementing the proposals for improvement set out in section 7 below, will be critical in supporting the organisation to re-purpose and realign regional support and also continue to provide an effective school improvement service during the Covid-19 and recovery period.

Part 7: PROPOSALS FOR IMPROVEMENT

7.1 Further to completing the assessment of GwE's governance arrangements, below are the proposals for improvement:

| Core Principle | Ref no. | Proposal for improvement | Timescale for implementation | Responsible Officer |
|---|----------------|--|-------------------------------------|------------------------------------|
| Ensuring openness and comprehensive stakeholder engagement | 5.3.16 | Ensure the governance review is finalised. | March 2021 | Host authority / Managing Director |
| Developing the entity's capacity, including the capability of its leadership & the individuals within | 5.6.6 | That staff development continues & is built upon during the next year ensuring that staff receive any new support requirements / developments as a result of Covid-19. | March 2021 | Managing Director |
| Managing risks and performance through robust internal control and strong public financial management | 5.7.15 | That the value for money framework is enhanced during the year in order to demonstrate further the prioritisation of resources. | March 2021 | Managing Director |

7.2 The GwE Senior Leadership Team has accepted the proposals for improvement and is committed to their implementation during 2020/21. An update on progress will be reported to the Joint Committee (during the year) to enable members to review and scrutinise the extent of progress being made.

GwE Lead Officer

Date : _____

ARWYN LLOYD THOMAS

GwE MANAGING DIRECTOR

GwE Chairman

Date: _____

COUNCILLOR PHIL WYNN