

Public Document Pack



County Hall
Rhadyr
Usk
NP15 1GA

Friday, 7 June 2019

Notice of meeting

Standards Committee

Monday, 17th June, 2019 at 10.00 am,
Conference Room - Usk, NP15 1GA

AGENDA

Item No	Item	Pages
1.	Election of Chair	
2.	Appointment of Vice Chair	
3.	Apologies for absence	
4.	Declarations of interest	
5.	Minutes of previous meeting	1 - 4
6.	MONMOUTHSHIRE COUNTY COUNCIL ANNUAL GOVERNANCE STATEMENT, 2018/19	5 - 30
7.	FEEDBACK FROM PSO BRIEF ON NEW POWERS	
8.	DISPENSATION REQUEST DISCUSSION	31 - 34
9.	CLERKS CONFERENCE, INCLUDING:	
9.1.	Standards Committee attendance and involvement at Councils	
9.2.	Reminder as to necessity of dispensation requests	
10.	STANDARDS COMMITTEE ANNUAL WORK PLAN	
11.	DATE OF NEXT MEETING: 16th SEPTEMBER 2019, 10AM	

Paul Matthews

Chief Executive

MONMOUTHSHIRE COUNTY COUNCIL
CYNGOR SIR FYNWY

THE CONSTITUTION OF THE COMMITTEE IS AS FOLLOWS:

County Councillors:

R Williams-Flew
P. Easy
D. Evans
S. Woodhouse
P. Clarke
T. Auld (Independent Representative)
R. Stow (Independent Representative)
R. McGonigle (Independent Representative)
I. Cameron (Community Representative)
P. Easy (Independent Representative)
R. Williams-Flew (Independent Representative)

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Welsh Language

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Aims and Values of Monmouthshire County Council

Our purpose

Building Sustainable and Resilient Communities

Objectives we are working towards

- Giving people the best possible start in life
- A thriving and connected county
- Maximise the Potential of the natural and built environment
- Lifelong well-being
- A future focused council

Our Values

Openness. We are open and honest. People have the chance to get involved in decisions that affect them, tell us what matters and do things for themselves/their communities. If we cannot do something to help, we'll say so; if it will take a while to get the answer we'll explain why; if we can't answer immediately we'll try to connect you to the people who can help – building trust and engagement is a key foundation.

Fairness. We provide fair chances, to help people and communities thrive. If something does not seem fair, we will listen and help explain why. We will always try to treat everyone fairly and consistently. We cannot always make everyone happy, but will commit to listening and explaining why we did what we did.

Flexibility. We will continue to change and be flexible to enable delivery of the most effective and efficient services. This means a genuine commitment to working with everyone to embrace new ways of working.

Teamwork. We will work with you and our partners to support and inspire everyone to get involved so we can achieve great things together. We don't see ourselves as the 'fixers' or problem-solvers, but we will make the best of the ideas, assets and resources available to make sure we do the things that most positively impact our people and places.

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Public Document Pack Agenda Item 5

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Standards Committee held
at Conference Room - Usk, NP15 1AD on Monday, 18th March, 2019 at 10.00 am**

PRESENT: County Councillors: D. Evans, J. Pratt

Independent Representatives: T. Auld (Chair)
R Williams-Flew, P. Easy, R. McGonigle, R. Stow

Community Representative: I. Cameron

OFFICERS IN ATTENDANCE:

Matthew Phillips	Head of Law/ Monitoring Officer
Nicola Perry	Senior Democracy Officer
Sally Thomas	HR Manager

APOLOGIES:

Councillors S. Woodhouse

1. Declarations of interest

There were no declarations of interest.

2. Minutes of previous meeting

The minutes of the meeting held on 17th December 2018 were confirmed and signed by the Chair.

In doing so, a typographical error was noted at item 2, and the date should read 18th June 2018.

3. Whistleblowing Cases

The HR Manager presented this annual report to provide Standards Committee with information in relation to the number of whistleblowing cases in Monmouthshire County Council.

The Whistleblowing Policy was last updated in 2017, and the responsibility lies with HR and legal departments to make sure the policy is transparent and robust.

A log of all cases is kept centrally in a secure location. In the last three years MCC has dealt with 7 cases of whistleblowing.

We were unable to receive further information on the cases due to their confidential nature.

Members questioned the connection between whistleblowing and staff sickness levels. The HR Manager did not believe these to be connected as whistleblowing is around improper behaviour, malpractice and potential fraud. Typically across councils whistleblowing cases are low in number.

In terms of reassuring staff, the policy is very clear and open, providing plenty of information.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Standards Committee held at Conference Room - Usk, NP15 1AD on Monday, 18th March, 2019 at 10.00 am

Training for managers is in place to differentiate between the Dignity at Work, Fairness at Work and Whistleblowing Policies. Also Managers Induction appraises the key elements.

The HR Manager would be happy to arrange a short training session for Standards Members.

Assurance was given that feedback was provided to those who raised the concerns via the policy.

Standards Committee would be added as a consultee on the policy.

4. Welcome new members

The Chair welcomed new Independent Members of the Committee, Peter Easy and Rhian Williams-Flew, and the Committee took the opportunity to introduce themselves.

5. Feedback from training event 11th January 2019

Standards Committee reflected on a training event held in January. Members considered the training effective to avoid complacency.

Those who missed the training welcomed future opportunities to attend, and reference was made to the annual Standards Conference held in September.

6. Review of APW Annual Report 2017-18

Members were presented with the Adjudication Panel for Wales Annual Report 2017-18 for review.

Points raised by the Committee centred on case studies being anonymous within the report, yet information being readily available on the APW website. It was agreed to question this.

7. Review of the APW Sanctions Guidance

Members received for review, the Adjudication Panel for Wales Sanctions Guidance. In doing so we heard that one area for question is that disqualification only refers to the area the person is related to, and therefore would be able to seek election in a different location. The Monitoring Officer agreed to seek clarity on this matter.

Members reflected that the document is an improvement on that of last year.

8. Council of Clerks - Invitation to Standards Committee Members

The Monitoring Officer explained that he has invited Community Clerks to attend County Hall for a meeting, with the intention being to create a forum to deliver training, reinforcing the importance of the role of the Clerk. He requested that the Committee submit agenda items and a Member attend to explain the role of the Standards Committee.

A Member suggested it would be helpful for all Committee Members to attend.

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Standards Committee held
at Conference Room - Usk, NP15 1AD on Monday, 18th March, 2019 at 10.00 am**

9. Standards Committee Forward Programme

Items for work programme:

1. Annual Governance Statement 2018/19
2. Protocol for Self-Regulation Member Conduct – useful to receive comments from Group Leaders prior to meeting.
3. Dispensations
4. Customer Complaints Report – Annette Evans

10. Date of next meeting 17th June 2019 at 10am - Conference Room

Noted.

The meeting ended at 11.50 am

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**SUBJECT: MONMOUTHSHIRE CC
ANNUAL GOVERNANCE STATEMENT, 2018/19**

**DIRECTORATE: Resources
MEETING: Audit Committee
DATE: 13th June 2019
DIVISION/WARDS AFFECTED: All**

1. PURPOSE

To receive a **draft** version of the Council's Annual Governance Statement (AGS) prior to inclusion into the Statement of Accounts 2018/19.

2. RECOMMENDATION(S)

That the Audit Committee contribute to the appropriateness and content of the draft AGS and subsequently endorse it.

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. The AGS sets out how Monmouthshire demonstrates it has appropriate governance arrangements in place and how they are continually reviewed to strengthen them moving forward.
- 3.2 This Statement has been prepared in accordance with guidance produced by the Chartered Institute of Public Finance and Accountancy (C.I.P.F.A.) and the Society of Local Authority Chief Executives and Senior Managers (S.O.L.A.C.E.), the 'Delivering Good Governance in Local Government Framework 2016' and Delivering Good Governance in Local Government Guidance Notes for Welsh Authorities 2016'. It embraces the elements of internal financial control required by the 'Code of Practice on Local Authority Accounting in the United Kingdom'.
- 3.3 Monmouthshire County Council (the 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.
- 3.4 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.
- 3.5 The Code of Corporate Governance, which is consistent with the principles of the C.I.P.F.A./S.O.L.A.C.E. Framework 'Delivering Good Governance in Local Government', was approved by Council in July 2011; the Code was revised and updated in May 2014. A copy of the Code is available from the Chief Internal Auditor. This annual governance statement explains how the Council has complied with the code, the update 2016 guidance and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014.

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 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, 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 2019 and up to the date of approval of the statement of accounts.
- 4.4 The Statement itself [Appendix 1] demonstrates that Monmouthshire has 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. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving, but also recognise that there is further work to do.

5 The Governance Framework

- 5.1 The Council's AGS has been developed in line with the following principles:

Overarching requirements for acting in the public interest:

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

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

- Defining outcomes in terms of sustainable economic, social, environmental and cultural benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- 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.

7 RESOURCE IMPLICATIONS

None.

8 CONSULTEES

Chief Officer Resources

9 BACKGROUND PAPERS

MCC Code of Corporate Governance
CIPFA Delivering Good Governance

10 AUTHOR AND CONTACT DETAILS

Andrew Wathan, Chief Internal Auditor
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Email: andrewwathan@monmouthshire.gov.uk

Monmouthshire CC

Annual Governance Statement 2018-19 – DRAFT 1

May 2019

Executive Summary

The Statement itself demonstrates that Monmouthshire has 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. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving such as:

- a comprehensive Scrutiny Service Plan;
- evaluating the effectiveness of Safeguarding;
- calling managers into Audit Committee;
- MCC's model of engagement in understanding its communities' views.

WAO's review of Good Governance concluded that the Council has a clear strategic approach for significant changes, although, better information would help Members when deciding the future shape of the Council.

It is also recognised that there is further work to do. Progress against the 2017/18 action plan is shown at Appendix 1. The main areas for improvement in 2018/19 identified by the Council are:

- continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;
- Revise and update the Code of Corporate Governance and get it formally approved by Cabinet
- The Council will work through the WAO Proposals for improvement in the following areas:
 - Scrutiny: Fit for the Future?
 - Review of Asset Management
 - Information Management
 - Whole Authority review of children's safeguarding

An action plan to address areas for improvement is shown at Appendix 2.

- 1 This Statement has been prepared in accordance with guidance produced by the Chartered Institute of Public Finance and Accountancy (C.I.P.F.A.) and the Society of Local Authority Chief Executives and Senior Managers (S.O.L.A.C.E.), the 'Delivering Good Governance in Local Government Framework 2016' and Delivering Good Governance in Local Government Guidance Notes for Welsh Authorities 2016'. It embraces the elements of internal financial control required by the 'Code of Practice on Local Authority Accounting in the United Kingdom'.
- 2 The Statement itself demonstrates that Monmouthshire has 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. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving, but also recognise that there is further work to do. Progress against the 2017/18 action plan is shown at Appendix 1. The main areas for improvement in 2018/19 identified by the Council are shown in the action plan shown at Appendix 2.

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, 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. This has been updated in recent years through the Wales Programme for Improvement 2005 and even more recently through the Local Government (Wales) Measure 2009 to encompass responsibility for securing continuous improvement based on the needs of and in engagement with communities. Further changes to national frameworks are anticipated as a result of Welsh Government's White Paper which is consulting on proposals to repeal the 2009 Measure.
- 4 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.
- 5 The Code of Corporate Governance, which is consistent with the principles of the C.I.P.F.A. / S.O.L.A.C.E. Framework 'Delivering Good Governance in Local Government', was approved by Council in July 2011; the Code was revised and updated in May 2014. This will need to be revised in accordance with the 2016 Framework and Guidance. A copy of the previous code is available from the Chief Internal Auditor. 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 Purpose of the Governance Framework

- 6 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 the community. It enables the Council to monitor the achievement of its population outcomes, priorities and objectives and to consider whether those objectives have met the outcomes and led to the delivery of appropriate, cost effective services.
- 7 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, and to manage them efficiently, effectively and economically.
- 8 The governance framework has been in place at the Council for the year ended 31 March 2019 and up to the date of approval of the statement of accounts.

9 The Council's Corporate Governance is 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

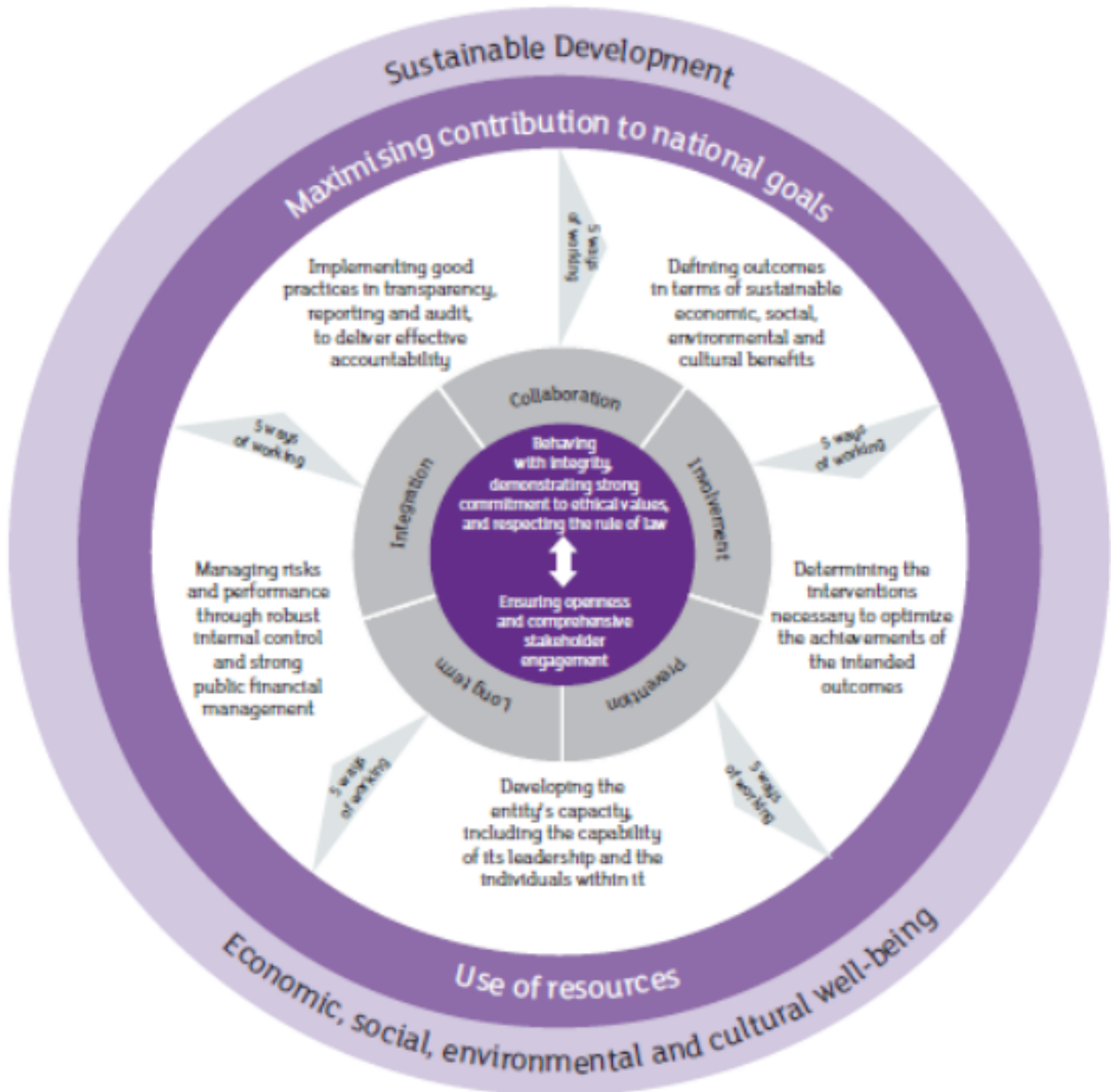
In addition achieving good governance in the Council requires effective arrangements for:

- 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

10 The diagram below brings together the above principles of good governance with the requirements of the Well-being of Future Generations (Wales) Act 2015. It shows sustainable development as all-encompassing. The core behaviours of:

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

need 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.



- 11 The Authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).
- 12 The key elements of the Council's governance arrangements are set out in its Corporate Plan 2017-2022, "A Monmouthshire that works for everyone" which was approved by Council in February 2018, and incorporates the previous elements of the Council's Improvement Plan. A six month progress update was presented to Cabinet (December 2018) to provide an overview of progress being made in 2018/19 to deliver the commitments set out in the Corporate Plan. The Council's five priorities are:

The best possible start in life,
Thriving and well connected county,
Maximise the potential of the natural and built environment,
Lifelong well-being,
Future-focused Council

- 13** The PSB has approved four well-being objectives that underpin a clear purpose of “building sustainable and resilient communities”. The objectives are:
- 13.1 Provide children and young people with the best possible start in life
 - 13.2 Respond to the challenges associated with demographic change
 - 13.3 Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change
 - 13.4 Develop opportunities for communities and businesses to be part of an economically thriving and well-connected county.
- 14** In April 2016 the Local Service Board became the Public Service Board or PSB. As part of the requirements of the Well-being of Future Generations (Wales) Act 2015 the Public Service Board are focused on improving social, economic, environmental and cultural wellbeing, in accordance with the sustainable development principle. Public Service Boards have a planning responsibility to prepare and publish an assessment of local well-being, produce a local well-being plan and report annually on its progress.
- 15** An update on the emerging actions being developed to deliver the objectives contained in Monmouthshire’s Well-being Plan was taken to PSB in July 2018, October 2018, January 2019 and March 2019.

Review of Effectiveness

- 16** The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Leadership Team within the Authority which has responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor’s annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 17** The governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 18** The processes that have been applied to maintain, review and improve the effectiveness of the governance framework include:
- i) The Monitoring Officer reviewed the Council’s Constitution and ethical governance arrangements with the Constitution being revised and approved by Council in December 2017;
 - ii) periodic reviews of the financial controls including the financial procedure rules by the Chief Finance Officer (Head of Finance); financial procedure rules were approved by Council in September 2014;
 - iii) Whole Authority Strategic Risk Management Assessment and amendments to the Policy were approved by Cabinet in March 2019;
 - iv) Formal risk management and regular ongoing review of the processes involved reported through Audit Committee
 - v) Scrutiny conducted a self-evaluation and Peer Review with several other councils during Spring 2017 as part of its ongoing commitment to continuous improvement;
 - vi) Scrutiny reports its annual appraisal and Scrutiny Service Plan to Audit Committee to satisfy them that the Council’s arrangements are working effectively;
 - vii) the Internal Audit function, whose work takes account of identified risks through regular audits of the major systems, establishments and major projects in accordance with the annual internal audit plan, and which includes ‘follow-up’ work to ensure that agreed recommendations are implemented;
 - viii) the work of the Council’s Select and other Committees, including its Audit and Standards committees;
 - ix) the opinions and recommendations of the Council’s external auditors, following both financial audit work and per the Local Government Measure in regard to matters,

- including governance issues, which are considered for action and implementation and reported to Council, Cabinet and Audit Committee, as appropriate;
- x) The opinions and recommendations of other inspection, regulation and review agencies which are reported to Council, Cabinet and Audit Committee as appropriate. Audit Committee receives a regular report on the progress made with recommendations and proposals issued by Wales Audit Office
 - xi) regular monitoring of performance against the Corporate Plan and service plans and of key targets, and reporting of this to senior management and members;
 - xii) Audit Committee annual report (Council July 2018);
 - xiii) Corporate Safeguarding Policy taken through Council May 2018;
 - xiv) Annual appraisal of the effectiveness of the authority's performance management arrangements reported annually to Audit Committee.
 - xv) Chief Officer for Children and Young People's Annual Report presented to Council April 2018; Director of Social Services Annual Report presented to Council July 2018; Wellbeing Objectives and Statement Annual Report presented to Council September 2018.
 - xvi) Updated policies and strategies reported through Cabinet and Council

19 The following paragraphs review the effectiveness of the governance arrangements in Monmouthshire under the 7 principles.

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

- 20** The code of conduct for members and a protocol on member / officer relations are set out in the constitution. A new version of the code of conduct for members was adopted by Council in May 2016. The council also has a local protocol for the self-regulation of member conduct.
- 21** 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.
- 22** The Public Service Ombudsman Wales Annual Report (2017/18) was presented to the Standards Committee in December 2018. Four Code of Conduct issues were referred to the PSOW; three were closed after initial consideration, one was referred to adjudication.
- 23** Agreed arrangements enable the Council to comply with statutory requirements in respect of child protection and the protection of vulnerable adults. Recruitment procedures help ensure that Council employees and Members working with children or vulnerable adults are checked for their suitability to do so.
- 24** In accordance with its statutory responsibilities, the Council has in place a Health and Safety Policy and related procedures.
- 25** There were no successful "call-in" challenges to decisions on procedural grounds and no judicial review challenges on grounds of legality during the year.
- 26** Policy and decision-making is facilitated through (i) the Cabinet, the meetings of which are open to the public and live streamed on YouTube 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: Five select committees (including the statutory PSB Select Committee) and a separate 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.

- 27 A Scrutiny and Executive Protocol is in place which is aligned to the updated constitution of December 2017 and provides parameters for effective executive and scrutiny relationships.
- 28 The Constitution is updated periodically by the Monitoring Officer; it was reviewed and updated during 2017/18, and approved by Council in December 2017; it continues to be reviewed. It can be found on the Council's website and sets out:
- how the Council operates and makes decisions,
 - the procedures to ensure that decision-making is transparent and accountable to local people and other stakeholders,
 - the key roles of all members and chief officers, including the lead responsibilities for corporate governance of the Leader, the Chief Executive and other designated chief officers,
 - a scheme of delegated powers for decision-taking
 - responsibilities for reviewing and agreeing the Council's corporate governance arrangements,
 - arrangements for ensuring it is regularly reviewed and updated
 - its related codes and protocols.
- 29 To ensure agreed procedures and all applicable statutes are complied with the Monitoring Officer attends all Council meetings; to ensure sound financial management is a key factor in decisions, the Head of Finance attends SLT, Cabinet and Council meetings.
- 30 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 and which is regularly reviewed [reviewed and approved by Cabinet June 2017]
 - registers of personal and business interests for Members
 - 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 can be applied.
 - equalities awareness training
- 31 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 Ombudsman Investigation resulting in a finding of maladministration
- 32 All exemptions of the Contract Procedure Rules are reported through Audit Committee six monthly. The Internal Audit team continues to deliver awareness raising sessions on the importance of compliance with these Contract Procedure Rules and Financial Procedure Rules.
- 33 The Audit Committee called in several senior managers during the year and challenged them on why a procurement process went outside the Council's normal tendering processes.
- 34 32 Internal Audit opinions were issued in 2018/19; 6 audit jobs resulted in **Limited** assurance.
- 35 The overall opinion on the adequacy of the internal control environment for 2018/19 was **REASONABLE**. Management agreed to implement the recommendations made in audit reports in order to address the weaknesses identified. The Internal Audit opinions issued in 2018/19 were as follows:

	2016-17	2017-18	2018-19
Substantial Assurance (Very Good)	3	2	2
Considerable Assurance (Good)	10	11	11
Reasonable Assurance	7	16	13
Limited Assurance (Unsatisfactory)	7	8	6
Total	27	37	32

- 36** Reasons why the outcome of the audit reviews which were deemed to provide Limited assurance were presented in a separate report to Audit Committee which has sought assurances from respective operational managers that action will be taken to make the necessary improvements in control.
- 37** The Internal Audit team had a full complement of staff for the full year; 84% of the 2018/19 plan was achieved, which was an improvement on the previous year (82%). 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.
- 38** The Internal Audit team continued to ensure its compliance with the Public Sector Internal Audit Standards (PSIAS). This was validated through a peer review process at the end of 2017/18 undertaken by the Chief Internal Auditor for Neath Port Talbot Council; the outcome of which was that the team are generally compliant, the highest level of compliance.
- 39** An Improvement Framework is in place to ensure the economic, effective and efficient use of resources and for securing continuous improvement. This is supported by a range of mechanisms including collaborative working initiatives and reviews undertaken both internally and by the external auditors and inspectors. This framework works in conjunction with the Local Government Wales Measure 2009. Performance is reported through Select Committees and Cabinet.
- 40** The strategies which support this Framework include the Asset Management Plan, People Strategy, Local Development Plan, Financial Plan, Digital & Customer Strategy, Economy & Enterprise Strategy which are delivered through service business plans and employee aims & objectives, evaluated and risk assessed.
- 41** Chief Officers and Heads of Service are accountable for ensuring that the Council Priorities are delivered and performance against key targets is regularly monitored via the performance management framework and is regularly reported to members via Select Committees.

Principle B: Ensuring openness and comprehensive stakeholder engagement

- 42** The agendas are published in advance of all meetings on the Council's website.
- 43** The scrutiny reports on recommendations/outcomes from scrutiny activity are presented to Cabinet quarterly. The scrutiny function has a 'Scrutiny Service Improvement Plan'. The plan is built into the Council's improvement framework. The plan is also scrutinised by the Council's Audit Committee annually to ensure they are satisfied that the Council has appropriate and effective scrutiny arrangements in place.
- 44** The Scheme of Delegation sets out responsibilities for decision making. The Council's website includes the Cabinet and Cabinet Member decisions / Member profiles. The Scrutiny Handbook provides a guide for Members, officers and the public on the role and value of scrutiny and the website displays the

Scrutiny Forward Work Programme and invites public submissions. Development of Customer Insight to better understand our communities. Dissemination of ward meeting minutes.

- 45 Social media, Twitter and Facebook for example, is increasingly being used to engage local people and communicate the corporate message. The Council has partnered with an IT supplier to develop Monmouthshire Made Open – a digital engagement platform to enable local people to help shape ideas to the challenges facing their communities. Scrutiny has a Twitter account to help engage more effectively with the public on democracy.
- 46 Public engagement events continued in 2018/19 for the budget proposals. MCC’s model of engagement in understanding its communities’ views and the way it now operates as an organisation was shared with many delegates at a Welsh sustainability conference as exemplar. The Council has encouraged the community within Monmouthshire to actively contribute to making stepped changes to improve the way in which services are provided and is a key workstream of the Future Monmouthshire programme established by the Council in May 2016; the intention is to transform public service delivery. This links back to the principles of the Well-being of Future Generations Act which sets out five ways of working including involvement.
- 47 Monmouthshire Public Service Board updated its Well-being Assessment for the county 2018/19 and reported progress into the Board regularly in the year. This will help to shape the future of the area and its communities by informing the Public Service Board’s Well- being plan which sought the views of Monmouthshire residents. The assessment draws together findings from data, academic research and policy papers and the views of local people.
- 48 Our Monmouthshire, updated October 2018, is about all of us addressing the needs of the future as well as current generations. People in Monmouthshire were asked *what’s good about your community and what would make it better, now and in the future*. These views help MCC make sure it addresses some of the really big challenges that Monmouthshire faces in coming years.
- 49 Transparency and openness is important to Monmouthshire; the Annual Statement of Accounts was taken through the Audit Committee process before being endorsed by Council. 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, with all Council, Cabinet, Audit Committee and Select Committees now live streamed on You Tube. All public meetings of the Council 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.
- 50 Individual Cabinet Members can make decisions under the scheme of delegation; agendas and decisions for all Cabinet Members are published on the Council’s website.
- 51 The Council’s website contains links to the following areas in the interests of openness.

Data published by Monmouthshire County Council

- [List of expenditure over £500](#)
- [Our spend data as a useful dashboard](#)
- [Food hygiene ratings](#)
- [Business Property Data Set](#)
- [List of Primary Schools in Monmouthshire](#)
- [List of Secondary Schools in Monmouthshire](#)

- 52 The Medium Term Financial Plan (MTFP) supports the vision for Monmouthshire and extensive public engagement continued in 2018/19 for the 2019/20 budget and Medium Term Financial Plan which engaged with the public in their own community; this included website, social media, drop in sessions YouTube and open meetings. These were key to providing people with the opportunity to become informed.
- 53 During 2018/19 the Public Service Board (PSB) agendas and minutes were published online on the MCC website to ensure transparency.
- 54 Public engagement and consultation is key to the WFG Act. One of the five ways of working is Involvement - *the importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves*. This along with the other ways of working is now considered in all relevant decision making reports for Cabinet and Council through a Future Generations Evaluation which includes Equalities and Sustainability Impact Assessments. The progress of implementing the WFG Act was reported through the PSB and Cabinet in 2018/19.
- 55 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.

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

- 56 The Council's previous Improvement Plan and its improvement objectives were incorporated into the Corporate Plan for 2018/19. The Corporate Plan also references and links to the Well-being Plan.
- 57 Monmouthshire County Council has a strong sense of character and purpose. It shapes this in line with the goals and ambitions of its partners in other public services such as the NHS, Police, Public Health, housing associations and the Fire and Rescue Service. These and many more organisations are part of the Monmouthshire Public Service Board (PSB). Combining the ingenuity and initiative of all partners is key to finding new solutions to pressing, social, economic and environmental problems. This sense of 'power of the collective' is central to its core purpose, reflected in its values and embodied in its culture.
- 58 The Well-being Plan sets out the vision of the Public Service Board – a partnership of the key public service providers in Monmouthshire which includes the Council. The four identified objectives are:
 - 58.1 Provide children and young people with the best possible start in life
 - 58.2 Respond to the challenges associated with demographic change
 - 58.3 Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change
 - 58.4 Develop opportunities for communities and business to be part of an economically thriving and well connected county.
- 59 Under the Well-being of Future Generations (Wales) Act 2015 The Council has a responsibility to:
 - Set and publish well-being objectives
 - Take all reasonable steps to meet those objectives
 - Publish a statement about well-being objectives
 - Detail arrangements to publish an annual report of progress
- 60 In March 2018 Council approved the Council's Well-being Plan and endorsed the Area plan.. The well-being objectives set bring together the latest evidence from the well-being assessment, policy and legislation and show how the Council will strive to deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs. The Well-being Objectives and Statement Annual Report (2017/18) was approved by Council in September 2018.

- 61** The Corporate Plan Objectives for 2017 to 2022 are supported by service plans to operationally deliver these objectives. Service plans were developed in 2018/19 covering all service areas and were updated quarterly and made available on the Council's Hub intranet site. These were quality assessed as part of the service planning process. All service plans include a direct link to the Council's Well-being objectives.
- 62** In February 2019 Council received the report to approve the continuation of the five goals set in the Corporate Plan in 2018 as the Council's objectives for 2019-20 to comply with the Local Government (Wales) Measure 2009.
- 63** Wales Audit Office presented its Annual Improvement Report to Audit Committee in September 2018. WAO has carried out work with all councils on improvement assessment, the Wellbeing of Future Generations Act, the service user and scrutiny as well as some local work. Wales Audit Officers have reported to Audit Committee on work completed from previous years at Monmouthshire. It concluded that the Council meets its statutory requirements for continuous improvement and there are no formal recommendations
- 64** Reports were taken through the scrutiny Select process during the year which linked service plans to the Council's policies, priorities and objectives. The agendas and minutes of which became public documents are available through the Council's website.
- 65** The Council was an early adopter of the Wellbeing of Future Generations Act which came into effect in April 2016. Preparation included increased awareness raising with Council members and officers. Extensive work was undertaken in 2016/17 to implement the act including training sessions and developing the Well-being assessment in partnership with PSB partners this was endorsed by Council and approved by the Public Service Board (PSB) in March 2017. Well-being and Future Generations continued to be a key theme and foundation through the reporting processes in 2018/19.
- 66** The Council is embracing the benefits of digital communications including social media use. It is also developing additional digital channels by introducing a Customer Services app, enabling people to interact and transact with the Council using mobile devices. The Council's website was further developed to make it easier to navigate and includes more transactional functions. Social media continued to thrive during 2018/19 through Twitter, Facebook and You Tube to raise awareness of forthcoming events, to provide live streaming of Cabinet, Council and other political meetings, to promote the activities and services provided and to show support and encouragement for community groups.
- 67** Enhancing the digital services with economic (effective and efficient processes aiding business interaction), environmental (less travel and print consumables) and social (digital customer centric services) continued to be a key aspect of improving services throughout 2018/19. Outcomes are measured via the Digital Programme Office Service plan and performance planning process.
- 68** To ensure the best use is made of resources and that taxpayers and service users receive excellent value for money, there are a number of mechanisms within the Council to support this. The option appraisals for the 21st Century Schools considered cost and quality to determine the best outcome for the service; budget mandates were in place to monitor and capture the savings assessments; the IT Board reviewed business cases for future IT investment.
- 69** Regular budget / outturn reports for revenue and capital were presented to and approved by Cabinet during the year, and the budget management actions of Cabinet and senior officers are scrutinized by 4 of the Select committees quarterly. The budget monitoring reporting cycle periodically contains some output measures and unit cost data, so that economic comparison of costs with other Councils can be made. Previously the Council has compared very favourably to others.
- 70** The MTFP process for 2019/20 to 2022/23 was reviewed and approved by Cabinet in November 2018. The Capital Strategy Assessment 2018/19 and Draft Capital Budget Proposals 2019/20 to 2022/23 were taken to Cabinet in December 2018. Draft Revenue Budget Proposals 2019/20 also went to Cabinet in December 2018. Final Proposals went to Cabinet in February 2019. The budget was set in January 2018 by Council for 2018/19. 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.

- 71 An authority-wide performance measurement system for the Council, the “data hub”, hosted on the Council’s intranet site continues to be used and further developed. This is available within 3 clicks of the homepage that opens up on all laptops and enables members and officers to track and monitor key data at any point in time from key strategic plans to directorate level “dashboards”. This also allows performance to be compared against other council areas, where applicable. A Cabinet level dashboard contains a number of key performance measures and is discussed quarterly by SLT and Cabinet.

- 72 An Overview of Performance Management Arrangements was reported to Audit Committee in November 2018. This was an update on the current effectiveness of the Authority’s performance management arrangements. It provides an appraisal of the arrangements that make up the performance framework to ensure that Audit Committee are able to take an overview of their effectiveness. Each arrangement has been scored based on the council’s self evaluation framework; the key elements were all scored *adequate* or *good*, no measure was scored *weak* or *unsatisfactory*.

- 73 The Council utilises ‘Buy For Wales’ contracts to ensure value for money is obtained in procuring the many goods and services required to run the Council. A nationwide analysis found that MCC had the highest proportion of spend with SMEs of any local authority in the UK (Source:<http://www.spendsmall.org/>)

- 74 The Equality Impact Assessment and Sustainable Development checklist have been revised and combined to align with the Future Generations Act. The “Future Generations Evaluation “ ensures the decisions the Council makes are carefully considered to take equality and sustainable development into account, this includes legislation that Monmouthshire County Council is subject to the Equality Act 2010, Wellbeing of Future Generations Act and Welsh Language (Wales) Measure 2011. A range of these were undertaken during 2018/19 which have been published on the website accompanying decision making reports.

- 75 The WAO reported on their follow on review of Good Governance when determining significant service changes, through Audit Committee in July 2017. They concluded that the Council has a clear strategic approach for significant changes, although, better information would help Members when deciding the future shape of the Council.

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

- 76 The Local Authority 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 (LA) 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 (WG) Guidance on Schools Causing Concern (March 2016).

- 77 Contract Procedure Rules exemptions are reported to the Audit Committee 6 monthly; managers have been challenged in year to justify their procurement outside the Council agreed procedures. Several managers were called in to Audit Committee to give an account of why accepted procedures were not followed.

- 78 Regular reporting into Cabinet, Scrutiny and Audit Committee enables the achievement of the Council’s objectives to be challenged and appropriate action plans put in place to address any identified issues so that the intended outcomes can be achieved. The Improvement Objectives and Performance indicators – 2018/19 were taken through Select Committees six monthly. The Strategic Risk Assessment 2018 was also taken through Select Committee, Audit Committee and signed off by Cabinet during the year.

79 Dealing with customer complaints helps Monmouthshire to identify and deal with failures in service delivery. The Council's complaint / compliment procedure is available on the web site. Out of 87 complaints received in 2017/18, 74 were resolved informally although 1 complaint was referred to the Ombudsman, who decided not to investigate. 13 formal complaints were received, 2 of which were escalated. 123 comments were received along with 189 compliments.

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

80 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. This is complemented by the People Strategy, endorsed by Cabinet July 2018 having gone through scrutiny select consultation.

81 Developing the digital capabilities of people and systems to enable effectiveness, efficiency and enhanced customer services (measured via the Digital Programme SIP)

82 There is continued support for Members' development through briefing sessions and other learning opportunities. A comprehensive training programme was developed for the intake of new members following Council elections in May 2017 including:

Council Induction	Licensing	Audit
Planning	Scrutiny	Children & Young People
Finance	Governance	Safeguarding
Security at Events	Equalities	

83 There is also ongoing training and development which meets the needs of officers and members through the corporate programme. Coaching and leadership skills training will be rolled out to all managers in due course. Check in, Check Out provides a value-based performance assessment approach between staff and line managers and aims to ensure employees have clear and effective understanding of their contribution to the objectives of their teams and subsequently the Council.

84 Scrutiny Member Development programme is in place which provides ongoing specific skills based training for Members and includes scrutiny induction.

85 Appropriate and relevant job descriptions were in place for the Chief Executive, Senior Leadership Team (SLT), Monitoring Officer and Head of Finance.

Partnerships/collaboration working

86 There is Council policy on information sharing along with numerous information sharing protocols with our partners; this is included within the Data Protection Policy. Information sharing is key to joined-up service delivery. The Wales Accord on the Sharing of Personal Information (WASPI) was developed as a practical approach to multi agency sharing for the public sector in Wales, and Monmouthshire signed up to this in January 2011. The Authority is required to meet statutory obligations regarding the handling and sharing of data, in accordance with the Data Protection Act 1998 and more recently, the General Data Protection Regulation 2018. The Information Sharing protocol has been developed to ensure information is only shared appropriately, safely and compliantly.

87 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.

- 88** As a key example of our commitment to effective governance, arrangements have been developed for the PSB Select Committee.
- 89** A Partnership Audit was undertaken and reported into the Audit Committee in May 2014; 100 partnership / collaboration arrangements were identified. Governance arrangements have been put in place around all key partnerships the Council is involved with. Monmouthshire's Partnership Structure is now shown on The Hub and was reported through Strong Communities Select in April 2016.
- 90** The Community & Partnership Development Team was developed in order to help build sustainable and resilient communities that support the wellbeing of current and future generations in Monmouthshire which is a shared purpose with the public service board partners. The Team work with communities and partners to help bring about social change and improve the quality of life in the county. The team act as enablers, unlocking potential and supporting sustainability through collective impact; providing a resource and tangible link between local communities and a wide range of partners; enabling the delivery of measureable and sustainable programme of activities that will constantly look to the future. The team will ensure MCCs statutory duties are fulfilled across the partnerships landscape in relation to:
- 90.1 Crime & Disorder Act & Community Safety
 - 90.2 VAWDASV & DHR's
 - 90.3 UNCRC & Youth Support Services
 - 90.4 Older Peoples Phase 3 Strategy
 - 90.5 Armed forces Community Covenant
 - 90.6 Delivery of PSB wellbeing objectives
 - 90.7 Working closely with partners and communities to deliver a joined up approach against our Social Justice Strategy
- 91** WAO's Corporate Assessment on the Council, reported through Audit Committee in January 2016, stated "The Council demonstrates ambition in its vision, enthusiasm to deliver and commitment to working collaboratively, but this needs to be supported by a clearly joined-up strategic approach and effective delivery mechanisms." In May 2016 Cabinet agreed to commission a strategic programme of whole-authority work called 'Future Monmouthshire'. Future Monmouthshire identified shifts and changes needed in Monmouthshire and positioned the Council as the key enabler in bringing them about. It will inform the development of a new business model for the Council in order to equip it to meet its goals amidst increasing change and uncertainty. This model continues to help inform planning for any further partnership and collaborative working.

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

- 92** There are robust arrangements for effective internal financial control through the Council's accounting procedures and financial regulations. These include established budget planning procedures, which are subject to risk assessment, and regular reports to members comparing actual revenue and capital expenditure to annual budgets. The Chief Finance Officer is responsible for the proper administration of the Council's financial affairs, as required by Section 151 of the Local Government Act 1972. Procedures for tendering and contract letting are included in the Contract Procedure Rules and Financial Procedure Rules. The Council's Treasury Management arrangements follow professional practice, are subject to regular review and are contained in the Treasury Management Strategy approved by Council each year.
- 93** Wales Audit Office made a proposal for improvement to the Council as part of their Annual Improvement Report 2014-15, published in November 2015, to "Strengthen the governance and challenge arrangements by: ensuring that minutes of meetings are signed at the next suitable meeting in accordance with the Council's constitution to improve timeliness and transparency of public reporting; and reconsider the Council's policy of not formally minuting Cabinet meetings". All agendas are published in advance on the Council's website and the Cabinet meetings are live streamed.

- 94** In July 2017 Wales Audit Office reported to Audit Committee that the “Council has a clear strategic approach for significant service changes, although better information would help Members when deciding the future shape of the Council”.
- 95** In its Annual Improvement Report 2017/18, reported to Audit Committee September 2018, WAO concluded that:

WAO Area of Review	WAO Conclusion
February 2018 Aligning the Levers of Change – Current Successes and Remaining Challenges	The Council is keen to innovate to achieve the potential benefits of shared services and technological approaches, and learn lessons from recent projects and experiences to help it further improve. [no Proposals for improvement]
August 2018 'Scrutiny: Fit for the Future?' Review	The Council is continually developing its scrutiny function and is aware of future challenges, but support arrangements for the Public Service Board scrutiny committee need to be strengthened. [x5 Proposals for improvement]
November 2017 Review of Asset Management	The Council has a good understanding of its assets, however it lacks a strategic approach and effective information technology to support the management of its assets. [x1 Proposal for improvement]
December 2017 Information Management	The Council has information management arrangements that could support improvement, but these need strengthening before their benefits can be fully realised. [x5 Proposals for improvement]
August 2018 Whole Authority review of children's safeguarding	Children's safeguarding policy and procedures have recently improved, but there are shortcomings in some critical areas of policy and operation. [x4 Proposals for improvement]
November 2017 Annual audit letter 2016-17	<ul style="list-style-type: none"> • The Council complied with its responsibilities relating to financial reporting and use of resources • the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources • our work to date on certification of grant claims and returns had not identified any significant issues that would impact on the 2015-16 accounts or key financial systems.

May 2017 Wales Audit Office annual improvement plan audit	The Council has complied with its statutory improvement planning duties.
October 2017 Wales Audit Office annual assessment of performance audit	The Council has complied with its statutory improvement reporting duties.

- 96** The anti-fraud, bribery and corruption strategy was revised and updated during 2017/18. It was approved by Cabinet July 2017 and provides a deterrent, promotes detection, identifies a clear pathway for investigation and encourages prevention. The Council's Council Tax Reduction Anti-Fraud Policy was approved by Cabinet in June 2015. A training package is being developed to roll out to all managers and raise awareness of anti-fraud, bribery and corruption issues.
- 97** The Audit Committee considers the effectiveness of the Council's arrangements for securing continuous improvement including risk management arrangements. The 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 Audit Committee has an independent, non-political, Chairman who prepares an annual report of the work of the Audit Committee.
- 98** Internal Audit operate to the standards set out in the 'Public Sector Internal Auditing Standards' which have been developed from the Institute of Internal Auditors (IIA) International Internal Auditing Standards which came into effect in April 2013. The team's role and status is set out in the Council's Internal Audit Charter. The Chief Internal Auditor reports to the Audit Committee a summary of audit findings for each quarter, and also reports annually an opinion on the overall adequacy and effectiveness of the Council's control environment.
- 99** The Chief Internal Auditor continues to ensure Internal Audit complies with the Public Sector Internal Audit Standards. A self assessment was undertaken during 2017/18 to assess compliance with the Standards which was validated in March 2018 by an external assessor, the Chief Internal Auditor of Neath Port Talbot Council. The outcome of which was that the Internal Audit team is generally compliant, the highest level of compliance.
- 100** 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.

Risk management

- 101** The Council's Strategic Risk Management Policy was updated and approved by Cabinet in March 2018 and March 2019. The revisions provide greater clarity on how the risk levels are to be assessed. 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.
- 102** 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 it's population outcomes internally and when working with partners
 - improve business performance and anticipated risks in delivering improvements
 - avoid unnecessary liabilities, costs and failures
 - shape procedures and responsibilities for implementation.

The strategic risk assessment ensures that:

- Strategic risks are identified and monitored by the Authority
- Risk controls are appropriate and proportionate
- Senior managers and elected members systematically review the strategic risks facing the Authority.

The risk assessment is prepared by drawing on a wide range of evidence including service plans, performance measures, regulatory reports, progress on the previous risk assessment and the views of select committees. In order to mitigate the risks, proposed action was recorded and factored back into the respective service improvement 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 in 2018/19 was also taken through Select Committee, Audit Committee and signed off by Cabinet during the year.

103 The Council's Strategic Risk Assessment for 2018/19 contains 13 distinct risks. Following the revised policy these were updated and reviewed throughout the year with the latest version being made available to members via The Hub (March 2019).

Ref	Risk	Year	Risk Level (Pre – mitigation)	Risk Level (Post – mitigation)
1	The authority does not remain relevant and viable for future generations due to not having a sustainable delivery model.	2018/19	Medium	Low
		2019/20	Medium	Low
		2020/21	Medium	Low
2	Without appropriate and effective governance infrastructure the Council may not deliver its objectives.	2018/19	Medium	Low
		2019/20	Medium	Low
		2020/21	Low	Low
3	The Council and partners do not make sufficient progress to improve well-being through regional and partnership working.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Low
4	Some services may become financially unsustainable in the short to medium term due to increasing demand and continuing financial pressures	2018/19	Medium	Low
		2019/20	Medium	Low
		2020/21	Medium	Low
5	The authority is unable to deliver its political priorities due to insufficient capital funding availability which may also lead to risks of maintaining key infrastructure and other identified pressures.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	High	Medium
6	Our workforce is not sufficiently resourced and does not have the right mix of skills and issues with recruitment and retention in certain service areas impacts our ability to deliver change, improve performance and deliver our objectives.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Low
7	Significant harm to vulnerable children or adults due to failure of safeguarding arrangements	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Medium
8	The robust delivery of the Council's corporate parenting responsibility and services related to safeguarding vulnerable children as a result of an increase in demand and complexity in case in Children's services.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Medium

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9a	Failing to meet the needs of all learners, including specific groups of vulnerable learners, due to Monmouthshire's schools' methods of learning not adequately adapting to changes in curriculum and examination requirements	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Low
9b	The Authority fails to provide sufficient support to promote equity and pupils' well-being which may result in children & young people not achieving their full potential	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Low
10a	Information security breaches due to mismanagement of information or external parties gaining access to the network could result in critical and sensitive data being lost, compromising the delivery or availability of Council services and the interaction with external agencies and partners.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Medium
10b	Not adequately transitioning to the requirements of the General Data Protection Regulation resulting in reputational damage and risk of fines to the Council	2018/19	Medium	Medium
		2019/20	Medium	Low
		2020/21	Medium	Low
11a	A lack of appropriate infrastructure in the County to meet future needs due to key Local Development Plan housing policy targets not being met, in conjunction with the County's changing demography and weak economic base, and other external changes such as removal of the Severn Bridge tolls impacting on the county. ICT infrastructure is also important to meet future needs and this has been identified as a specific related risk below (risk 11b)	2018/19	Medium	Medium
		2019/20	High	Medium
		2020/21	High	Low
11b	Insufficient ICT infrastructure and skills in the county have the potential to lead to social and economic disadvantages	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Medium
12	Political, legislative and financial uncertainty for council services and local businesses as a result of the UK leaving the European Union.	2018/19	High	High
		2019/20	High	High
		2020/21	High	High
13	The authority cannot deliver its services due to potential internal/external factors – resulting in service disruption due to lack of Business Continuity planning.	2018/19	Medium	Medium
		2019/20	Medium	Medium
		2020/21	Medium	Medium

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

104 The South East Wales Education Achievement Service (EAS) Business Plan 2018-2020 was presented to Cabinet in March 2018. The plan sets out the priorities, programmes and outcomes to be achieved by the EAS on behalf of the South East Wales Consortium.

105 The updated People Strategy was endorsed by Cabinet in July 2018; this is the overarching framework for People and Organisational Development which supports its role in ensuring the organisation is equipped with the collective capacity, capability and mindset to meet financial and improvement challenges and respond to opportunities that present.

- 106** The Council's first Commercial Strategy was endorsed by Cabinet in July 2018; The purpose of this report was to present for approval the Council's first Commercial Strategy and accompanying action plan. The strategy builds upon aspects of the Procurement, Digital and Asset Management Strategies and is a key means through which the Council can play a role in the self-determination of its future viability and sustainability.
- 107** In July 2018, the updated Digital Strategy was approved by Cabinet. MCC's first digital strategy, iCounty, was implemented in July 2014 and was based on three pillars of:
- a) Improving internal services, data delivery and infrastructure
 - b) Digitally enabled, inclusive and connected communities
 - c) Creating products and commercial assets
- 108** There have been significant developments in technology in the last 4 years, and the experience, data and evidence we have collected from our customers about the way they wish to engage and transact with us has informed this new strategy. Our workforce needs to have the digital knowledge and skills to build in end to-end automated customer services and business processes. We need to reduce demand through self-service facilities and provision of accurate, relevant data and information that people can use with confidence to make decisions.
- 109** Also in July 2018, the Council's latest iteration of its Procurement Strategy was approved by Cabinet. The Strategy builds upon workshop sessions undertaken with the Economy and Development Select Committee and the aims, aspirations and priorities for procurement, identified throughout the participative process.
- 110** Transparency and openness is important to Monmouthshire; the Annual Statement of Accounts was taken through the Audit Committee process before being endorsed by Council. All public meetings of the Council, including Council, Cabinet, Select, 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.
- 111** The Corporate Plan also aligns with the People, Asset Management, MTFP and SRS strategies as well as linking in with MCC's Service Plans.
- 112** The 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.
- 113** The Whole Authority Report complaints, comments and compliments 2017/18 was presented to Audit Committee in January 2019 which identified the number and types of feedback received and dealt with from 1 April 2017 until 31 March 2018. The report also provided a summary of the number of Freedom of Information Act (FOI) requests received and dealt with by the Council during this period.

Information Governance

- 114** Monmouthshire County Council (MCC) worked through a "Dripping tap campaign" to raise awareness of and comply with the General Data Protection Regulation 25th May 2018- specifically following the "12 Steps to Compliance" as recommended by the Information Commissioner's Office (ICO). The Information Governance Group chaired by Senior Information Risk Officer (SIRO), meet regularly to ensure that MCC is on track. GDPR Operational Leads have been established, along with Digital Champions linking in with teams, individuals and volunteers to ensure compliance and messages are communicated. Elected Members are data controllers in their own right and must register with the ICO.
- 115** Activity undertaken included: workshops, conference, focus groups, drop-in sessions including legal and procurement advice, HUB articles, online Quiz (186+ participated) all staff emails and face to face training (450+staff to date). MCC has also produced a short video introducing the key principles of GDPR A-F (200+ views), signposting where to find further information about compliance, all staff had to watch before 25th May 2018. GDPR is now introduced at Corporate and local inductions, to become embedded as a culture.

116 To provide tools to do the job, MCC have a dedicated GDPR website (over 2k visits to date) with templates (e.g. for privacy notices), charts (e.g. for establishing individual rights) and general advice/updates on the regulation. There are 24 open and transparent service plans published internally on specific work stream actions being undertaken in following the brackets: Data collection and use, retention and disposal, systems and technology, security, governance, training/ awareness and staff data.

117 To keep the public informed, MCC has now published its online privacy notices for relevant service areas. Services also where appropriate, pro-actively promote notices by way of email, newsletter, app notification, letter, printed display or web link. Privacy notices are to be reviewed by Services on a regular basis for accuracy along with other GDPR related documents (Such as Information Audit- “Systems List” and Data Protection Impact Assessments).

118 The Corporate GDPR Policy is on the public website for clarity. Related policies will be updated accordingly by relevant lead officers, so that they satisfy GDPR requirement. Links are in place to work with the South East Wales Information Forum (SWIF) on a regular basis to share best practice. Good housekeeping is encouraged as is continuous improvement to mitigating against the risk of harm to individuals, although it is recognised further work is required to back date data cleansing tasks which require considerable capacity.

Main areas for Improvement

119 The Council will continue to monitor and review its governance arrangements and identify any gaps. These will be addressed during the year to further strengthen governance in Monmouthshire County Council:

- continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;
- Revise and update the Code of Corporate Governance and get it formally approved by Cabinet
- The Council will work through the WAO Proposals for improvement in the following areas:
 - Scrutiny: Fit for the Future?
 - Review of Asset Management
 - Information Management
 - Whole Authority review of children’s safeguarding

Action Plan 2017/18

120 Appendix 1 shows how the 2017/18 Action plan areas for improvement have been addressed during 2018/19.

121 An Action Plan for 2018/19 has been developed to capture known gaps in the Council’s governance arrangements; the areas for improvement will be reviewed and considered during 2019/20 to further enhance the Council’s governance arrangements. This is shown at Appendix 2.

Monitoring & Evaluation

122 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:**2019**
Leader

Signed:**2019**
Chief Executive

Progress against 2017/18 AGS Action Plan

The following Table outlines where the Council has addressed gaps previously identified in its governance arrangements:

Governance Principle	Area for Improvement	Progress
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;	Internal Audit have continued to deliver training sessions within schools and on the manager's induction programme.
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	The Code of Corporate Governance was last approved by Council in July 2011. This will need to be updated and approved in line with Delivering Good Governance in Local Government Framework 2016'	Outstanding.
Principle F: Managing risks and performance through robust internal control and strong public financial management	Improve performance management arrangements and improve strategic planning	

Action Plan 2018/19

The following areas will be reviewed and considered during 2019/20 to further enhance the Council's governance arrangements:

Governance Principle	Area for Improvement	Progress
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	Continue to deliver awareness raising sessions on the importance of compliance with Contract Procedure Rules and Financial Procedure Rules;	
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	The Code of Corporate Governance was last approved by Council in July 2011. This will need to be updated and approved in line with Delivering Good Governance in Local Government Framework 2016'	
Principle F: Managing risks and performance through robust internal control and strong public financial management	The Council will work through the WAO Proposals for improvement in the following areas: <ul style="list-style-type: none"> ▪ Scrutiny: Fit for the Future? ▪ Review of Asset Management ▪ Information Management ▪ Whole Authority review of children's safeguarding 	

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FORM FOR DISPENSATION

<p>Note</p> <p>Under Section 81 of the Local Government Act 2000, a member who has a personal and prejudicial interest in a matter which is under consideration may not participate in the consideration of that matter by the Council, Cabinet, Committee, Sub-Committee or other meeting unless he/she has first obtained a dispensation from the Standards Committee. The Committee may grant dispensation to vote and/or speak as appropriate.</p> <p>You may apply for a dispensation by completing this form and sending it to the Monitoring Officer not less than two weeks before the date when the matter is to be considered.</p>		
1.	Member's name:	Cllr. Lloyd Parker. Llangrymm Ward, Monmouthshire.
2.	What is the matter which is shortly to be considered and in respect of which you seek a dispensation?	Funding request from Llandgrymm Rugby Club (LRC).
3.	What body (Council, Cabinet, Committee, Sub-Committee, Working Group, etc.) is due to consider the matter?	Llandgrymm Town Council (LTC).
4.	What is the nature of your personal interest?	<p>My son is a player on LRC's senior team. My grandson is a player on LRC's junior team. My company sponsors the senior team's kit and my wife's company supplies and maintains the junior team's kit for an annual fee.</p> <p>I was LRC's Treasurer for many years but gave up the role when I became a Councillor.</p>
5.	What is the date of the meeting at which this matter is to be considered?	24 June 2019

FORM FOR DISPENSATION

6.	Under which of the following grounds do you seek the dispensation :	
(a)	Where no fewer than half of the members of the relevant authority or of a committee of the authority Council (as the case may be) by which the business is to be considered has an interest which relates to that business;	No.
(b)	Where no fewer than half of the members of a leader and cabinet executive of the relevant authority by which the business is to be considered has an interest which relates to that business and either paragraph (d) or (e) also applies;	No.
(c)	Where in the case of a county or county borough council, the inability of the member to participate would upset the political balance of the relevant authority or the committee of the authority by which the business is to be considered to such an extent that the outcome would be likely to be affected;	I am an Independent Councillor.
(d)	Where the nature of the member's interest is such that the member's participation in the business to which the interest relates would not damage public confidence in the conduct of the relevant authority's business;	No.
(e)	Where the interest is common to the member and a significant proportion of the general public;	A lot of the town's residents have indicated their support in meetings and in correspondence. A Facebook page set up to support LRC's funding request has received over 10,000 likes.
(f)	Where the participation of the member in the business to which the interest relates is justified by the member's particular role or expertise;	As a past Treasurer I have an excellent working knowledge of the way in which LRC's funds are employed.

FORM FOR DISPENSATION

(g)	Where the business to which the interest relates is to be considered by an overview and scrutiny committee of the relevant authority and a member's interest is not a pecuniary interest.	N/A
(h)	Where the business which is to be considered relates to the finances or property of a voluntary organisation of whose management committee or board the member is a member otherwise than as a representative of the Authority and the member has no other interest in that business (NOTE — any dispensation on this ground may not extend to being able to vote)	N/A
(i)	Where the member asks the Standards Committee to determine that it appears to the committee to be in the interests of the inhabitants of the area of the Authority that the disability should be removed.	<i>[I'm not entirely clear on the significance of this section. Can the SC provide guidance? LP]</i>
(j)	Where it appears to the Standards Committee to be otherwise appropriate to grant a dispensation. A dispensation granted under paragraph (j) must be reviewed by the Standards Committee once in every 12 months from the date on which the dispensation was first granted to determine whether the dispensation should continue to have effect.	Noted.
7.	Do you seek a dispensation just for one meeting or for a longer period? If longer, please state a period not exceeding one calendar year.	I would like the dispensation to cover the meeting on 24 June 2019 and any other meetings of the LTC at which LRC funding is to be discussed.
8.	Please set out below the reasons why you consider that the Standards Committee should grant you this dispensation:	

FORM FOR DISPENSATION

After a very successful season LRC's senior and junior teams have been promoted. The Club Secretary has written to LTC explaining why LRC needs additional funding of £100,000 to purchase a replacement mini-bus, refurbish the existing visitor's changing area in the Club House and make long overdue improvements to the pitch drainage system.

I am a passionate supporter of LRC and believe it has been a significant factor in bringing the local community together. Additionally, local crime figures in general, and juvenile crime figures in particular, have fallen year on year to match LRC's growing dominance of the local leagues. To maintain and, ideally, further develop the advantages of this relationship, I believe it is vital that LRC's request for funding should be approved by LTC.

To represent the strongly held views of the people who live in my ward and to express my own, equally strong, views (and knowledge) on the matter, I need to participate fully in the meeting on 24 June (and all future meetings on the subject of LRC funding). To do this, I would respectfully ask the Standards Committee for a dispensation to enable me to speak and to vote at all such meetings.

Signed.....Cllr LR.....

Date:.....3 June 2019.....