SUBJECT:	**MONMOUTHSHIRE COUNTY COUNCIL ANNUAL GOVERNANCE STATEMENT (2025/26)**
DIRECTORATE:	**Resources**
MEETING:	**Governance & Audit Committee**
DATE:	**July 2026**
DIVISION/WARDS AFFECTED: All	

1. PURPOSE

To receive a **draft** version of the Council's Annual Governance Statement [Appendix 2] included within the Draft Statement of Accounts 2025/26.

2. RECOMMENDATION(S)

1. That the Governance & Audit Committee contribute to the appropriateness and content of the draft Annual Governance Statement (2025/26) with any changes to be fed into the external audit of the annual accounts process.

2. Considers the review of effectiveness and the assessment made against each of the governance principles.

3. The Committee endorses the Annual Governance Statement 2025/26..

3. KEY ISSUES

3.1 Corporate Governance is about doing the right thing at the right time for the right people in an open and transparent way.

3.2 For the purpose of the 2025/26 Annual Governance Statement (AGS), the review has been completed based on the Councils Code of Corporate Governance 2020 which was presented to the Council's former Audit Committee in June 2020 and approved by Cabinet in September 2021.

3.3 The Governance & Audit Committee endorsed (April 2026) and Council approved an updated version of the Code of Corporate Governance in June 2026. The updated version will be the basis for future Annual Governance Statements.

3.4 The AGS demonstrates that Monmouthshire County Council has appropriate governance arrangements in place to meet the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements.

3.5 Monmouthshire County Council is responsible for ensuring that its business is conducted in accordance with the law and to proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 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.

3.6 The Council is also required to self-assess its governance and performance as outlined in the Local Government and Elections (Wales) Act 2021. Any recommendations or actions from this Governance Statement for the Council will be integrated into the Council's Annual Wellbeing and Self-Assessment Report.

3.7 In discharging this overall responsibility, the Council is 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.

3.8 Updated guidance from CIPFA and Solace on the annual review of governance and internal controls and the preparation of an AGS was released in May 2025. The guidance forms an addendum to the 'Delivering Good Governance in Local Government Framework 2016' which the 2025/26 AGS has been written in accordance with. The requirements from the new addendum applies to UK local government statements covering the financial year 2025/26 onwards and has been incorporated in the Statement.

4 The Purpose of the Governance Framework

4.1 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 the community. 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, cost effective services.

4.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk or 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 to the achievement of the Council'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.

4.3 The governance framework has been in place at the Council for the year ended 31 March 2026 and will be in place up to the date of approval of the statement of accounts.

4.4 The Annual Governance Statement itself [Appendix 2] demonstrates that Monmouthshire has appropriate governance arrangements in place to meet the challenges of the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements.

5 The Governance Framework

5.1 The Council's Code of Corporate Governance has been developed in line with the following principles:

Overarching requirements for acting in the public interest:

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

B. Ensuring openness and comprehensive stakeholder engagement

In addition achieving good governance in the Council requires effective arrangements for:

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

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

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

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

6 REASONS

6.1 In accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 an Annual Governance Statement must be prepared and included within the Council's year-end financial statements. The Council is required to self-assess its governance and performance as outlined in the Local Government and Elections (Wales) Act 2021. The Statement details the effectiveness of the Councils governance arrangements as at the 31st March 2026.

6.2 In a change from previous years, the Executive Summary from the AGS has been included ahead of the primary statements in the Draft Statement of Accounts alongside the foreword. The Executive Summary can be seen as Appendix 1 to this report. The full Statement (Appendix 2) is still included, as required, but this has been appended as a note to the accounts. This was to ensure that the key findings from the statement are more assessable to the reader while maintaining full disclosure.

6.3 In addition, following feedback from the Governance & Audit Committee during its review of the 2024/25 AGS, an 'Annual Governance Statement – On a Page' has been developed to present the key messages in a clearer, more concise and user-friendly format, making them easier to understand. This has also been included within the Executive Summary.

6.4 The Annual Governance Statement confirms that Monmouthshire County Council has, for the financial year 2025/26, conducted a review of its governance arrangements which concluded that these arrangements accorded with the principles as set out in the Councils Code of Corporate Governance. Consequently, the Council's overall governance arrangements are assessed as being effective and provide a sound framework for delivering services to the citizens of Monmouthshire. This statement outlines the Council's responsibility for ensuring proper standards and the safeguarding of public money, as well as the arrangements for the management of risk.

6.5 The effective governance arrangements as set out in the body of the document have been operated continuously through the year and up until the date of the 2025/26 Report and approval of the Accounts. The remainder of this document sets out further detail of the review of the Council's governance arrangements. In undertaking its review of governance, the

Council considered each of the principles set out within the Code of Corporate Governance and assessed what the Council has in place to support each of the Principles, it's effectiveness and any areas for future improvement.

6.6 The Council has considered each of the principles set out within the Code of Corporate Governance and assessed what the Council has in place to support each of the Principles, it's effectiveness and any areas for future improvement. The Council has concluded as follows:

Principle	Rating	Movement from Previous Year	Number of Areas for Improvement
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Very Good	↑	2
B. Ensuring openness and comprehensive stakeholder engagement	Very Good	↔	2
C. Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits	Very Good	↔	-
D. Determining the interventions necessary to optimise the achievement of the intended outcomes	Very Good	↔	-
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	Very Good	↑	1
F. Managing risks and performance through robust internal control and strong public financial management	Very Good	↔	5
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability	Very Good	↔	1
Overall	Very Good	↔	11

6.7 In summary the Council has concluded that each of the governance principles have been operating with a 'Very Good' effectiveness rating.

6.8 The Council also recognises that there are areas for improvement within its governance processes. Eleven areas have been identified within the Statement and an Action Plan has been included within the Statement. This will be monitored by the Strategic Leadership Team (SLT) through the course of the 2026/27 financial year.

6.9 Overall, the governance arrangements in place at Monmouthshire County Council continue to be regarded as being fit for purpose.

7 RESOURCE IMPLICATIONS

None.

8 CONSULTEES

Leader of the Council
Cabinet Member for Resources
Chair of the Governance & Audit Committee
Chief Executive
Deputy Chief Executive / Strategic Director – Resources (S151 Officer)
Chief Officer – Law & Governance (Monitoring Officer)
Chief Officer – People, Performance & Partnerships
Strategic Leadership Team
Performance & Data Insight Manager

9 BACKGROUND PAPERS

MCC Code of Corporate Governance

10 AUTHOR AND CONTACT DETAILS

Jan Furtek, Chief Internal Auditor
Telephone: 01600 730521
Email: janfurtek@monmouthshire.gov.uk

Appendix 1 – Annual Governance Statement – Executive Summary

Executive Summary

This Annual Governance Statement confirms that Monmouthshire County Council (the 'Council') has, for the financial year 2025/26, conducted a review of its governance arrangements which concluded that these arrangements accorded with the principles set out in the Council's Code of Corporate Governance. Consequently, the Council's overall governance arrangements are assessed as being **effective** and provide a sound framework for delivering services to the citizens of Monmouthshire. This Statement outlines the Council's responsibility for ensuring proper standards and the safeguarding of public money, as well as the arrangements for the management of risk.

During 2025/26, the Council's Code of Corporate Governance was reviewed to reflect updated guidance and to ensure it remained current and fit for purpose. The revised Code was endorsed by the Governance & Audit Committee in April 2026 and is due to be considered for formal approval by County Council in June 2026.

There have been a small number of changes to the Senior Officers within the Council during the period, all of which have benefitted from robust succession planning with consequential interim amendments being made to the Strategic Leadership Team structure. A permanent restructuring of the Strategic Leadership Team was completed during the Summer of 2025 to strengthen executive oversight.

Storm Claudia had a significant impact on Monmouthshire, resulting in severe flooding across a number of communities, damage to infrastructure, disruption to transport networks, and adverse effects on residents, businesses and public services. In response, Monmouthshire County Council activated its emergency response arrangements and worked in coordination with emergency services, partner organisations and local communities to support those affected, provide timely public information, facilitate immediate welfare and accommodation support where required, and begin recovery activity. The Council's response demonstrated the importance of resilient emergency planning, effective partnership working, and clear communication in managing major incidents and supporting community recovery.

During the year, the Council also received a positive Estyn inspection outcome for its education services, which recognised strong leadership, a clear strategic vision, effective collaboration, and improvements across school improvement, additional learning needs, attendance, Welsh language development and safeguarding. The report also highlighted the need to strengthen the consistency and precision of evaluation to better demonstrate impact and support continuous improvement.

The Council also made significant progress with its Replacement Local Development Plan during the year. The draft Deposit Plan was approved by County Council in October 2025 and subsequently submitted to Welsh Government and Planning and Environment Decisions Wales (PEDW) for examination under section 64(1) of the Planning and Compulsory Purchase Act 2004 on 7 November 2025. This represents an important step in establishing an updated planning framework to support sustainable development, place-shaping and the long-term economic, social and environmental well-being of Monmouthshire. Hearing sessions are due to commence in September 2026.

In 2025/26, the Council also undertook its statutory Panel Performance Assessment under the Local Government and Elections (Wales) Act 2021. The independent panel concluded that Monmouthshire is an ambitious, well-run Council with communities at its heart and the capability to become great, while also identifying opportunities to strengthen outcome focus, community insight, workforce and succession planning, and the delivery of better outcomes for residents at lower cost. The Panel also recommended that the Council established a clear mechanism to identify, assess and exploit these opportunities, supported by a structured plan to be completed by the end of 2026/27. For Purpose, on Purpose (F-POP) the council's whole authority change programme will identify, assess, prioritise and govern major change opportunities to deliver better outcomes and/or lower costs. A structured delivery plan has been developed and is being overseen by the Programme Assurance Board, to ensure the Programme remains aligned to its purpose.

The findings provide an important external source of assurance and will inform the Council's self-assessment, improvement planning and ongoing governance review arrangements.

Appendix 1 – Annual Governance Statement – Executive Summary

The effective governance arrangements set out in the body of this document have been in place throughout the year and up to the date of approval of the 2025/26 Statement of Accounts. In undertaking its annual review of governance, the Council considered each of the principles set out in its Code of Corporate Governance, assessed the arrangements in place to support those principles, evaluated their effectiveness, and identified areas for further strengthening. This review was informed by a range of governance assurances, including internal audit, external audit, inspectorate findings, performance and risk management information, and self-assessment activity. In summary, the Council has concluded as follows:

Principle	Rating	Movement from Previous Year	Number of Areas for Improvement
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Very Good	↑	2
B. Ensuring openness and comprehensive stakeholder engagement	Very Good	↔	2
C. Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits	Very Good	↔	-
D. Determining the interventions necessary to optimise the achievement of the intended outcomes	Very Good	↔	-
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	Very Good	↑	1
F. Managing risks and performance through robust internal control and strong public financial management	Very Good	↔	5
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability	Very Good	↔	1
Overall	Very Good	↔	11

Overall, having considered the outcome of the annual review and the broad range of assurances available, the Council has concluded that its governance arrangements remain fit for purpose and continue to operate effectively in supporting the delivery of its objectives and statutory responsibilities. No significant governance issues were identified during 2025/26 that were considered sufficiently serious, pervasive or systemic to require a fundamental revision of the governance framework. Nevertheless, the review identified 11 areas where governance arrangements can be further strengthened, and these are reflected in the action plan set out in this Statement to support continuous improvement during 2026/27.

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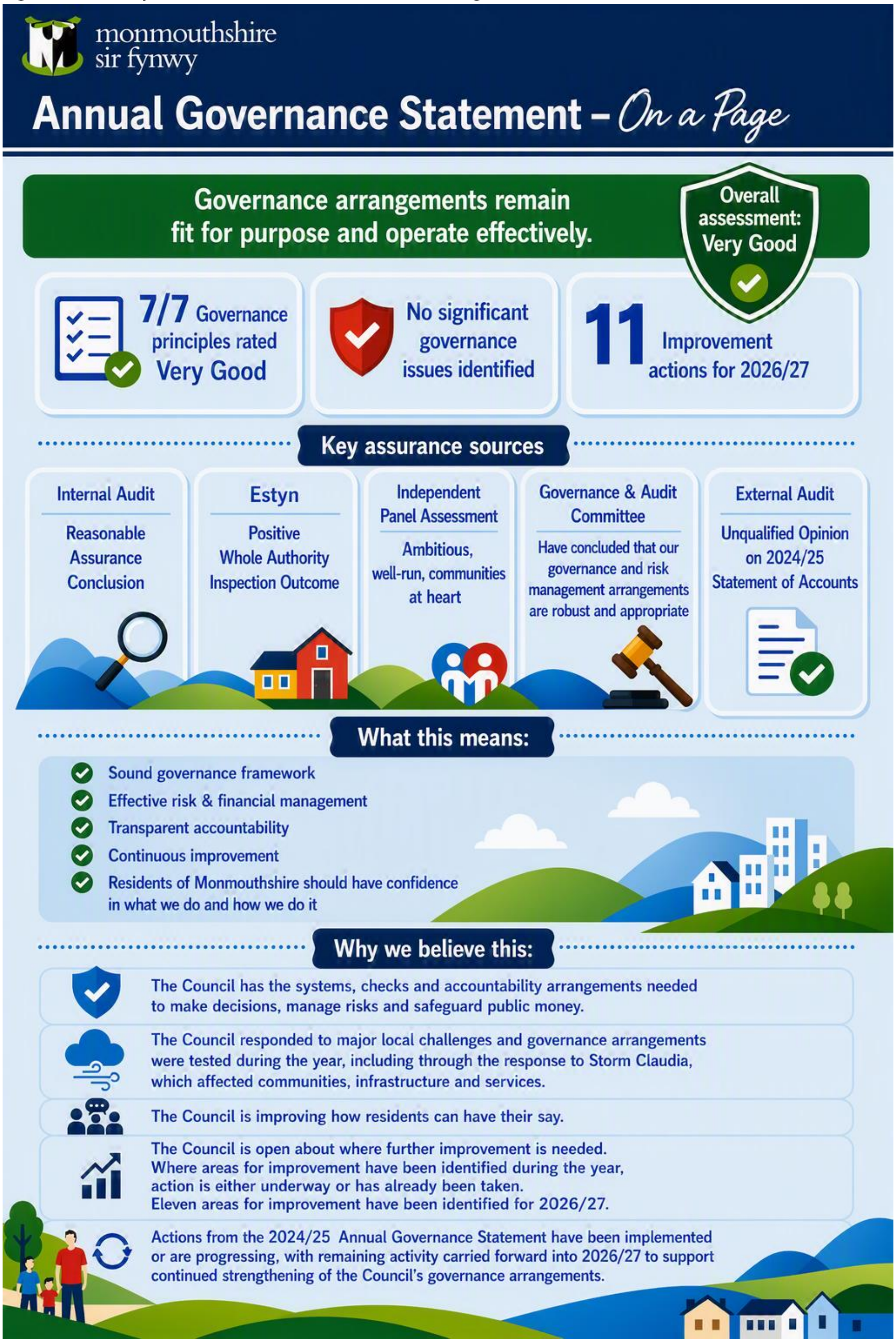
Annual Governance Statement – On a Page

For the first time, Monmouthshire County Council has produced an "Annual Governance Statement – On a Page" to make the key messages from the full statement easier for residents to understand. The summary provides a clear, accessible overview of how the Council is governed, how it manages risks and public money, and what assurance has been gained during the year. It highlights the Council's conclusion that its governance arrangements remain fit for purpose and continue to operate effectively, while also acknowledging further improvement will be made during 2026/27.



ANNUAL GOVERNANCE STATEMENT

2025/26

Date of Report Issue	22nd June 2026
Report Status	Draft v4
Report Author	Jan Furtek, Chief Internal Auditor

Executive Summary

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During 2025/26, the Council's Code of Corporate Governance was reviewed to reflect updated guidance and to ensure it remained current and fit for purpose. The revised Code was endorsed by the Governance & Audit Committee in April 2026 and is due to be considered for formal approval by County Council in June 2026.

There have been a small number of changes to the Senior Officers within the Council during the period, all of which have benefitted from robust succession planning with consequential interim amendments being made to the Strategic Leadership Team structure. A permanent restructuring of the Strategic Leadership Team was completed during the Summer of 2025 to strengthen executive oversight.

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The findings provide an important external source of assurance and will inform the Council's self-assessment, improvement planning and ongoing governance review arrangements.

The effective governance arrangements set out in the body of this document have been in place throughout the year and up to the date of approval of the 2025/26 Statement of Accounts. In undertaking its annual review of governance, the Council considered each of the principles set out in its Code of Corporate Governance, assessed the arrangements in place to support those principles, evaluated their effectiveness, and identified areas for further strengthening. This review was informed by a range of governance assurances, including internal audit, external audit, inspectorate findings, performance and risk management information, and self-assessment activity. In summary, the Council has concluded as follows:

Principle	Rating	Movement from Previous Year	Number of Areas for Improvement
H. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Very Good	↑	2
I. Ensuring openness and comprehensive stakeholder engagement	Very Good	↔	2
J. Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits	Very Good	↔	-
K. Determining the interventions necessary to optimise the achievement of the intended outcomes	Very Good	↔	-
L. Developing the entity's capacity, including the capability of its leadership and the individuals within it	Very Good	↑	1
M. Managing risks and performance through robust internal control and strong public financial management	Very Good	↔	5
N. Implementing good practices in transparency, reporting, and audit to deliver effective accountability	Very Good	↔	1
Overall	Very Good	↔	11

Overall, having considered the outcome of the annual review and the broad range of assurances available, the Council has concluded that its governance arrangements remain fit for purpose and continue to operate effectively in supporting the delivery of its objectives and statutory responsibilities. No significant governance issues were identified during 2025/26 that were considered sufficiently serious, pervasive or systemic to require a fundamental revision of the governance framework. Nevertheless, the review identified 11 areas where governance arrangements can be further strengthened, and these are reflected in the action plan set out in this Statement to support continuous improvement during 2026/27.

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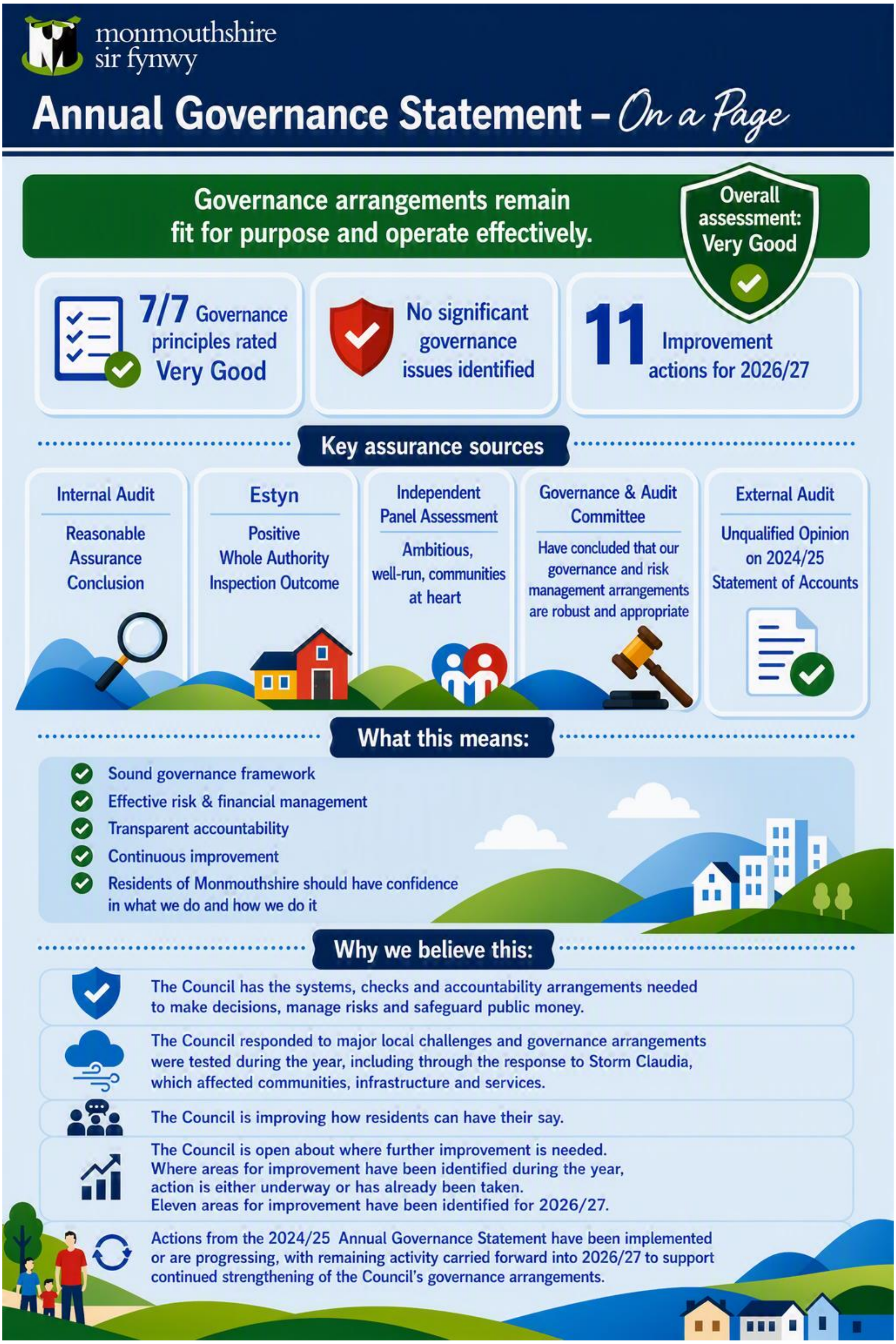

Contents

1 This Statement has been prepared in accordance with guidance produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE), namely the *Delivering Good Governance in Local Government: Framework (2016)* and the *Delivering Good Governance in Local Government Guidance Notes for Welsh Authorities (2016)*. It has also been prepared having regard to the May 2025 Addendum covering the annual review of governance and the annual governance statement. The Statement embraces the elements of internal financial control required by the *Code of Practice on Local Authority Accounting in the United Kingdom*.

2 This Statement demonstrates that Monmouthshire County Council has governance arrangements in place that are aligned to the principles of good governance and that an annual review has been undertaken to assess their effectiveness. That review has drawn on a robust range of assurances and evidence and has concluded that, while governance arrangements are generally fit for purpose and continue to operate effectively, there remain areas where further strengthening and improvement are required. Progress against the 2024/25 Action Plan is shown on page 33.

Scope of Responsibility

3 Monmouthshire County Council (the Council) (MCC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.

4 In discharging these responsibilities, the Council is 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.

5 The Council's financial management arrangements conform to the governance requirements of the 'CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)'.

6 The **Code of Corporate Governance**, which is consistent with the principles of the CIPFA / SOLACE Framework 'Delivering Good Governance in Local Government', was initially approved by Council in July 2011; the Code was revised and updated again in June 2020, approved by Cabinet in September 2021. This statement explains how the Council has complied with the revised Framework and Guidance (2016) and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014. The Code sets out what governance arrangements are in place within Monmouthshire CC for each of the Governance Principles.

7 The Code was reviewed during 2025/26 in light of updated CIPFA guidance following publication of the Delivering Good Governance in Local Government Addendum. The revised Code was considered by the Council's Strategic Leadership Team in March 2026, endorsed by the Governance & Audit Committee in April 2026, and is due to be submitted for formal approval by County Council in June 2026.

Senior Management

8 As reported in the 2024/25 Annual Governance Statement, in July 2024, the County Council agreed to establish a Remuneration Committee with the scope to determine the remuneration for the Council's Senior Leadership Team. In accordance with the Remuneration Committee's Terms of Reference, it presented a report to the County Council in April 2025, which resolved to approve the recommendations made. This resulted in senior leaders of the Council receiving an increase in pay, in accordance with the median salary range, over a two-year period from April 2025. The implementation of this recommendation ensured that the salary structure for senior leaders was comparable with other councils in the region.

9 Following the approval of the Remuneration Committee's recommendations, the Chief Executive presented a report to the County Council in June 2025 amending the senior leadership structure for the Council. The report was accepted and the senior leadership team now comprises:

- Chief Executive
- Deputy Chief Executive & Strategic Director – Resources (S151 Officer)
- Strategic Director - Social Services & Safeguarding (Director of Social Services)
- Strategic Director – Children, Young People, Skills & Economy (Director of Education)
- Chief Officer – Law & Governance (Monitoring Officer)
- Chief Officer – People, Performance & Partnerships
- Chief Officer – Infrastructure
- Chief Officer – Place & Community Wellbeing

These are supported by their respective Directorate Management Teams comprised of a mixture of Deputy Chief Officers and Senior Officers.

10 Following an internal audit recommendation, the Council is reviewing the job evaluation scheme for all other posts paid on Chief Officer terms and conditions (Deputy Chief Officers). This work is intended to ensure that the arrangements remain transparent, consistent and robust, and that roles are evaluated using an appropriate and clearly understood methodology. The review will support effective pay governance, strengthen assurance over senior remuneration arrangements, and help ensure that the Council's approach remains fair, proportionate and aligned to its wider workforce and governance framework.

11 During 2025/26, the Chief Internal Auditor post was filled on a permanent basis, with the acting post-holder appointed to the role.

12 There were also a number of significant changes during the year across the Council's Digital and Information Technology functions and within the Shared Resource Service (SRS). These included:

- The Head of Information Technology (nominated SIRO) reduced their hours alongside a restructure of the Information Security Team to provide resilience as well as succession planning.
- The Chief Operating Officer (COO) of the SRS left their post in January 2026. Following a rigorous recruitment process, their replacement came into post in April 2026.
- The collaborative Information Security Service hosted by MCC and consisting of Gwent Police, Blaenau Gwent, Torfaen and Monmouthshire was incorporated into the SRS Info Security Team. This was in order to provide greater resilience and expertise. The Chief Information Security Officer (CISO) left their post in April 2026 to take up the appointment of COO of the SRS. There is currently a vacancy in the CISO post, though it is to be advertised externally
- The Digital, Design and Innovation team formally merged and transferred to Torfaen CBC, establishing a shared service model designed to enhance organisational resilience.

The Purpose of a Governance Framework

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

14 The system of internal control is a significant part of that framework and is designed 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 to the achievement of the Council's policies, outcomes and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised. Appropriate internal controls also ensure the Council's resources are utilised, and services are delivered efficiently, effectively and economically.

15 The governance framework has been in place at the Council for a number of years and continued to be in place for the year ended 31st March 2026 and up to the date of approval of the statement of accounts.

The Governance Framework

16 The Council's Code of Corporate Governance is in line with the CIPFA / SOLACE Framework 'Delivering Good Governance in Local Government' principles:

Overarching requirements for acting in the public interest:

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

B. Ensuring openness and comprehensive stakeholder engagement

In addition, achieving good governance in the Council requires effective arrangements for:

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

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

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

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

Wellbeing of Future Generations (Wales) Act 2015

17 Monmouthshire has to demonstrate it is compliant with the Well-being of Future Generations (WFG)(Wales) Act 2015 and this complements the way it functions in line with the above principles of good governance; the core behaviours being:

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

This needs to be applied to the five ways of working outlined in the 2015 Act. These five ways of working have to permeate all segments of delivering outcomes which, in turn, should ensure effective use of resources as the Council maximises its contribution to the economic, social, environmental and cultural well-being of Monmouthshire and Wales.

- Long Term
- Prevention
- Integration
- Collaboration
- Involvement

18 The key elements of the Council's governance arrangements are set out in its Community and Corporate Plan 2022-28. This was approved by Council on the 20th April 2023.

19 Since the Local Government elections in May 2022, initially the administration had been working without a majority, however, in May 2023 a coalition agreement was reached and this continued throughout the 2025/26 financial year. However, in May 2026, after the end of the 2025/26 financial year, one councillor left the Labour group, meaning that the coalition no longer held sufficient votes to command a majority.

Review of Effectiveness

20 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. For 2025/26, this review was undertaken against the principles and sub-principles set out in the Council's Code of Corporate Governance, which is aligned to the CIPFA/SOLACE *Delivering Good Governance in Local Government: Framework (2016)*, the associated Welsh guidance, and the May 2025 addendum on the annual review of governance and the annual governance statement. The review considered whether governance arrangements remained fit for purpose, were operating effectively in practice, and were sufficiently robust to support the delivery of the Council's objectives and statutory responsibilities.

21 The review drew on a broad range of assurance sources, including the work of the Strategic Leadership Team, the Chief Internal Auditor's annual report and opinion, external audit findings, inspectorate and regulatory reports, self-assessment activity, performance and financial monitoring, risk management arrangements, committee oversight, and progress against the previous year's governance improvement actions. Each principle was assessed by considering: (i) the governance arrangements in place; (ii) evidence of how effectively those arrangements operated during the year; and (iii) any areas requiring further strengthening. In doing so, the Council distinguished between routine improvement opportunities and issues that might represent a significant governance weakness. No matters were identified in 2025/26 that were considered sufficiently serious, pervasive or systemic to amount to a significant governance issue requiring a fundamental revision of the Council's governance framework. Overall, the review concluded that the Council's governance arrangements remain fit for purpose and are operating effectively, while recognising that further improvement is necessary in some areas and is reflected in the action plan set out later in this Statement.

22 The review was also informed by the Council's 2025/26 Panel Performance Assessment, which provided independent external assurance on the Council's overall performance and identified further opportunities to strengthen outcome focus, insight, capacity and delivery.

23 To support a clear and consistent assessment, the Council has applied a six-point rating scale to each governance principle. This scale provides a structured way of expressing the overall balance of evidence for each principle, taking account of the strength of the governance arrangements in place, the evidence of how effectively they operated during the year, and the significance of any weaknesses or areas requiring improvement. Ratings were informed by professional judgement and a range of assurance sources rather than by any single measure and should therefore be read as an overall governance assessment rather than a purely performance-based score. The scale helps distinguish areas where governance is operating strongly from those where improvement is required, while also supporting comparison over time and helping to identify where management attention should be focused.

Level	Definition	Description
6	Excellent	Excellent or outstanding – All performance measures have achieved the target set and all actions have been delivered.
5	Very Good	Major strengths – A significant majority of actions and measures are on track. No more than one or two falling short.
4	Good	Important strengths with some areas for improvement – The weight of evidence shows that the successes are greater than the areas that have not been achieved.
3	Adequate	Strengths just outweigh weaknesses – The evidence of success marginally outweighs areas that are not on track. Some actions are behind schedule and some measures are falling short of planned targets.
2	Weak	Important weaknesses – The majority of measures and actions have not been achieved.
1	Unsatisfactory	Major weakness – In most areas performance is assessed as moving in the wrong direction and the vast majority of actions have not been delivered

Chief Internal Auditor Statement and Annual Opinion

24 The Global Internal Audit Standards and the UK Public Sector Application Note requires the Chief Audit Executive (Head of Internal Audit) to provide an annual opinion based upon and limited to the work performed on the overall adequacy and effectiveness of Monmouthshire County Council's framework of governance, risk management and internal control. This is achieved through a risk-based plan of work, agreed with management, which should provide a reasonable level of assurance.

The Internal Audit team has completed its internal audit work for the year based upon the Operational Audit Plan approved by the Audit Committee in June 2025. The Plan was designed to ensure adequate coverage over the Council's financial and operational systems using a risk based assessment methodology.

The audit work included reviews, on a sample basis, of each of these systems/establishments sufficient to discharge the Authority's responsibilities for Internal Audit under Section 151 of the Local Government Act 1972 and The Accounts and Audit (Wales) Regulations 2014. The opinion is based upon the work undertaken. Work was planned in order to provide sufficient evidence to give me reasonable assurance of the internal control environments tested.

The 2025/26 Audit opinion is partially reliant on previous work undertaken by the team where Reasonable Assurance opinions were issued; there have been no significant changes to the organisation's systems or key personnel and no major frauds were identified.

Internal Audit opinions on the work undertaken at the SRS by Torfaen Internal Audit team were also taken into consideration.

Based on the planned work undertaken during the year, in my view the internal controls in operation give **Reasonable Assurance*****;*** *There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.*

The opinion does not imply that Internal Audit has reviewed all risks relating to the organisation.

Jan Furtek
Chief Internal Auditor
June 2026

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

6 Excellent	5 Very Good	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

The Council is accountable not only for how much it spends, but also for how we use the resources under our stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes we have achieved. In addition, we have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, we can demonstrate the appropriateness of all our actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Behaving with integrity	▪ Members Code of Conduct in Constitution which reflects Local Authorities (Model Code of Conduct) (Wales) Order 2016 ▪ Officers Code of Conduct in Constitution ▪ Registers of interests / hospitality ▪ Induction training ▪ Member/Officer Protocol in Constitution ▪ Member led Authority principles/document ▪ Member training programme ▪ Council Values — Openness, Fairness, Flexibility, Teamwork, Kindness ▪ Whistleblowing Policy ▪ Anti-Fraud, Bribery and Corruption Policy ▪ Standards Committee ▪ Standards Committee Annual Report presented to Council ▪ Member Dispute Resolution	▪ The Code of Conduct for Members and the protocol on Member / Officer relationships are set out in the Constitution. ▪ The Standards Committee, which includes a majority of independent representatives, advises on and monitors the Members' Code of Conduct, the Protocol for Member/Officer Relations, and any other Codes relating to the conduct of Members. The Standards Committee met 2 times during 2025/26. ▪ The Public Service Ombudsman Wales (PSOW) Annual Report for 2024/25 was presented to Cabinet in December 2025. The PSOW received 19 complaints about Monmouthshire County Council. This was 10 less than they received in the previous year, and they closed 16, some complaints were carried over from the previous year. They did not investigate any complaints although they intervened in one case and requested an early resolution which was agreed. ▪ The PSOW's annual report for 2025/26 is due by September of this year and will be considered by the Standards Committee and Cabinet. ▪ No judicial reviews commenced during the year. One pre-action notification was received but was subsequently withdrawn / abandoned by the claimants in October 2025.	▪ Complete the remaining review and update of key HR governance policies, including the Employee Code of Conduct and Whistleblowing Policy, refresh supporting guidance where required, and ensure that the updated policies and guidance are easy to access.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Complaints procedure ▪ Decision 'Call In' process ▪ Audit Wales Review into MCC Counter-fraud Arrangements Action Plan ▪ Fraud Risk Assessment	▪ The Governance & Audit Committee met 8 times during 2025/26 and has the responsibility for ensuring that sufficient internal control mechanisms are in place to help identify any potential misconduct within the authority. ▪ In 2024/25 the Council began a programme to review all HR policies in consultation with the Joint Advisory Group. This continued into 2025/26 and the review schedule will continue into 2026/27.	
Demonstrating strong commitment to ethical values	▪ Council Values — Openness, Fairness, Flexibility, Teamwork, Kindness ▪ Contract procedure rules ▪ Financial procedure rules ▪ Codes of conduct for members and employees ▪ Audit Wales Review into MCC Counter-fraud Arrangements ▪ Whistleblowing Policy ▪ Fraud Risk Assessment	The ethical governance framework includes: ▪ Codes of conduct for officers and Members. ▪ A protocol governing Member/Officer relations. ▪ A whistle-blowing policy widely communicated within the Council. ▪ Registers of personal and business interests for Members. ▪ Declarations of interests for Chief Officers and other employees of the Council. ▪ An agreed policy and associated corporate procedures for ensuring that complaints about services can be properly made and investigated, and for ensuring that any lessons learnt can be applied. ▪ A Scrutiny and Executive Protocol is in place which is aligned to the constitution and provides parameters for effective executive and scrutiny relationships.	▪ Embed the revised Code of Corporate Governance across the organisation following formal approval, including communication, awareness raising and alignment to governance documentation.
Respecting the rule of law	▪ Member and Officer Code of Conduct in Constitution ▪ Role of Chief Executive, Section 151 Officer and Monitoring Officer established in Constitution ▪ CIPFA statement on the Role of the Chief Financial Officer ▪ Anti-Fraud, Bribery and Corruption Policy ▪ Governance & Audit Committee ▪ Internal Audit Section ▪ Internal Audit Annual Report presented to Governance & Audit Committee	▪ The Constitution is updated periodically by the Monitoring Officer; the latest update approved by Council was in April 2025. It can be found on the Council's website. ▪ To ensure agreed procedures and all applicable statutes are complied with, the Monitoring Officer attends full Council meetings, Cabinet and SLT. To ensure sound financial management is a key factor in decisions, the Deputy Chief Executive and Strategic Director Resources (S151 Officer) attends SLT, Cabinet and Council meetings. ▪ In accordance with the Local Government and Housing Act, 1989, the Monitoring Officer ensures compliance with established policies, procedures, laws and regulations. After appropriate consultation, this officer will report to the full Council in respect of any proposals, decisions or omissions which could be unlawful or which have been subject of an	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ External Auditors Annual Audit Letter ▪ Standards Committee ▪ Whistleblowing Policy ▪ Complaints procedure ▪ Decision 'Call In' process ▪ Audit Wales Review into MCC Counter-fraud Arrangements	Ombudsman Investigation resulting in a finding of maladministration. The Monitoring Officer has not issued a Section 5 report in 2025/26, or in the previous year, 2024/25. ▪ The Council has an Anti-Fraud, Corruption & Bribery Policy which was approved by Cabinet in January 2024. A mandatory training course in this area was launched in January 2025, with completion across all service areas being closely monitored throughout 2025/26. ▪ Audit Wales completed a review of MCC's Counter-fraud Arrangements during 2024/25 with the final report issued in May 2025. It was determined that the Council has recently strengthened its counter-fraud arrangements but recognises there are further steps it can take. The Council has taken action to implement the two recommendations over the course of the year.	

Principle B: Ensuring openness and comprehensive stakeholder engagement

6 Excellent	5 **Very Good**	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

Local government is run for the public good; organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Openness	▪ Agendas published in advance of meetings ▪ Minutes published following meetings ▪ Democratic meetings live streaming on YouTube ▪ Decision making process described in Constitution ▪ Forward Plan published on internet showing key decisions to be made by Council and Cabinet ▪ Annual budget consultation ▪ Freedom of Information Scheme ▪ Public questions at Council, Cabinet and Select Committees ▪ Engagement with hard to reach groups, including those with the protected characteristics defined by the Equality Act 2010. As well as engagement with children and young people to meet the requirement of the United Nations Convention on the Rights of the Child (UNCRC).	▪ Agendas are published in advance of all meetings on the Council's website; corresponding minutes are published post meeting. ▪ Transparency and openness are important to Monmouthshire; the Annual Statement of Accounts was considered by the Governance & Audit Committee prior to their approval. All Council decisions, reports and questions asked by Members are available on the website. Financial information, Corporate Plan progress, Council activities, achievements, developments, updates and events were included on the Council's intranet and website. All public meetings of the Council are live streamed and are available to view on the Council's YouTube channel at any time after the meeting, which provides greater transparency of the Council's business. ▪ A forward work planner is used to identify decision making reports due to considered by Council, Cabinet and Individual Cabinet Member decision. This is also used to inform the work programme of scrutiny committees. Over the year, this process has been digitised and is available to be accessed by all members and officers. ▪ The Council's website contains links to open data sets to promote transparency and openness. Following a decision of the First Tier Information Rights Tribunal (EA/2018/0033)	▪ Continue to strengthen democratic planning and transparency through earlier inclusion of reports in the Committee Forward Work Planner and improved coordination between decision making and scrutiny work programmes.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Publication of open data sets on the Council's website	the Authority no longer publishes business rates data on its open data web page. It will no longer disclose information about business rate accounts in response to FOI requests. ▪ Policy and decision-making is facilitated through (i) Council and Cabinet, the meetings of which are open to the public and live streamed online except where exempt or confidential matters are being discussed, and (ii) a scheme of delegation to committees and officers as set out in the Constitution. Four Scrutiny Committees (including the statutory Public Services Scrutiny Committee) and a separate Governance & Audit Committee review, scrutinise and hold to account the performance of the Cabinet, decision-making committees and officers. A Scrutiny "Call-In" process for decisions which have been made but not yet implemented is incorporated in the Constitution in order to consider their appropriateness. ▪ Implementing Open Government standards which enable us to effectively engage with our citizens and open up our data for anyone who needs to use it. Making the most of digitisation and digital inclusion to enable us to engage with people across our County. ▪ The Council's strategic risk register is published.	
Engaging comprehensively with institutional stakeholders	▪ Gwent Public Service Board Partnership arrangements and structure ▪ Regional Partnership Board ▪ Gwent Public Service Board Well-Being Plan ▪ Public Services Scrutiny Committee ▪ Cardiff Capital Region ▪ Marches Forward Partnership	▪ The Gwent Public Services Board meets on a quarterly basis and is responsible for the delivery of the Gwent Well-being Plan. A joint scrutiny committee, made up of members from the five local authorities scrutinises the PSB to ensure accountability for progress. ▪ The Monmouthshire Programme Board, also known as a local delivery group, chaired by a senior officer links directly to the Gwent PSB. to ensure that local issues remain at the forefront of partnership delivery. The group has not met during 2025-26 while work was done at a PSB level clarifying how priorities were to be delivered and will reconvene from September 2026. ▪ The Gwent Regional Partnership Board (RPB) is a statutory body mandated by the Social Services and Well-being (Wales) Act 2014. It ensures that health, social care, and	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		housing services work together across the Gwent area, making them more person-centred and efficient. ▪ The Council is a member of the Cardiff Capital Region, a regional body (Corporate Joint Committee) made up of the 10 councils across South East Wales.	
Engaging stakeholders effectively, including individual citizens and service users	▪ Ward role of Councillors ▪ Consultations on the council website and social media platforms ▪ Complaints Policy and Annual Report ▪ Medium Term Financial Plan (MTFP) ▪ Complaints procedure ▪ Integrated Impact Assessment including Future Generations evaluation and Equality Impact Assessment, on decision reports ▪ Strategic Equality Plan ▪ Communication via Social Media ▪ Lets Talk Monmouthshire - a designed website for customer consultations and engagement. ▪ Completion of National Resident Survey ▪ Support key services, such as the Contact Centre and Community Development, to be aware of current communication messages and to be able to support our residents.	▪ Social media e.g. X (formerly Twitter), Instagram, Facebook, LinkedIn and YouTube, are used to engage local people and communicate the corporate message. This continues to be a vital, trusted and valuable asset to our residents. During 2025/26 in excess of 7.5m reach / interactions was achieved on social media and an average of 719k views each quarter were achieved though our Monmouthshire.gov website. A significant rise in the social media reach can be directly attributed to Storm Claudia where our social media interactions exceeded 3.5m in a 5 day period directly after the flooding. ▪ Scrutiny Committees hold a Public Open Forum on each agenda and the public can attend meetings remotely or in person. They can also submit written, audio or video representations to Scrutiny Committees and submit suggested topics for the scrutiny forward work programme via the Scrutiny Website www.monmouthshire.gov.uk/scrutiny. Chief Officers, Members and the Communications team are very proactive in engaging with the public. For key statutory consultations, such as the annual budget approval, promotion of how to watch and engage this this forum has been highlighted as part of the public facing information to residents. ▪ Public engagement events and YouTube continued to be used for the budget proposals. The Council has encouraged the community within Monmouthshire to actively contribute to making stepped changes to improve the way in which services are provided. This links back to the principles of the Well-being of Future Generations Act which sets out five ways of working including involvement. Work continued during 2025/26 to ensure the information hosted within the budget proposals consultation was as accessible as it could	▪ Further embed a consistent and strategic approach to engagement with residents, communities and partners through Let's Talk Monmouthshire and associated engagement standards.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		be and in a much more condensed version when compared to previous year. In advance of the information going live, work was done to test the tone and content to ensure the language used was relevant to increase engagement across all demographics. Face to face engagement sessions in the community enabled conversations to take place to inform the wider consultation process, this was focused on taking conversation to residents where they are this year as opposed to expecting them to come to us - which proved to be really effective. Existing 'Warm Hubs' and community activities were used to increase levels of engagement and understanding. ▪ The Medium Term Financial Plan supports the vision for Monmouthshire and extensive public engagement continued in 2025/26 for the 2026/27 budget and Medium Term Financial Plan which engaged with the public in their own community; this included website, social media, drop in sessions, Cabinet Member YouTube video and open meetings. ▪ In January 2025 Monmouthshire County Council launched 'Lets Talk Monmouthshire' - a designed platform for consultations and engagement. The focus of this platform is to enable clarity of information for residents and a single place to visit for online consultations right across the organisation, ensuring residents do not miss the opportunity to engage. It also enables a recognisable brand when engaging in face-to-face conversations within our communities. Work continues to grow this platform and encourage residents to register for regular updates, across each and every directorate. Since its launch the site has seen in excess of 48k visits on Council policy, projects and engagement activities with 14k contributions made to help shape outcomes. Work continues to embed this across the organisation and ensure residents have a consistent approach to digital engagement, whilst ensuring the Lets Talk brand also helps to facilitate face to face conversations,	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		including the launch of the 'Lets Talk Forum' for residents to have detailed conversation on key council work. ▪ During the Autumn of 2025 the Council conducted the National Resident survey, building on the success of the previous year and to start to develop comparable data on an annual basis. Hosted by Data Cymru, the survey is designed to support local councils in increasing their understanding of performance and perception. A total of 1,064 responses were received and the results have been analysed to understand what respondents said about their local area, the council and their interactions with the council. This data continues to be layers with other available sources to ensure organisation delivery is designed on a local level to support residents right across our county. ▪ Work across the Customer, Communications and Engagement service portfolio has provided internal links and communication across key resident focused services to ensure signposting and support. Colleagues across Community Hubs, Contact Centre, Corporate Communications and Community Development are strengthening shared knowledge and understanding to put the residents at the centre of our collective response on a daily basis. ▪ Early draft of 3 'commitment' documents progressed focused on Customer Service, Communication and Engagement to ensure a consistent approach across three key areas of organisational wide work.	

Principle C: Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits

6 Excellent	5 **Very Good**	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available

Sub-Principles	**What is in place to support this?**	**Effectiveness**	**Areas for Future Improvement**
Defining Outcomes	▪ Community & Corporate Plan produced and reviewed annually in accordance with Local Government & Elections Act 2021 and 'Wellbeing Objectives' in Wellbeing of Future Generations (Wales) Act 2015 ▪ Quarterly, six monthly & annual Performance Monitoring Reports ▪ Corporate Plan Annual Self-Assessment Report ▪ Public Service Board Well-being Plan annual report ▪ Service Business Plans produced annually and reviewed quarterly by each service area. ▪ Monthly Financial Monitoring meetings held for each service area ▪ Risk Management Policy and Guidance ▪ Whole Authority Strategic Risk Register ▪ Capital Review Programme ▪ Self-Assessment report	▪ The Community & Corporate Plan 2022-2028, "Taking Monmouthshire Forward" was approved by Full Council in April 2023 and sets a purpose 'To become a zero-carbon county, supporting well-being, health and dignity for everyone at every stage of life'. This is underpinned by the Councils 6 objectives (fair place, green place, thriving & ambitious place, safe place, connected place and learning place) and 5 values (teamwork, openness, fairness, flexibility and kindness). ▪ The Council's Annual Self-Assessment Report 2024/25 was presented to the Performance & Overview Scrutiny Committee, Governance and Audit Committee and was agreed by Council. The 2025/26 self-assessment is being developed, this has informed and been informed by the Annual Governance Statement. ▪ An annual self-assessment review of the Councils 'Enabling Strategies' was completed and reported through the Performance & Overview Scrutiny Committee. ▪ As required by the Local Government and Elections (Wales) Act 2021, the Council undertook a Panel Performance Assessment during 2025/26. This provided an independent and intensive review of the Council's performance, governance and ability to secure improvement. The panel concluded that Monmouthshire is an ambitious, well-run Council with communities at its heart and the capability to become great, while also identifying	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		opportunities to sharpen outcome focus, strengthen insight and ensure improvement activity is clearly linked to better outcomes for residents. The findings have been considered as part of the Council's self-assessment and governance review arrangements and will inform future improvement planning. ▪ The six-month performance report on the Community and Corporate Plan was presented to Performance and Overview Scrutiny Committee and Cabinet. ▪ Monmouthshire County Council is a member of the Gwent PSB, where we work with other public services and the voluntary sector on the delivery of the local well-being plan. This includes countywide well-being objectives that are a focus for public services. ▪ Regular budget monitoring reports for revenue and capital were presented to and approved by Cabinet during the year and at Outturn. The budget management actions of Cabinet and senior officers are scrutinized regularly by the Performance and Overview Scrutiny Committee. ▪ The Council has a Welsh Language Strategy for 2022 – 2027, which sets out a vision of how Welsh language will look in Monmouthshire until 2027. The Welsh Language Monitoring Report 2024/25 was presented to the Performance and Overview Scrutiny Committee in June 2025. ▪ Objectives are supported by Service Business Plans to operationally deliver these objectives. Service plans are made available on the Council's Hub intranet site. These are quality assessed as part of the service planning process. All service plans were developed to align the delivery of the Council's Community & Corporate Plan.	
Sustainable economic, social, environmental and cultural benefits	▪ Medium Term Financial Plan (MTFP) covering 3 financial years approved annually by Council ▪ Corporate Plan ▪ Risk management Policy and Guidance ▪ Whole Authority Strategic Risk Register	▪ The Budget Setting Process and Timetable for 2026/27 was reviewed and approved by Cabinet in November 2025 This provided a framework to underpin the 2026/27 budget and a set of principles were adopted. This report also highlighted a revenue budget shortfall of £11.5 million for 2026/27 and a cumulative shortfall of £37.4 million over the medium term period to 2029/30. This took into account the impact of	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Monmouthshire Public Service Board Well-being Plan ▪ Future Generations Evaluation, including Equality Impact Assessment, on decision making reports ▪ Service Business Plans produced annually and reviewed quarterly by each service area. ▪ Climate Emergency Strategy and Action Plan ▪ Replacement Local Development Plan process	economic situation, service demand pressures and the latest intelligence on likely funding levels. ▪ The Draft Capital Budget Proposals 2026/27 were taken to Cabinet in January 2026. Final Proposals went to Cabinet before being approved by Council in March 2026. Ongoing scrutiny of the Council's budget position in line with the MTFP has provided Members with a greater understanding of the budget setting process and the pressures within individual directorates. ▪ In May 2019 Monmouthshire County Council declared a Climate Emergency. Plans are underway to meet our target to reduce council carbon emissions to zero by 2030. In November 2021, following wide community consultation, an updated and amended action plan was published. A revised Climate and Nature Emergency Strategy was considered by Cabinet in May 2024. ▪ The Council continued the process for the Replacement Local Development Plan during the year. The draft Deposit Plan was approved by County Council in October 2025 and subsequently submitted to Welsh Government and Planning and Environment Decisions Wales (PEDW) for examination under section 64(1) of the Planning and Compulsory Purchase Act 2004 on 7 November 2025. This represents an important step in establishing an updated planning framework to support sustainable development, place-shaping and the long-term economic, social and environmental well-being of Monmouthshire.	

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

6	5	4	3	2	1
Excellent	**Very Good**	Good	Adequate	Weak	Unsatisfactory

Local government achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource input while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Determining interventions	▪ Corporate Plan ▪ Scrutiny / Select Committee function ▪ Risk management policy and guidance ▪ Whole Authority Strategic Risk Register ▪ Finance and Legal implications in all Council, Cabinet and Committee reports report writing template and guidance ▪ Future Generations Evaluation (including Equality Impact Assessment) ▪ Results of consultation exercises ▪ Reports to Government Agencies ▪ Enabling strategy framework ▪ Health & Safety Annual Report	▪ Monmouthshire is a partner in the South East Wales Consortium Schools Causing Concern protocol. This Policy forms a part of, and is aligned with, the National Model for School Improvement in relation to the informal support and challenge provided by the Local Authority to a school prior to any issuing of a warning notice or invocation of formal powers of intervention based on the six grounds for intervention. It also aligns with the Welsh Government Guidance on Schools Causing Concern (September 2017). ▪ Regular reporting into Cabinet, Scrutiny and Governance & Audit Committee enables the achievement of the Council's objectives to be challenged and appropriate actions put in place to address any identified issues so that the intended outcomes can be achieved. ▪ Dealing with customer complaints helps Monmouthshire to identify and deal with failures in service delivery. The Council's corporate complaint / compliment procedure is available on the web site. During 2025/26 there were;	

	Whole Authority	Social Services
Stage 1	88	79
Stage 2	18	22
Comments	311	70
Compliments	321	90

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		▪ A separate report containing the Ombudsman's findings in relation to complaints about Monmouthshire County Council was reported separately to both Cabinet and Governance & Audit Committee. ▪ Consultation on budget proposals is extensive. ▪ The Authority makes numerous annual returns to various external Governing Bodies, such as the Food Standards Agency, Drinking Water Inspectorate, Department for Levelling Up & Communities, Department for Transport, Home Office, Gambling Commission, DEFRA, Health & Safety Executive, General Registrar's Office, National Fraud Initiative and other government departments'. These allow the Council to self-assess and determine if any intervention is required within the services provided. ▪ The Council looks to ensure that detailed and timely responses are made to both Welsh and UK Government consultations.	
Planning interventions	▪ Monthly Financial Monitoring meetings for each Directorate reviews progress and authorises corrective action where necessary ▪ Medium Term Financial Plan ▪ Annual budget setting process in place including consultation exercise ▪ Financial procedure rules ▪ Senior Management Structure ▪ Corporate Plan produced and reviewed annually in accordance with Local Government and Elections Act 2021 and 'Wellbeing Objectives' in Wellbeing of Future Generations (Wales) Act 2015 ▪ Quarterly, six monthly & annual Performance Monitoring Reports ▪ Annual Self-Assessment Report	▪ The Council has established robust planning and control cycles covering strategic and operational plans, priorities and targets which is achieved through: ○ A timetable for producing and reviewing plans on an annual basis. ○ Working with a consultation and engagement strategy. ○ Quarterly and annual performance monitoring including achievement of national and local performance indicators. ▪ There is robust Medium Term Financial Planning. ▪ There is an annual budget setting process in place including an extensive consultation exercise. ▪ Self-assessment report presented to Governance & Audit Committee and Performance & Overview Scrutiny Committee to review, scrutinise and make any recommendations for changes. ▪ Self-assessment report agreed by Council and published in September 2025. The report provides an assessment of the Authority's performance during the year ending 31 March	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Public Service Board Well-being Plan ▪ Public Service Board Well-being Plan annual report ▪ Service Business Plans produced annually and reviewed quarterly by each service area. ▪ Risk Management Policy and Guidance ▪ Whole Authority Strategic Risk Register ▪ Reports to Government Agencies	2025, in line with requirements outlined in the Local Government and Elections (Wales) Act 2021.	
Optimising achievement of intended outcomes	▪ Quarterly Financial Monitoring reports to Cabinet and scrutiny ▪ Mid-Year Budget Statement to Cabinet ▪ Medium Term Financial Plan ▪ Budget consultation ▪ Community & Corporate Plan ▪ Annual Self-Assessment Report	▪ The Council ensures the Medium Term Financial Plan integrates and balances service priorities, affordability and other resource constraints by setting out any shortfall in resources and spending requirements in the context of service priorities. ▪ The achievement of the Community & Corporate Plan is reviewed at least annually.	

Principle E — Developing the entity's capacity, including the capability of its leadership and the individuals within it.

6 Excellent	**5 Very Good**	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Developing the entity's capacity	▪ Performance review for all staff where required by them or their line manager ▪ People Strategy ▪ Quarterly financial reports to Cabinet and Scrutiny Committees ▪ Partnership & collaborative working arrangements ▪ Quarterly, six monthly & annual Performance Monitoring Reports ▪ Community & Corporate Plan Annual Self-Assessment Report ▪ Public Service Board Well-being Plan annual report ▪ Service Business Plans produced annually and reviewed quarterly by each service area. ▪ Thinqi Learning Management System.	▪ The Council's recruitment procedures provide equality of employment opportunities. The equality-assessed pay structure meets the requirements of the Single Status Agreement of 1997. The Single Status Collective Agreement was approved by Cabinet in September 2010. The Pay Policy is approved annually by Council and is available on the MCC website. ▪ A new colleague performance development review was launched in 2025-26 and is being rolled out across the organisation ▪ The Council's People Strategy sets out clear objectives and actions to ensure the council has appropriate workforce arrangements in place. This includes a commitment to improve succession and workforce planning which was a recommendation of the Peer Panel Assessment conducted in February 2026. ▪ Over the course of the 2025/26 year the Council considered and developed proposals to build on existing collaborative arrangements in place for the provision of technology services through the Shared Resource Service (SRS). In May 2025	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ ResourceLink Recruitment System.	Cabinet agreed to being the process for transitioning towards a shared service model for digital and data in collaboration with Torfaen County Borough Council and Blaenau Gwent County Borough, as part of an expanded role for the SRS. ▪ There is continued support for Members' development through briefing sessions and other learning opportunities. ▪ Appropriate and relevant job descriptions were in place for the Chief Executive, Strategic Leadership Team (SLT), Monitoring Officer and S151 Officer. A new Chief Officer job evaluation scheme has been procured from the Local Government Association and is being implemented in the first half of 2026-27. ▪ The Council ensures that it has appropriate governance arrangements around its collaborations with other public agencies and other third parties. These can take a range of forms, from informal arrangements to those where governance arrangements are determined through legislation. The governance arrangements form a key part of the decision making processes that the Cabinet or Council follow when deciding to enter a collaborative arrangement, transparent local accountability is a key area of focus. ▪ A review of the Council's Senior Pay structure concluded at a meeting of Full Council in April 2025. Following this, a separate report from the Chief Executive was approved by the Council in June 2025 reviewing the Shape and Leadership Structure of Monmouthshire County Council. The new leadership structure was implemented during the year and is now fully in operation. ▪ The Thinqi Learning Management System continues to be developed with mandatory training in place.	
Developing the capability of the entity's leadership and other individuals	▪ Member/Officer Protocol in Constitution ▪ Scheme of Delegation published in Constitution ▪ Scrutiny member development programme	▪ There has been member led training with both senior officers and cabinet members. ▪ There are regular 1-2-1 meetings with the Leader, Cabinet members, Chief Executive, SLT and Heads of Service. ▪ The Constitution sets out the Scheme of Delegation which is regularly reviewed.	▪ Continue implementation of the new Performance and Development Review process and use feedback to improve consistency, coverage and reporting.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Occupational Health and Wellbeing Policy exists with aim of promoting the health and wellbeing of all employees to enable them to achieve their full potential at work ▪ Internal and external audit reports and action plans	▪ The Councils new Performance & Development Review process was launched for all Officers. This will be further rolled out and monitored during the 2026/27 year.	

Principle F — Managing risks and performance through robust internal control and strong public financial management

6 Excellent	5 **Very Good**	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will ensure financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Managing Risk	▪ Strategic Risk Management Policy and Guidance ▪ Whole Authority Strategic Risk Register ▪ Directorate risk registers ▪ Service Business Plans produced annually and reviewed quarterly by each service area, including service risk registers ▪ Strategic Risk Register reported to Governance & Audit Committee, Performance & Overview Scrutiny Committee and Cabinet	▪ The Council's Strategic Risk Management Policy was reviewed, updated and approved by Cabinet in June 2024. The policy requires the proactive participation of all those responsible for planning and delivering services in identifying, evaluating and managing high level strategic risks to the Council's priorities, services and major projects. The risk controls necessary to manage them are identified and monitored to ensure risk mitigation. ▪ Within the Council the purpose of risk management is to: ○ preserve and protect the Council's assets, reputation and staff. ○ aid good management of risk and support whole authority governance. ○ aid delivery of its population outcomes internally and when working with partners. ○ improve business performance and anticipated risks in delivering improvements.	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		○ avoid unnecessary liabilities, costs and failures. ○ shape procedures and responsibilities for implementation. ▪ Risk Management Policy and Guidance ▪ The strategic risk assessment ensures that: ○ Strategic risks are identified and monitored by Monmouthshire. ○ Risk controls are appropriate and proportionate. ○ Senior managers and elected members systematically review the strategic risks facing the Council. ▪ The risk assessment is prepared by drawing on a wide range of evidence including directorate risk registers, service plans, performance measures, regulatory reports, progress on the previous risk assessment and the views of Scrutiny and Governance & Audit Committees. In order to mitigate the risks, proposed actions are recorded and also aligned back into the respective Service Business Plan. The risk assessment is a living document and is updated over the course of the year as new information comes to light. ▪ The strategic risk assessment was presented as additional business to the Performance & Overview Scrutiny Committee in January 2026. They had the opportunity to scrutinise the risk assessment and email any questions to responsibility holders to ensure that strategic risks have been appropriately identified and risk is being appropriately managed. An overview of the strategic risk register was also presented to Governance and Audit Committee in November 2025 to fulfil the committee's role of assessing the effectiveness of the authority's risk management arrangements. ▪ The Council's Strategic Risk Assessment for 2025/26 contained 15 risks. Following mitigation there were 7 medium risks and 8 high risks.	
Managing performance	▪ Community & Corporate Plan produced and reviewed annually ▪ Corporate Plan Annual Self-Assessment Report ▪ Panel Performance Assessment	▪ Audit Wales presented the Councils ISA260 report for 2024/25 to the Governance & Audit Committee in October 2025. ▪ The Councils Self-Assessment report 2024/25 was completed in line with requirements outlined in the Local Government and Elections (Wales) Act 2021 to ensure that members and the	▪ Develop a performance management training suite.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Service Business Plans produced annually and reviewed quarterly by each service area. ▪ Quarterly, six monthly & annual Performance Monitoring Reports ▪ Director of Social Services Annual report ▪ Chief Officer Children & Young People Annual Report ▪ Scrutiny function ▪ Bi-monthly Directorate and Financial monitoring meetings	public had a clear and transparent assessment of the Council's performance. ▪ Community and Corporate Plan Performance update 2025/26 reported to scrutiny and Cabinet in December 2025. They had the opportunity to scrutinise the council's performance during the first six months of 2025/26. ▪ A Panel Performance Assessment was undertaken in February 2026 in line with the Local Government and Elections (Wales) Act 2021 and reported to Cabinet in May 2026. The assessment provided an important external perspective on how effectively the Council manages and reports performance, uses evidence and insight, and identifies opportunities for improvement. Its findings will be used alongside the Council's self-assessment, performance reporting and scrutiny arrangements to strengthen outcome focus and support delivery of improvement activity during 2026/27. ▪ The Authority makes numerous annual returns to various external Governing Bodies and Government Agencies, such as the Food Standards Agency, Drinking Water Inspectorate, Department for Levelling Up & Communities, Department for Transport, Home Office, Gambling Commission, DEFRA, Health & Safety Executive, General Registrar's Office, National Fraud Initiative and other government departments'.	
Robust internal control	▪ Governance & Audit Committee provides assurance on effectiveness on internal control, risk management and governance ▪ Governance & Audit Committee Annual Report to Council ▪ Anti-Fraud, Bribery and Corruption Policy ▪ Audit Wales Review into MCC Counter-fraud Arrangements ▪ Role of Internal Audit Section	▪ The Governance & Audit Committee considers the effectiveness of the Council's arrangements for securing continuous improvement including risk management arrangements. The Governance & Audit Committee also considers corporate governance, monitors the work of auditors and inspectors, and monitors the relationships between auditors and staff and the responses to audit and inspection recommendations. It also has responsibility for reviewing the Annual Statement of Accounts and its associated reports (which include this statement) before approval by Council. The Governance & Audit Committee has an independent, non-	▪ Continue to implement the Global Internal Audit Standards, including embedding the revised methodology and completing actions arising from the internal self-assessment.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Annual Plans approved by Governance & Audit Committee ▪ Annual Reports to Governance & Audit Committee ▪ Annual Governance Statement ▪ Governance Working Group	political, Chairperson who prepares an annual report of the work of the Governance & Audit Committee. ▪ Internal Audit operate to the standards set out in the Global Internal Audit Standards (GIAS) and the Code of Practice for the Governance of Internal Audit in UK Public Sector which came into effect in April 2025. ▪ The Internal Audit team's role and status is set out in the Council's Internal Audit Charter which has been updated to reflect the GIAS. This along with an Internal Audit Strategy and Mandate was considered and approved by the Governance & Audit Committee in June 2025. The Internal Audit Strategy was further updated to reflect a new planning methodology which was approved by the Governance & Audit Committee in February 2026 ahead of the 2026/27 financial year. ▪ The Chief Internal Auditor reports a summary of audit findings to the Governance & Audit Committee each quarter; he also reports annually an opinion on the overall adequacy and effectiveness of the Council's internal control environment through his Internal Audit Annual Report. ▪ The Chief Internal Auditor continues to ensure Internal Audit complies with the GIAS. A self-assessment was undertaken during 2024/25 to assess compliance with the previous Public Sector Internal Audit Standards which was validated as 'generally compliant' in March 2024 by an external assessor. A self-assessment of the GIAS has been completed with a similar outcome and the Chief Internal Auditor is working to implement new requirements brought about by the changing of the requirements. ▪ The Council has an objective and professional relationship with its external auditors and statutory inspectors. It manages its information resource through strategies and policies to enable effective decision making which is managed via the Information Strategy and action plan. ▪ The Anti-Fraud, Bribery and Corruption Strategy was approved by Cabinet January 2024 and provides a deterrent, promotes detection, identifies a clear pathway for investigation and encourages prevention. Mandatory training was launched to all	

<table>
<tr><th>Sub-Principles</th><th>What is in place to support this?</th><th>Effectiveness</th><th>Areas for Future Improvement</th></tr>
<tr><td></td><td></td><td>staff in January 2025 and continued to be monitored throughout the year.
▪ The overall opinion on the adequacy of the internal control environment for 2025/26 was Reasonable Assurance. Management agreed to implement the recommendations made in audit reports in order to address the weaknesses identified. The Internal Audit opinions issued in 2025/26 were;
<table>
<tr><th>Opinion</th><th>2023-24</th><th>2024-25</th><th>2025-26</th></tr>
<tr><td>Substantial Assurance</td><td>8</td><td>3</td><td>7</td></tr>
<tr><td>Reasonable Assurance</td><td>18</td><td>21</td><td>17</td></tr>
<tr><td>Limited Assurance</td><td>8</td><td>9</td><td>6</td></tr>
<tr><td>No Assurance</td><td>0</td><td>0</td><td>1</td></tr>
<tr><td>Total</td><td>34</td><td>33</td><td>31</td></tr>
</table>
▪ The reasons why the outcome of an audit review was deemed to provide Limited or No Assurance was included within quarterly reports to the Governance & Audit Committee; assurances have been sought from respective operational managers that action will be taken to make the necessary improvements in control.
▪ The Chief Internal Auditor’s overall audit opinion is based on the number of audits undertaken and their individual opinions; he was able to give an overall opinion on the adequacy of the control environment. The 2025/26 audit opinion was supported by the knowledge that there were appropriate governance, risk management and internal control assurances in place in previous years, with no significant changes.</td><td></td></tr>
<tr><td>Managing data</td><td>▪ We have established an Information Security & Technology Team across the organisation, including education
▪ The MCC hosted cyber security team has been amalgamated with the SRS security team to provide a comprehensive and resilient security service. The same team provides a cyber audit function of our ICT</td><td>▪ Our comprehensive governance and security arrangements for data and information have enabled us to gain accreditation in industry standards for cyber security.
▪ Cyber security arrangements cover cultural, physical and electronic barriers to data access and misuse.
▪ Information governance is maintained through policies, guidelines, and training that are reported and disseminated via the Information Governance Group, headed up by the SIRO and with departmental representatives. Performance is</td><td>▪ Further embed governance arrangements for information, cyber security and emerging technologies, including finalisation of the AI policy and associated guidance.</td></tr>
</table>

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	infrastructure and governance arrangements ▪ The Information Governance Group with participants from each directorate ▪ A Senior Information Risk Officer (SIRO) is in place ▪ Mandatory training in GDPR and Cyber Security, alongside comprehensive guidance and policies for all aspects of data management ▪ Information Asset Register ▪ Information sharing & publication guidance in place ▪ A comprehensive EDRMS is in place ▪ A systems administrator network is in place ▪ Annual National and Local performance Indicator data collection process and internal audit arrangements ▪ An AI policy for staff is in draft format	reported to the Governance & Audit Committee, and this year our performance targets have been exceeded. ▪ Privacy notices are published online and have been updated through the year. ▪ Schedules are maintained of all MCC information 'line of business' systems to ensure they are fit for purpose and upgraded/replaced as needed. ▪ Networks and forums are in place to work with the South East Wales Information Forum (SWIF) and WARP (Warning Advice and Security Point) and the NCSC (National Cyber Security Centre). ▪ Data arrangements are audited by Audit Wales and performance reported through the Governance & Audit Committee. ▪ The ICT service, the SRS, are audited by the host organisation Torfaen County Borough Council, and all audits are reported through the SRS governance structures. ▪ The systems administrator network provides comprehensive training in procurement, Data management, business case development, Business continuity planning, future horizon scanning, change management, cyber security planning which enables our systems administrators to safeguard line-of-business systems information.	
Strong public financial management	▪ Financial procedure rules in Constitution ▪ Contract procedure rules in Constitution ▪ Accounting Instructions on Intranet ▪ Spending Restrictions document on Intranet ▪ Audit Wales Review into MCC Counter-fraud Arrangements	▪ The Council ensures both long term achievement of outcomes and short term performance through the delivery of the Medium Term Financial Plan. ▪ In June 2023, the Council's Socially Responsible Procurement Strategy 2023-28 was approved by Cabinet. In July 2021 Cabinet approved the collaboration with Cardiff Council, for mutual benefit, the discharge and provision of the Council's Strategic Procurement services. ▪ The Procurement Act 2023 became applicable from February 2025 and the Councils Contract Procedure Rules were updated accordingly and approved by the County Council in March 2025. Training with regards to the Procurement Act and revised Contract Procedure Rules is available to all staff via Thinqi.	▪ Strengthen budget management and procurement compliance along with officer capability through targeted training, improved guidance, digital support and enhanced performance oversight. ▪ Undertake a self-assessment against

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
			CIPFA's Financial Management Code.

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability

6 Excellent	**5 Very Good**	4 Good	3 Adequate	2 Weak	1 Unsatisfactory

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
Implementing good practice in transparency	▪ Report writing template and guidance ▪ Integrated Impact Assessment including Future Generations evaluation and Equality Impact Assessment, on decision reports	▪ The Council aims to present understandable and transparent reports for both stakeholders and the public which is supported by:- ▪ A Report Authors Protocol which ensures consistency in reports. ▪ A Clear Writing guide for Officers. ▪ All reports are signed off by Chief Officers, S151 Officer and Monitoring Officer prior to publication. ▪ Where possible exempt reports are split so that the main report can be heard in public with confidential information being a separate exempt report. ▪ Publication of delegated decisions. ▪ Reports are published on the website	
Implementing good practices in reporting	▪ Annual Statement of Accounts audited by an external auditor and approved by Council ▪ Code of Corporate Governance based on CIPFA/SOLACE Framework 2016 ▪ Annual Governance Statement ▪ Corporate Plan Annual Self-Assessment Report ▪ Service Business Plans produced annually and reviewed quarterly by each service area	▪ Transparency and openness is important to Monmouthshire; the Annual Statement of Accounts was taken through the Governance & Audit Committee before being endorsed by Council. All public meetings of the Council, including Council, Cabinet, Select, Governance & Audit Committee, Planning Committee are live streamed on YouTube and are available to view on the Council's YouTube channel at any time after the meeting, which provides greater transparency of the Council's business.	

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
	▪ Audit Wales Review into MCC Counter-fraud Arrangements ▪ Quarterly budget monitoring and Medium Term Finance Plan (MTFP) reports to Cabinet.		
Assurance and effective accountability	▪ External Audit provided by Audit Wales ▪ ESTYN reviews & reports ▪ Care Inspectorate Wales reviews & reports ▪ Performance of Internal Audit Section monitored by Governance & Audit Committee ▪ Implementation of Audit Wales and Internal Audit recommendations monitored by Governance & Audit Committee ▪ Peer Review, Corporate Assessment and Corporate Governance Review action plan monitored by SLT ▪ Annual Governance Statement ▪ Enabling strategy framework ▪ Health & Safety Annual Report	▪ The Council's enabling strategies have been revised to align to the delivery of the Community and Corporate Plan, these include the Digital and Data Strategy, People Strategy, Asset Management Strategy, Medium-term Financial Strategy and Socially Responsible Procurement Strategy as well as linking in with Service Business Plans. ▪ The Governance & Audit Committee continues to support the Internal Audit team and endorses its annual report and plan. The plan details the work and service areas the team will cover based on a risk assessment in order to provide assurance on the adequacy of the internal controls, governance arrangements and risk management process. The Governance & Audit Committee presents its Annual report to Council. ▪ The Whole Authority Report: Complaints, Comments and Compliments 2024/25 was presented to Governance & Audit Committee in November 2025 which identified the number and types of feedback, received and dealt with, from 1 April 2024 until 31 March 2025. ▪ Reports and plans to implement Audit Wales and Internal Audit recommendations are reported (as relevant) to Scrutiny and the Governance & Audit Committee. ▪ All agreed recommendation and actions from Internal Audit reviews are monitored. ▪ The Council takes note of all reports issued by External Regulators such as Audit Wales, ESTYN and Care Inspectorate Wales. Action plans are agreed and followed up. During 2025/26, the Council also received a positive Estyn inspection outcome for its education services, which provided external assurance on leadership, safeguarding, collaboration and improvement arrangements, while also identifying the	▪ Use the findings from the recent Estyn inspection and self-assessment activity to strengthen the consistency and precision of evaluation and impact reporting across services.

Sub-Principles	What is in place to support this?	Effectiveness	Areas for Future Improvement
		need to strengthen the consistency and precision of evaluation to support continuous improvement. ▪ The Council's first Annual Health and Safety Report (for 2024/25) was considered by the Governance & Audit Committee prior to being approved by the Cabinet Member for Resources.	

Progress against the Action Plan (Previous Year 2024/25)

No	Area for Improvement	Current Status
1.	Review the Council's Code of Corporate Governance against new CIPFA guidance and seek approval from SLT and Members. (Principle A)	**Partially Implemented** The Code of Corporate Governance was reviewed against the new CIPFA guidance by the Chief Internal Auditor. The amended Code was then considered and endorsed by SLT (March 2026) and the Governance & Audit Committee (April 2026). The document is included within the work programme to be approved by Full Council at its meeting in June 2026. Following this, the document will be communicated to all Members and officers of the Council.
2.	Review the Corporate Induction process to ensure the key messages are being delivered. (Principle A)	**Implemented** The Corporate Induction process was reviewed and redesigned to ensure organisational culture and key messaging are fully aligned to the council's core values and priorities. The revised approach now includes key strategic messages delivered directly by the Chief Executive and the Leader of the Council, reinforcing expectations from the outset of employment. The induction programme was restructured to include dedicated sessions delivered by key service leads providing new starters with a broader understanding of corporate responsibilities and available support. This revised approach has strengthened the consistency and visibility of key messages.
3.	Deliver the action plan to address the recommendations form the Audit Wales Counter-fraud Arrangements review. (Principle A)	**Implemented** Action has taken place to address both of the recommendations from the report.
4.	Continue to review all HR policies including the Employee Code of Conduct and Whistleblowing Policy. (Principle A)	**Partially Implemented** The majority of HR policies and guidance documents have been reviewed, approved and published, including consultation with trade unions. These are now published in a new format which makes them more accessible to front line colleagues.
5.	The use of the Committee Forward Work Planner will be strengthened to ensure decision making reports are included on it at the earliest opportunity to support improved democratic work planning. (Principle B)	**Ongoing** Improvements to the Forward Planner for Council, Cabinet and Individual

No	Area for Improvement	Current Status
		Member decisions have improved this process, and combined with oversight from scrutiny chairs, have contributed to stronger forward work plans for scrutiny committee forward work plans.
6.	Implement the revised senior management structure for the Council. (Principle E)	**Implemented** The revised senior management structure was approved by the County Council and has been implemented.
7.	Use feedback from the implementation of the TalentLinkLink Recruitment System to identify improvements to enhance the user experience.	**Ongoing** A number of changes have been made to the TalentLink recruitment system in response to feedback from recruiting managers and candidates. Some issues remain and will continue to be addressed as they are identified.
8.	Roll out of a new performance appraisal system across the organisation. (Principle E)	**Partially Implemented** The new performance appraisal approach, now titled Performance Development Reviews, has been designed, tested and launched. It's accompanied by training sessions for managers and colleagues.
9.	Continue to implement the Global Internal Audit Standards and complete a self-assessment of compliance. (Principle F)	**Ongoing** The IA team continue to implement the requirements of the GIAS. The Internal Audit Strategy was updated and approved by the Governance & Audit Committee in February 2026 to reflect changes to the planning methodology. A self-assessment has also been completed.
10.	To further raise awareness of the importance of compliance with revised Contract Procedure Rules and the Procurement Act 2023. (Principle F)	**Partially Implemented** An internal procurement network has been established of procuring officers, to raise awareness of compliance issues and to offer regular updates and training opportunities. As part of the new legislation, a Contract Register must be published to ensure transparency. Whilst a Contract Register exists it is not as extensive as needed therefore the Strategic Procurement Lead will be working with SLT and their Directorates to increase entries and subsequently visibility of procurement activities and also the Contract Forward Plan. The Ardal website has been revised and updated to provide the latest information on the Procurement Act

No	Area for Improvement	Current Status
		2023 to aid procuring officers in their understanding of the Act's requirements. Contract Management Training has been rolled out council-wide, to ensure that Contracts are being managed in line with the Invitation to Tender documentation and the Council is gaining maximum value from contracts. Local Partnerships have delivered Two online training sessions.

Action Plan – 2026/27 Improvement Actions from the 2025/26 Annual Governance Statement

No	Area for Improvement	By Who	By When
1.	Complete the remaining review and update of key HR governance policies, including the Employee Code of Conduct and Whistleblowing Policy, refresh supporting guidance where required, and ensure that the updated policies and guidance are easy to access. (Principle A)	Chief Officer – People, Performance & Partnerships	March 2027
2.	Embed the revised Code of Corporate Governance across the organisation following formal approval, including communication, awareness raising and alignment to governance documentation. (Principles A and G)	Chief Internal Auditor	December 2026
3.	Continue to strengthen democratic planning and transparency through earlier inclusion of reports in the Committee Forward Work Planner and improved coordination between decision making and scrutiny work programmes. (Principle B)	Chief Officer – Law & Governance	March 2027
4.	Further embed a consistent and strategic approach to engagement with residents, communities and partners through Let’s Talk Monmouthshire and associated engagement standards. (Principle B)	Head of Customer, Communication and Engagement	March 2027
5.	Continue implementation of the new Performance and Development Review process and use feedback to improve consistency, coverage and reporting. (Principle E)	Chief Officer – People, Performance & Partnerships	March 2027
6.	Develop a performance management training suite. (Principle F)	Chief Officer – People, Performance & Partnerships	March 2027
7.	Continue to implement the Global Internal Audit Standards, including embedding the revised methodology and completing actions arising from the internal self-assessment. (Principle F)	Chief Internal Auditor	March 2027
8.	Further embed governance arrangements for information, cyber security and emerging technologies, including finalisation of the AI policy and associated guidance. (Principles F and G)	Deputy Chief Executive & Strategic Director – Resources	December 2026
9.	Strengthen budget management and procurement compliance along with officer capability through targeted training, improved guidance, digital support and enhanced performance oversight. (Principle F)	Deputy Chief Executive & Strategic Director – Resources	March 2027

No	Area for Improvement	By Who	By When
10.	Undertake a self-assessment against CIPFA's Financial Management Code. (Principle F)	Deputy Chief Executive & Strategic Director – Resources	March 2027
11.	Use the findings from the recent Estyn inspection and self-assessment activity to strengthen the consistency and precision of evaluation and impact reporting across services. (Principle G)	Strategic Director – Children, Young People, Skills & Economy	March 2027

Monitoring & Evaluation

During 2026/27, the Council will continue to monitor the effectiveness of its governance arrangements and the delivery of the improvement actions set out in this Statement. Progress against the Action Plan will be overseen through the Council's established governance processes, including review by relevant senior officers, Strategic Leadership Team and the Governance & Audit Committee, to ensure that actions are implemented in a timely way and that any slippage, emerging risks or changing priorities are identified and addressed. This ongoing monitoring will also inform the next annual review of governance and the preparation of the 2026/27 Annual Governance Statement.

In doing so, the Council will keep under review whether its governance framework remains sufficiently resilient and responsive to the changing environment in which it operates. Particular attention will be given to the continuing financial challenges reflected in the Medium Term Financial Plan, organisational capacity and workforce development, the embedding of the revised Code of Corporate Governance, democratic planning and transparency, the maturity of engagement and self-assessment arrangements, procurement compliance, and the governance implications of digital, cyber, data and emerging technologies. The Council will also continue to reflect on lessons arising from significant events, partnership working, regulatory findings and internal assurance work so that governance arrangements evolve in a planned and proportionate way to support the achievement of its objectives and statutory responsibilities.

Certification by the Leader of the Council and the Chief Executive

Signed: Date:

Councillor Mary Ann Brocklesby, Leader of Monmouthshire County Council

Signed: Date:

Paul Matthews, Chief Executive