

ANNUAL GOVERNANCE STATEMENT

This statement meets with the requirement to produce an Internal Control Statement in accordance with Regulation 5 of the Accounts and Audit Regulations (Wales) 2014.

Part 1: SCOPE OF RESPONSIBILITY

Gwynedd Council is responsible for ensuring that it conducts its business in accordance with the law and to proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Gwynedd Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the exercise of its functions, having regard in particular to strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.

In discharging these overall responsibilities, Gwynedd Council 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.

Gwynedd Council has approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework, *Delivering Good Governance in Local Government*. A copy of the code is available on our website, or may be obtained by writing to Gwynedd Council, County Offices, Shirehall Street, Caernarfon, Gwynedd LL55 1SH. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 5(5) Accounts and Audit (Wales) Regulations 2014 in relation to publishing a statement on internal control.

Part 2: THE PURPOSE OF THE GOVERNANCE FRAMEWORK

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

The system of internal control is a significant part of that framework and is designed to enable the Council to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks that are relevant to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework described above has been in place at Gwynedd Council for the year ending 31 March 2020 and remains applicable up to the date of the approval of the Statement of Accounts.

Part 3: GOVERNANCE ARRANGEMENTS AND THEIR EFFECTIVENESS

- 3.1 The **Governance Arrangements Assessment Group** monitors matters of governance continuously in a disciplined manner, raising a wider awareness of these, and promoting a wider ownership of the Annual Governance Statement. The Group comprises the Chief Executive, the Monitoring Officer, Head of Corporate Support, the Assistant Head (Revenue and Risk), Assistant Head of Corporate Support, Assistant Head (Supporting Families), the Risk and Insurance Manager and the Council Business Service Support Manager.
- 3.2 As a result of the publication of a new version of the CIPFA/SOLACE Framework - *Delivering Good Governance in Local Government* in 2016, the Group has adapted the Council's arrangements for identifying and assessing its governance arrangements in order to reflect the new Framework. Consequently, the local framework was set out in the form of a Governance Risk Register that is part of the Corporate Risk Register, identifying 22 areas of governance risks.
- 3.3 An outline is given of the Governance Areas, the relevant risks and the Council's arrangements to deal with these, and the effectiveness of these arrangements, in the remainder of this section of the Annual Governance Statement.
- 3.4 For each Governance Risk, a current score is shown, which is the score following an objective assessment of the control arrangements that are currently in place. Consideration is given to two factors:
- The **Impact** of the risk in the event of it being realised
 - The **Likelihood** that it will occur.
- 3.5 Impact scores vary from 1 (Visible impact) to 5 (Catastrophic impact), and the Likelihood scores from 1 (very unlikely) to 5 (occurring now). The risk score is calculated by multiplying the impact score and the likelihood score.
- 3.6 The comparative level of the risks is calculated as follows:

Score 20-25	Very High Risk
Score 12-16	High Risk
Score 6-10	Medium Risk
Score 1-5	Low Risk

- 3.7 Since March 2020, to the date of publication of the 2019/20 Statement of Accounts, the Council has been responding to the Covid-19 pandemic crisis. Where this has had a significant and visible impact on the council's governance arrangements, this has been noted below.

Culture

Risk: Inappropriate culture within the Council can hinder our ability to do the right things in the correct manner

Assessment:

We have assessed that this is currently a **High** risk, because:

- An appropriate culture can promote all aspects of governance noted in the register and, in the same manner, an inappropriate culture can hinder all aspects of governance.
- If the culture is correct, this can dominate everything else that affects our ability to achieve as the principles of good governance are an inevitable part of the day-to-day conduct of each individual within the establishment. The Ffordd Gwynedd Strategy notes that one of the Council's main aims is to place the people of Gwynedd at the heart of everything we do. In reality, this also describes the Council's values - namely anything that is in keeping with that objective.
- The six-day training programme for Service Managers on the principles of Ffordd Gwynedd (including robust performance management principles) was introduced in the summer of 2017. Each service manager has now followed this training and an action plan for the year 2019/20 ensures that this training has been available for new managers as well as potential managers for the future. The Managers' Network has been re-established and has held its first series of meetings in March 2019. The early signs are reassuring, with the encouragement for managers and their teams to undertake reviews within their own services rather than the previous focus on undertaking intensive reviews. There is a significant progress in general but evidence remains that that progress is not consistent across the Council.
- The Ffordd Gwynedd Plan and work programme for the 2019-2022 period were adopted by the Cabinet on 23 July, 2019. The plan identifies nine areas that we will focus on in order to further embed the "way of working". With a view of ensuring that everyone is clear about the behaviours that are expected of them, a new job description was circulated to each manager/senior manager outlining the expected behaviours from them and generic content was agreed for a new job description for heads and assistant heads of departments. A consultation is ongoing on the final generic content of job descriptions for team leaders and staff in general.

Current Risk Score:

Impact	Likelihood	Risk score
4	3	12

Conduct

Risk: Lack of integrity, ethics and respect in the conduct of members and officers, undermining the public's confidence in the Council

Assessment:

We have assessed that this is currently a **Low** risk, because:

- The Council has adopted codes of conduct for its members and officers, based on national regulations (codes such as the Member/Officer Relationship Code, Members' Code of Conduct, Officers' Code of Conduct, Anti-fraud and Anti-corruption Policy and the Whistle-blowing Code of Practice) and these together set the foundation to ensure integrity and ethics. There is evidence of action when it appears that these codes of conduct have been breached.
- There is clear evidence that the Council gives due consideration to the Ombudsman's reports as part of the work of the Standards Committee, which works effectively.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Lawfulness

Risk: Ignoring the rule of law, which means that the Council is open to challenges from the courts

Assessment:

We have assessed that this is currently a **Low** risk, because:

- Statutory Officers (the Monitoring Officer and the Head of Finance) have to offer comments on any formal decision, as part of a comprehensive constitution that is regularly reviewed.
- There are formal protocols in place in order to safeguard the rights of statutory officers.
- These arrangements have not changed during the period of the pandemic.

Current Risk Score:

Impact	Likelihood	Risk score
3	1	3

Being open

Risk: A Council that is not open, meaning that it is not possible to hold it accountable for its decisions

Assessment:

We have assessed that this is currently a **Low** risk, because:

- Only the minimum of Committee reports are exempt
- Publicity is given to the decision sheets of individual members, with procedures to ensure that this occurs.
- Background papers are published with committee reports in order to ensure that the decisions are made with full information.
- Many committee meetings that make decisions are web-broadcast.
- The Cabinet regularly considers performance reports as part of its meetings that are open and the Council publishes its Corporate Plan, Annual Performance Report and the Statement of Accounts to seek to give as much information as the residents need for us to be accountable.
- Various other methods are also used such as the website, 'Newyddion Gwynedd' and social media to try to ensure that Gwynedd residents are aware of what is happening within the Council.

Current Risk Score:

Impact	Likelihood	Risk score
2	1	2

Stakeholders

Risk: Weak relationship with institutional stakeholders, ending with sub-optimal services

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The willingness of public sector bodies, including Gwynedd Council, other neighbouring unitary councils, the Police, the Health Board, the third sector and others to co-operate for the joint delivery of public services can have a significant, visible impact for the People of Gwynedd.
- Work has been undertaken to create a Well-being Plan and the relationship between organisations has matured.
- The Council is committed to the Public Services Board
- However, members have questioned if the Board has yet discovered the place where the true value that is available has been maximised
- The Board's Plan is consistent with the Council's Plan.
- Collaboration also occurs at a regional level which is not always as effective as it could be due to the footprint size and the difficulty of building a relationship with such a large number of people. There are some examples of success (e.g. Ambition Board).
- There is also collaboration taking place at county level with varying success. Our relationship with the Third Sector continues to evolve and we try to ensure that we use that relationship to maximise the benefits that can flow from that to the people of Gwynedd. This journey will continue with the relevant departments continuing to develop the relationship.
- During the pandemic period there has been a marked enthusiasm among volunteers to help our communities, and the Council has been active in trying to assist those groups to succeed.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Engagement

Risk: Failure to engage with service users and individual citizens, leading to not doing things correctly

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- Clear engagement with the People of Gwynedd to establish clear lines of communication, and to get a true understanding of their needs, is one of the principal elements of governance arrangements.
- The purpose of the Council's Engagement Strategy is to ensure that the Council receives the views of the public and other stakeholders as appropriate, with the Communication and Engagement Unit supporting services to consult using a suitable method and to give support in analysing the results.
- The County was divided into eight well-being areas and the residents of those areas were consulted in preparing the assessment of well-being. The well-being areas have been used as a basis for early discussions on the Council's Plan in October 2017, and it is possible to analyse data and consultations on the basis of these areas as well.
- The Engagement Handbook had been reviewed in 2018 in order to ensure compliance with new performance management arrangements.
- New arrangements have been established to engage specifically with young people of Gwynedd in the light of the work on reviewing the Youth Service. There were two significant corporate exercises ("the people's priorities" and "Gwynedd Council's financial strategy") during 2018/19 and 14 services supported were to engage with their users. These exercises were used to:
 - Strengthen the Council's ability to hold two-way conversations with "hard to reach" cohorts (young people, LBGT+ people, ethnic minorities, refugees, adults with learning disabilities etc);
 - Identify steps to strengthen and improve the Guidance and the Engagement Toolkit;
 - Undertake an audit of the ability of departments to engage and establish joint arrangements with the Research and Information Service to ensure that the service level projects that are supported

meet the Council's engagement principles (clear purpose and output, practicable timetable, accessibility, commitment to report back on the findings etc).

- Engagement with local areas has been instrumental as the Council supports the recovery of communities following the pandemic with the intention of further extending the concept when drawing up Area Regeneration Plans in future.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Direction and vision

Risk: Direction and vision that is not rooted in the outcomes for individuals and therefore does not realise the needs of the People of Gwynedd

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The Council is effective in setting its priorities and managing expectations because of the culture of concentrating on what is important to the people of Gwynedd, with the performance measures that are used across all services derived from this.
- The Council's Plan 2018-23 (2020/21 review) was approved by the Full Council of Gwynedd on 5 March 2020. The Plan includes our Well-being Statement, seven Improvement Priorities and every departmental plan. A great effort was made to ensure that it is clear and easy to read and understand.

Current Risk Score:

Impact	Likelihood	Risk score
3	2	6

Sustainability

Risk: A risk of creating unsustainable answers that do not comply with the five principles of the Well-being of Future Generations Act and do not therefore look at the long term

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The Council has acknowledged the importance of acting in accordance with the Well-being of Future Generations Act and, jointly with its partners on the Public Services Board, has done initial work to identify what needs to be done to operate in accordance with the five principles - Long term, Prevention, Integration, Collaboration and Involvement.
- The Council is already complying with all the principles but to different degrees. We have introduced an explanation of the principles of the Act to the Management Group who have agreed that the best way to embed is that Departmental Management Teams pay attention to the principles when planning ahead. It is recognised that an assessment is needed if this way is successful or not. Reports coming before Cabinet are submitted in advance to the Corporate Support Department for review to keep track of places where the principles may not have been followed as well as they could be. By doing this we hope that we will embed the principles naturally rather than ticking boxes but time will tell if we will be successful. The principles involve the inclusion of all segments of society, and the Council already has appropriate arrangements in place to ensure that we improve our provisions for certain protected characteristics.

- By now, we had intended to assess the extent to which this embedding is really happening but because of the pandemic that work has not started. Audit Wales is also undertaking a piece of work to assess this and we will need to consider the extent to which that report provides us with direction in moving forward.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Decisions

Risk: Unwillingness to make decisions on action, which means a delay in achieving the outcomes for the people of Gwynedd

Assessment:

We have assessed that this is currently a **Low** risk, because:

- Over the last few years there is evidence that Gwynedd Council is willing to take difficult or unpopular decisions, e.g. schools, externalising Council houses, acting on the difficult results of the Gwynedd Challenge, changing the Youths arrangements and taking steps to ensure implementation principles within Education.
- A Cabinet meeting, on 31 March 2020, had to be cancelled due to the pandemic. Since then, the Cabinet has met virtually through video conferencing software in accordance with the Local Authorities (Coronavirus) (Meetings) (Wales) Regulations 2020.
- The Council was not able to hold its Annual Meeting in May 2020 in accordance with the original timetable. This will take place in accordance with the Regulations.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Planning Operations

Risk: Intervention without sufficient planning, that could mean either acting on impulse or excessive planning wasting time and resources

Assessment:

We have assessed that this is currently a **Low** risk, because:

- The Council strives to maintain a suitable balance between Project Management procedures and working efficiently.
- The Council tries to strike a balance between the need for order and the need to deliver as soon as possible by doing as little paperwork as is consistent with this, encouraging simple, brief reports that set out the main key points.
- The Council has a Medium Term Financial Strategy, with annual budgets based on this. The Council's work on financial planning is regularly praised by the external auditors, and the Audit and Governance Committee takes a leading role with financial scrutiny.
- There is an element of evidence that there remains a need to improve the communication between the Cabinet and the body responsible for co-ordinating the scrutiny.

Current Risk Score:

Impact	Likelihood	Risk score

2	2	4
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Reviewing Outcomes

Risk: Failure to review the outcomes of our actions, which means that we do not learn lessons by continuing to do the same things incorrectly

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The Council's arrangements for risk assessment, formulating a Corporate Plan and project management will ensure that the intended outcomes to be achieved are clear at the start of any project.
- The annual performance report will try to focus on assessing to what extent these outcomes have been achieved. There are good examples of where this has occurred and the situation is improving.

Current Risk Score:

Impact	Likelihood	Risk score
3	2	6

Property Assets

Risk: The Council's property assets not used to their full potential

Assessment:

We have assessed that this is currently a **Low** risk, because:

- A new Asset Strategy for the 10 year period from 2019/20 to 2028/29 has been developed and was approved by the full Council on 07/03/2019.
- In terms of vehicles, a plan has been implemented to try and make better use of the Council's fleet that has already presented some financial savings and is likely to achieve more.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Information Technology Assets

Risk: The Council's Information Technology assets not used to their full potential

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- Over the years, Information Technology activities have focussed on ensuring appropriate infrastructure to guarantee basic support for services. Whilst there are examples where we can use information technology more extensively to improve how we deliver services for the residents of Gwynedd, there is no evidence that this is consistent across the authority and that it is happening at the speed we would wish.
- The Ffordd Gwynedd Plan 2019-2022 states that the Information Technology support is key to strengthening the capacity of services to deliver alternative approaches which will then lead to better and easier provision for the people of Gwynedd. The Council's response to the pandemic saw a significant change in the actions of a number of departments, including a significant increase in

working from home – which would not have been possible without rapid and decisive implementation by the Information Technology Service.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Planning the Workforce

Risk: Council's workforce not being developed; this means that we cannot provide the best services for the people of Gwynedd

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The People Plan has evolved over the last twelve months to work jointly with a project around Identifying and Developing Talent i.e. identifying gaps in the existing workforce and in the future and then attract and develop internally and externally the talent needed.
- The People Plan prioritises improving arrangements for nurturing talent within the Council, enhance our workforce planning arrangements, and to ensure that our learning arrangements and development focuses on the necessary things.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Leadership

Risk: Deficiencies in the Council's leadership means that we are not doing the right things

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- Leadership sets the expected standard that every Member and Council employee should follow. Therefore, its impact is great – good Leadership can overcome everything else, whilst poor Leadership can destroy what the Council is trying to achieve. It is this that facilitates embedding the Council's culture.
- The roles of the Council, Cabinet, Individual Members and the Chief Officers, together with a clear scheme of delegation, are set out in the Council's Constitution. Gwynedd Council has also prioritised the development of its Leadership Programme and this is part of the People Plan adopted by the Cabinet.
- Whilst there is a clear commitment to try and continuously improve leadership, we have not always been clear regarding what this entails nor how to improve it.
- There is an element of evidence (via self-assessment) that leadership within the Council is improving with many examples of transformational leadership shown rather than transactional leadership. The increasing emphasis placed on "leading" rather than "managing" within the Ffordd Gwynedd culture is another strong indication of the strides made by Cabinet members in taking a leading role to promote good leadership by committing to their development as leaders. Furthermore, the definition of leadership within Gwynedd Council was agreed upon and is reflected in amended job descriptions for every head and manager within the Council. The commitment at the political and executive level demonstrates that these positive steps have borne fruit and that the need and the ability to lead is embedded as the norm within the Council. In light of all this, this work is considered

to be something that continues to be is key, but with the recognition that it is not as great a risk as it has been in the past.

- To reflect that, this work has been incorporated within the Ffordd Gwynedd Plan work programme rather than being a stand-alone project although a specific project continues to have a high improvement priority in relation to Women in Leadership within the Council.

Current Risk Score:

Impact	Likelihood	Risk score
4	2	8

Risk Management

Risk: Weaknesses in our risk management arrangements that increase the threat of something going wrong or failure to take an opportunity to improve

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- There are strong arrangements for monitoring our compliance with certain types of operational risks, such as Health and Safety, Safeguarding Children and Adults and Emergency Planning and Business Continuity. There is quantitative evidence that performance in these areas is improving-although there are examples of room for further improvement.
- Each risk in the Corporate Risk Register has been considered from the perspective of the risk to the people of Gwynedd, not from the Council's introverted point of view.
- The Council's risk management arrangements continue to develop, and they will evolve further as the Ffordd Gwynedd culture permeates the Council. Recent work to develop a corporate risk register for the whole authority, and to do so hand-in-hand with arrangements where business units record obstacles and actively try to resolve those immediately, is beginning to show success.
- The Covid-19 pandemic has been a significant test for the Influenza Pandemic Plan and for the Council's service continuity plans. We immediately saw what happened with any such plan, that there were things that were not addressed in the plan. For example, the flu pandemic plan did not envisage that society itself would be locked down and there would be a need to cope not only with staff absences but also with staff all working from home.
- However, a response was achieved and the comparatively lower incidence of cases than predicted in the original projection; the limiting of the number of deaths and the fact that the Council has been able to continue to deliver its Priority 1 services is evidence of this.

Current Risk Score:

Impact	Likelihood	Risk score
5	2	10

Performance

Risk: Weaknesses in our performance management arrangements mean that we cannot take appropriate steps to achieve our purpose

Assessment:

We have assessed that this is currently a **Low** risk, because:

- The Council's Performance Management system focusses on ensuring that business units achieve their purpose and this is done by continuously reviewing if we are measuring the right things.

- Regular meetings take place with Cabinet Members and managers to assess the latest performance, with members of the relevant Scrutiny Committee also present to challenge. Regular performance reports are submitted by Cabinet members on their areas of responsibility to Cabinet meetings. However, it is noted that this arrangement was postponed in spring 2020 due to the pandemic.
- The Auditor General also observes our performance in different areas by publishing various reports and the Audit and Governance Committee takes an overview that any recommendations receive attention.
- The new Corporate Complaints Procedure continues to develop well. The Services Improvement Officer ensures that we learn lessons from any complaints, and try to avoid repeating mistakes. The Complaints and Service Improvement Services has been able to continue to take action to address public concerns and support services throughout the pandemic period.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Internal Control

Risk: Unsuitable internal control arrangements which means that we either do not protect ourselves from risks, or waste resources on over-control

Assessment:

We have assessed that this is currently a **Low** risk, because:

- The Audit Manager's annual report confirms that the Council's internal controls can be relied upon.
- Reviewing and adapting internal controls so that they are proportionate to what is necessary is central to the goal of placing the people of Gwynedd at the centre of to everything we do, by removing overly bureaucratic tasks. The removal of barriers is part of everyone's work, leading to a suitable level of internal control.
- The efficiency of the Internal Audit system is under continuous review and self-assessment indicates that the service satisfies professional standards in accordance with expectation.
- Gwynedd Council's Audit and Governance Committee has an agreed terms of reference. There is evidence that the Audit and Governance Committee is very effective in delivering its functions. However, there may be a tendency here and there for the Committee to try and duplicate the work of others (e.g. scrutiny committees), rather than keeping an overview of the arrangements.
- It is noted that the Audit and Governance Committee meetings in May 2020 and June 2020 have been postponed due to the pandemic, but will continue to fulfil its statutory duties in respect of the statement of accounts by meeting virtually as required in July and September 2020.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Information

Risk: Failure to control information leading to the failure of safeguarding the information we hold, or not to make the best use of it

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- The ERDMS system, iGwynedd, has now rolled out to everyone in the Council and is a foundation for sharing information more effectively, reducing duplication and enabling fewer stages in processes.
- The Research and Information Team supports departments in using information to make decisions with a focus on the highest priorities in the Council plan.
- There is a continuing need to raise awareness about Data Protection principles, and improving the approach in the field. This work continues. In particular, much work has been done to prepare for the arrival of new data protection legislation.

Current Risk Score:

Impact	Likelihood	Risk score
3	3	9

Finance

Risk: Weaknesses when controlling public finance which mean that the Council's finance is not used on its priorities

Assessment:

We have assessed that this is currently a **Low** risk, because:

- Clear evidence exists that the Council's arrangements are strong, and the reviews by external auditors - not only of the Annual Statements of Accounts but also reviews of financial resilience - offer an independent opinion that confirms this
- Despite this, the pandemic has had a significant impact on the Council's financial position. It was reported to the Cabinet meeting on 19 May 2020 that the situation was a fragile one with income reduced and expenditure increased during the emergency period. The Council's income loss for 3 months is estimated to be in the region of £ 5m, and if the crisis persists the loss of income will be around £ 10m over 6 months. The loss will be dependent on the effect of the restrictions during the period.

Current Risk Score:

Impact	Likelihood	Risk score
3	1	3

Accountability

Risk: Poor reporting, without transparency and unsuitable for the audience, does not highlight to the public what the Council does for them, undermining the democratic position

Assessment:

We have assessed that this is currently a **Low** risk, because:

- The Council has provided guidelines on preparing reports and on making good decisions, in order to ensure that the reports available to the public are clear.
- As well as formal reports for making decisions, the reports produced also include the Annual Performance Report, the Council's Plan (that includes departmental business plans) and the Annual Governance Statement produced in accordance with the CIPFA/Solace framework.
- The Council produces regular reports on its financial position.
- However, despite the Council's efforts, and apart from cases where there is a fairly fundamental change in question, the number of responses to consultations suggest there is no great aspiration amongst the public to hold the Council to account.

- Monitoring of Cabinet reports will naturally continue with the Chief Executive taking a look at each one.

Current Risk Score:

Impact	Likelihood	Risk score
2	2	4

Assurance

Risk: Lack of assurance and accountability that raises suspicion amongst the public regarding what the Council is doing

Assessment:

We have assessed that this is currently a **Medium** risk, because:

- There are many ways available within the Council to provide independent assurance that the Council's governance arrangements are working as they should. Statutory officers ensure that matters comply with the law and the procedures in the Constitution, whilst the Chief Executive and the Directors continually challenge whether or not the departments are doing the right things. Cabinet members also meet often to challenge each other regarding developments.
- The Audit and Governance Committee keeps an overview of the governance arrangements as well as the implementation of the external auditor's recommendations.
- Supporting this is the Internal Audit Service that operates in accordance with the statutory professional standards, namely the Public Sector Internal Audit Standards.
- However, formally it is the scrutiny procedure that should continue to hold the Cabinet to account. There is transparent and objective scrutiny and challenging of decisions and policies; however, there is uncertainty regarding how effective this is. This has received attention in the Scrutiny Review commissioned by the Audit Committee in 2016/17, but at its meeting on 3 March 2017 the Council resolved contrary to the Audit Committee's decision to adopt a different procedure in the future.
- The new procedure was implemented following the May 2017 elections. A promise was made to review the effectiveness of the amended arrangements and the Scrutiny Working Group has been established, which includes members of the Cabinet, Scrutiny Forum and senior officers sit on this Working Group.
- Covid-19 has had an adverse effect on the Council's ability to perform its audit and scrutiny functions. Meetings of the Audit and Governance Committee and the scrutiny committees had to be cancelled since the start of the crisis in March 2020. Internal audit has not been able to undertake many audits during this period either but this was a temporary situation and a new Internal Audit plan for the remainder of 2020/21 was presented to the Audit and Governance Committee on 30 July 2020..

Current Risk Score:

Impact	Likelihood	Risk score
2	3	6

We have been advised on the implications of the result of **the review of the effectiveness of the governance framework** by the Audit and Governance Committee, and that the arrangements **continue to be regarded as fit for purpose in accordance with the governance framework**. The areas that have already been

addressed and those which the Council will address specifically have new ongoing action plans and are outlined below.

Part 4: SIGNIFICANT GOVERNANCE ISSUES

4.1 The above scores indicate that it is not considered that any of the 22 areas of governance present a very high risk. However, there is 1 high risk and 11 medium risks.

4.2 Actions for the areas that are a high or medium risk are noted below.

HIGH RISKS

Governance Area	Response Arrangements	Department Responsible
The Council's Culture	<p>The 6-day training continues for new and prospective managers while two-day training is to be piloted with 4 groups of officers across the council during the first half of 2020. The Ffordd Gwynedd Core Group is currently considering how best to demonstrate the close link between the culture of Ffordd Gwynedd and the requirements of the Well-being of Future Generations Act with a view to including an item to discuss this on the programme of the Management Network meetings in 2020/21.</p> <p>Work is underway to consider ways of measuring the progress of the culture sought, through a combination of self-assessment by managers and their teams on the one hand and challenge by members of the management team and Cabinet on the other. It is also expected to receive a report from the Wales Audit Office during 2020 which will assess progress through independent eyes. The intention is that all of this will contribute to our ability to measure not only progress, but also the impact that the "way of working" has on our services.</p>	Corporate Support

MEDIUM RISKS

Governance Area	Response Arrangements	Department Responsible
Stakeholders	<p>There are ongoing efforts in various areas to try to simplify a complex working relationship. However it must be acknowledged that there is only so much that can be done and there is room to question that the solution now is to try to find ways to work around the legislative barriers that have been set by the Government. We are already doing so quite successfully.</p>	Leadership Team and Legal
Engagement	<p>During 2020/21 there is an intention to:</p> <ul style="list-style-type: none"> • continue to work with the Youth Service and external partners to further develop our ability to engage with young people. We will also be working with the Child Protection Service to develop the way the Council engages with young people who are either in care or have left the Council's care; • establish a new Residents Panel which will make far greater use of electronic means of engagement and will also conform to the requirements of the Data Protection Act and GDPR; • continue to strengthen the support available to services to undertake meaningful and effective engagement exercises. This will include publishing and promoting templates, examples of good practice, guidelines and a practical toolkit; • assess and identify progress across the Council in understanding the needs of those who receive a service. 	Corporate Support
Direction and vision	The risk is accepted at its present level.	Corporate Support
Sustainability	<p>The Governance Group will consider the result of the work by the Internal Audit Service as the basis for an assessment of how the 5 ways of working are embedded within individual departments before coming to a conclusion about what steps need to be taken to fully adopt the well-being of future generations principles across the Council.</p>	Corporate Support
Reviewing Outcomes	The risk is accepted at its present level.	Leadership Team and Legal

Governance Area	Response Arrangements	Department Responsible
Information Technology Assets	Operate in accordance with the work programme included in the Information Technology Strategy. This includes extending the use of self-service in order that the people of Gwynedd can access a service at a time that is convenient for them.	Finance
Planning the Workforce	The Project Group and officers from the Human Resources Team are currently working closely with the managers of the Adults, Health and Well-being Department and are focussed on the identification of key jobs and functions there. This work will spread to the rest of the Council during the coming year. The need to develop individuals to perform specialist and key functions is met in several ways with the focus in the coming year on apprenticeships, the experts of tomorrow scheme and developing leadership skills among the existing workforce.	Corporate Support
Leadership	<p>In the coming year we will focus on the promotion of women in leadership in an effort to increase the number of women who apply, and are appointed, to take on senior responsibilities within the Council. This particular project has prioritised plans to introduce a potential development programme for women, conduct an audit of our recruitment and appointment methods for managerial positions and create a forum for leaders and aspiring female leaders within the Council.</p> <p>We will also continue to develop the leadership behaviours expected of managers across the board, primarily through a combination of training related to the "way of working" and by challenging the behaviours as part of the ongoing appraisal that is being promoted as part of establishing the culture.</p>	Corporate Support
Risk Management	Work still needs to be done to ensure that all Council departments maintain the procedure of recording their major risks and review them regularly. The Insurance and Risk Service will support all departments to ensure that the use of the Corporate Risk Register is consistent across the Council, and that risks are continuously updated. The procedure of considering the contents of risk registers when monitoring the performance of departments will develop further.	Finance

Governance Area	Response Arrangements	Department Responsible
Information	<p>It is planned for the Research and Information Team to extend the work of supporting services when using and interpreting performance data as part of the Department's activity in supporting Ffordd Gwynedd.</p> <p>The team is also looking at establishing and promoting Information Standards for areas where inconsistencies exist or have arisen.</p> <p>The work of ensuring that the Council complies with the requirements of the new data protection legislation will continue. As a result of the work of creating data asset registers, there is better understanding of the personal data that is kept by the Council and what personal information is being shared externally and the need for appropriate commercial agreements to be in place.</p> <p>But there remains the concern about the low number of staff who take up training and accept policies in the field. A group has been established to specifically look at this across the statutory issues in order to identify the most effective ways for delivering the training.</p>	Corporate Support
Assurance	<p>The new team established to strengthen support for scrutiny arrangements within the Council, works closely with the chairs/vice chairs of individual committees to ensure clarity and share best practice. This will extend to the development of regional scrutiny arrangements in conjunction with other authorities where relevant during 2020/21.</p>	Corporate Support

Part 5: OPINION

We are of the opinion that the governance arrangements described above offer assurance that our governance arrangements work well overall. However, we intend to take measures to deal with the matters noted in Part 4 above during next year in order to improve our governance arrangements. We are satisfied that these measures will deal with the need to improve as identified in the effectiveness review, and we will monitor their operation as part of the next annual review.

DILWYN O. WILLIAMS
CHIEF EXECUTIVE, GWYNEDD COUNCIL

Cllr. DYFRIG SIENCYN
LEADER, GWYNEDD COUNCIL

DATE

DATE