

Cardiff Council Draft Annual Governance Statement 2021/22



CONTENTS

Scope of Responsibility	page 3
Purpose of the Framework	page 3
The Governance Framework	page 4
Assessment Process and Summary	page 4
Assurance Statements	page 5
• Senior Management Statement	page 5
• Audit Manager Statement and Annual Opinion	page 7
• Governance and Audit Committee Statement	page 9
Governance Framework: supporting information	page 12
Annual Governance Statement Action Plan	page 29
Cardiff and the Vale of Glamorgan Pension Fund	page 30
Certification	page 30

Scope of Responsibility

1. Cardiff Council (the Council) 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, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, including arrangements for the management of risk.
2. The Council is responsible for the Cardiff Harbour Authority. The Council is also the Administering Authority for the Cardiff and Vale of Glamorgan Pension Fund (the Pension Fund) and Cardiff Port Health Authority (CPHA) and is the Accountable Body for the Cardiff Capital Region (CCR) City Deal. Cardiff Council has four wholly owned subsidiary companies which traded in 2021/22, one of which is Cardiff City Transport Services Ltd. (Cardiff Bus). The Council also has an interest in a special purpose vehicle (CSC Foundry Limited) which is governed by a Joint Committee for the CCR City Deal.
3. The governance arrangements detailed in this Annual Governance Statement (AGS) are documented in consideration of the Council's areas of responsibility, and the extent to which the Council is charged with governance.
4. The Council has adopted the 'Delivering Good Governance in Local Government' framework, developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE). This statement explains how the Council has complied with the Governance Framework and meets the requirements of the Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

The Purpose of the Governance Framework

5. The Governance Framework comprises the systems, processes, culture and values by which the Council is directed, controlled, and the means through which it accounts to, engages with, and leads 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. The Council's Constitution sets out how decisions are made and the procedures which are followed through rules, codes of practice and protocols.
6. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives but is based on an ongoing process to identify, prioritise and appropriately manage risk.
7. The Code of Corporate Governance documents how we apply the principles of good governance (as summarised in Section 4 of the AGS – Assessment

Process and Summary). This Code was approved at the Constitution Committee on 11th February 2019 and is included in the Council's Constitution.

The Governance Framework

8. The Framework comprises two core principles and five supporting principles. Principles A and B run through principles C to G, but good governance is dynamic, and the Council is committed to improving governance on a continuing basis through a process of evaluation and review.

Core principles:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - B. Ensuring openness and comprehensive stakeholder engagement
- Supporting Principles:

Supporting principles

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

Assessment Process and Summary

9. The AGS summarises the assessment of governance against the governance framework and comprises three elements:
 - Statements from Senior Management, the Audit Manager and the Governance and Audit Committee (the 'Audit Committee' was renamed 'Governance and Audit Committee' following the financial year-end in accordance with the provisions of the Local Government and Elections (Wales) Act 2021. Its opinion was provided following the financial year-end)
 - Supporting analysis mapped to the core and supporting good governance principles that provides a judgement that is based on supporting information and evidence
 - A Senior Management judgement of the Council's significant governance issues
10. These three elements when taken together represent the assessment of governance, through the perspectives of the Senior Management Team (SMT) and the independent opinions of the Internal Audit Manager and the

Governance and Audit Committee based on their respective programmes of work and an assessment of the system of internal control.

11. For further information and detail, supporting information is mapped to the governance framework principles (A-G) within the AGS, and followed by an open disclosure from the SMT of the significant governance issues affecting the organisation as summary actions to take forward and address.

The diagram in fig. 1 sets out the components of this assessment.

Fig.1



Assurance Statements

12. The following statements are made at the year-end, upon consideration of the performance information, governance disclosures and audit and regulatory report findings from assessors both internal and external to the Council.

Senior Management Statement

13. The set of senior management assurance statements are used a core measurement of assurance on good governance within each directorate and for the Council overall
14. As a Senior Management Team, we have undertaken a review of the self-assessment exercise to maintain assurance that the areas of consideration remain the right areas to judge the organisation upon and to address an identified action from last year’s AGS relating to the five ways of working. This review identified that whilst the majority of the assurance statements remained

appropriate, there was a need to change the focus of some statements to effectively capture the constituent parts of the five ways of working and Future Generations. In addition, Safeguarding and Information Governance have been reviewed in order to ensure that there is a heightened level of compliance across the Council.

15. We continue to apply the self-assessment exercise as a primary means of measuring our delivery of good governance and this has been supplemented this year by each Directorate having an action plan which identifies the key areas of improvement. There continue to be Challenge sessions chaired by the Chief Executive through which consideration is given to the current assurance position for each Directorate.
16. Our good governance assessment exercise has been undertaken during a prolonged period of uncertainty primarily due to the pandemic which has resulted in some areas in the curtailment of services, additional demand and / or the need to implement alternative ways in delivering services. We, as a Senior Management Team continue to ensure that the self-assessment exercise reflects the current reality of service delivery so that any matters or improvement actions are captured.
17. The Senior Management Team has continued to meet on average twice on a weekly basis. There were times during 2021/22 that the Senior management Team met more regularly to ensure that there was a swift, corporate, appropriate and measured response to any pressing issues. The focus of these meetings throughout the year has been to ensure that resources are used appropriately, outcomes delivered, and controls remain in place or amended to reflect the environment of the time.
18. Throughout this year, the attention of Senior Officers has been firmly focussed on the Council's response to the pandemic and upholding effective communication, decision making and control. The pandemic has impacted on services with some having to seek different means to deliver services whilst some services have had to shut down for most of the year. Whilst Health and Safety has remained the main priority for both those who deliver and receive services from the Council this was in conjunction with the need to retain strong levels of control where needed.
19. The Senior Management Team has engaged with the self-assessment assurance process for 2021/22. The Senior Management Team took the opportunity to review the 2021/22 half yearly and end of year position and considered the body of work delivered over the last six months, including a reflection on the continued response of the Council to the pandemic.
20. The Senior Management Team considers that the 2021/22 end of year Senior Management Assurance Statement offers a true and fair reflection of the governance maturity of the Council for the year overall. This end of year assessment was based on the governance maturity which we could evidence within each Directorate against the half year position, the performance against individual directorate action plans and identifying any change in position.

21. Accordingly, the Senior Management Team considers that despite the challenging external environment the Council is approaching strong application of good governance across the assurance areas, with some examples of embedded and limited in some assurance areas in some directorates. This assessment was based on a self-assessment using a 5-point rating system ranging from 'not in place', 'limited application', 'mixed application', 'strong application' to 'embedded'.
22. This assessment has highlighted opportunities to further build on the three SMT Actions set out in last year's Annual Governance Statement. We recognise improvements have been made in the areas of performance, compliance and the way we work but believe further improvement can be made. We continue to survey the assurance landscape and look for any weaknesses that need to be addressed through robust recovery procedures as well as looking to improve areas of strength. The Senior Management Team recognises that it is faced with a period of prolonged uncertainty both in terms of service recovery and responding to increased and different levels of demand across the spectrum of services offered. To support these aims it remains a priority to both implement actions for improvement and to retain a focus on needing to prioritise actions for enhancement to enable strong evidence of application across all areas going forward.
23. In relation to the work of the Senior Management Team in 2021/22 we continued to collectively own the Corporate Risk Register, we reviewed all corporate risks quarterly, and monitored progress against the action plan of significant governance issues.
24. The Chief Executive continues to emphasise that areas of weakness need to be addressed. As noted, the last couple of years have presented great challenge and uncertainty and this will continue for the forthcoming period thus underlying the importance of maintaining the achievement of consistent standards of governance and control across all directorates.

Audit Manager Statement and Annual Opinion 2021/22

25. The Public Sector Internal Audit Standards (PSIAS) state that the 'Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.' This must be based upon an objective assessment of the framework of governance, risk management and control. It must also include an evaluation of the adequacy and effectiveness of controls in responding to risks within the governance, operations and information systems.
26. This opinion has been prepared by the Audit Manager (Chief Audit Executive for the purpose of the PSIAS), based on the provisions of the PSIAS. In preparing and forming this opinion, several sources of information, assurance and insight have been taken into account, including:

- **Assurance Audit Engagements** – The risk-based annual audit plan has been delivered through an approach to maximise assurance and added value. The audit plan is responsive to risk and informed by audit information and existing assurances, information from Senior Management, monitoring of Council activity, strategy, risks, and wider assurance sources. Following the completion of assurance audits last year of new systems established because of the pandemic, during 2021/22, the full senior management team was engaged in a corporate audit of directorate recovery planning, which concluded that the Council has positioned itself in a way that it can strategically respond to the challenges that it has and will face regarding recovery. During the pandemic, audits of performance management and business continuity and incident management have provided corporate assurance on governance and control arrangements. For all audits, current risks, pressures and priorities continue to inform the audit scope and the testing completed.
 - **Consultancy Audit Engagements** - In the context of the ongoing pandemic, the majority of audit consultancy related to the design and application of sound controls in administration of Welsh Government grant and relief payments. The team has provided insight and guidance on areas of control during process development / change, such as in policy development in respect of the Payment Card Industry Data Security Standard.
 - **Discussion with Senior Managers** – There has been quarterly relationship manager meetings with Directors or their representatives, Audit Manager attendance at Senior Management Team meetings where assurance items have been considered, and regular meetings with the Chief Executive and Corporate Director Resources (Section 151 Officer).
 - **Risk & Governance Reviews** – Risk Registers and Senior Management Assurance Statements which underpin the Council’s Annual Governance Statement are subject to regular audit review, and assurance audit engagements.
27. Based on the programme of audit work undertaken to assess the framework and application of governance, risk management and control, the annual opinion for 2021/22 is **effective with opportunity for improvement**. This opinion is based on the delivery of a sufficient Audit Plan, and with an acknowledgment of the significant pressure on resources in the context of an ongoing pandemic in both demand and budgets, which has been managed through a resilient performance culture.
28. The audit opinion comprises assessments of governance, risk management and control, and includes an evaluation of the adequacy and effectiveness of controls in responding to risks within the governance, operations and information systems.

- All planned fundamental system reviews have been completed, of which the audit of income and debtors concluded shortly after the financial year-end.
 - In accordance with an approach communicated to the Governance and Audit Committee, the majority of corporate governance audit engagements were completed during the year, supported by a spread of directorate-level assurance audit engagements.
 - The standard systems for corporate and directorate risk management have been maintained during the year, and COVID-19 specific risks have continued to be recorded, monitored and reported.
 - The Council was required to administer emergency relief and grant payments on behalf of the Welsh Government at pace. Over the year, the Council distributed a significant amount of grant and relief funding, and the Internal Audit and Investigation Teams advised management on the design of systems and counter-fraud checks in accordance with scheme requirements as part of a multidisciplinary team and participated in data matching checks through the National Fraud Initiative . Post assurance manual and data matching checks and analysis have not identified material cases of fraud or error to date in the context of the value of payments, although a number of case reviews are ongoing.
29. The control environment for core financial systems, and for the majority of audits overall (75%), was considered as adequate, and allocated an opinion of 'effective' or 'effective with opportunity for improvement'. Nineteen audits have been given an audit opinion of 'insufficient with major improvement needed' recognising the need for attention to achieve sound controls, and one audit (in respect of Cardiff West Community High School) was given an 'unsatisfactory' opinion and has an agreed set of management actions.
30. Waste Management has been an area where a greater proportion of adverse audit opinions have been allocated in recent years. Through the audit work in this area, and engagement with management, the position is recognised to be continuing to improve. Audit assurance and support continues to target and follow up on high-risk areas.

Governance and Audit Committee Statement

31. Based on the evidence presented to the Governance and Audit Committee during 2021/22, it is the considered view of the Governance and Audit Committee that the Council does have, for the most part, sound internal controls and governance arrangements in place. Strategic risks representing the true challenges facing the Council are captured and reviewed on a regular basis. Examples of where the Committee continues to have concerns, which will be incorporated into the Committee's Work Programme for 2022/23, include:

Budget Management

32. The Committee recognises the sustained financial pressure that the Council is under and notes that whilst the overall financial position was balanced, some particular directorates had significant overspends for which control

improvements are needed, and management attention and actions are required in directorates to achieve budget savings proposals put forward. Budget management is particularly pertinent at this time given the pressures facing local authorities as they respond to the ongoing pandemic and other emerging challenges and issues.

33. Welsh Government support has been received this year to mitigate the impact of the pandemic on budgets, and there has been considerable officer attention and effort to record, verify and submit claims to recover eligible expenditure that has increased, and eligible income that has been lost during the crisis. The settlement to the Council for the year ahead from Welsh Government represents a significant increase in cash terms compared to previous years. However, there have been additional costs to consider, including the introduction of a Real Living Wage in the Care Sector, and there will be no 2022/23 Hardship Fund from 1 April 2022.
34. The Committee is keen to observe effective arrangements for budget management and control during 2022/23. The Committee will carefully consider budget management arrangements over the year to come, through observing the use of appropriate management controls and interventions and continuing to reinforce expectations for delivery.

Internal Control

35. Assurance on compliance and control is essential. For a number of years there have been continued constraints on resources, together with a growing population and greater demand for public services. As the Council faces significant challenges in how it delivers services, it remains essential that internal controls are not neglected or impaired, and that strong controls operate throughout reformed processes and systems. Additionally, the pandemic has necessitated the adaptation of systems, and in some cases the design of new systems, in order to respond to new priorities. We have been advised of the consultation, advice and guidance provided by the Internal Audit and Investigation Teams to support management to design and uphold robust controls as they have navigated new priorities and responsibilities. The Committee has noted the inherent risks associated with the Council's requirement to administer and distribute a significant amount of Welsh Government emergency funding at pace this year. It has been important for the Committee to receive relevant assurances during the year, and over the last two years we have received briefings on the arrangements for up-front controls, post award assurance checks and the progression and outcomes of cases identified for investigation.
36. The Committee has invited senior officers to attend its meetings this year, to account for their delivery of good governance, risk management and control. In addition, the Committee has continued to receive the details of all Internal Audits completed, and the respective assurance ratings. This year we have observed isolated internal control gaps through reports of insufficient assurance, and one unsatisfactory audit opinion. Whilst the number of unsatisfactory Internal Audit opinions remain low, management must maintain sound systems of internal control and promptly address identified weaknesses.

37. We have maintained close interest on the robustness of controls in relation to the Waste Management function. In recent years, alongside a police referral and investigation, a wide-scale internal investigation into allegations of fraud was completed and disciplinary proceedings have concluded. We have received a confidential briefing (as at 31 May 2021) referring to the disciplinary cases and outcomes, which links to the targeted work completed by Internal Audit to verify the operation of key controls, the management of risk and the overall control environment.
38. The Committee met the Director responsible for Waste Management this year, to discuss governance, internal control and risk management within the service. We heard from the Director and the Audit Manager that there has been steady and sustained progress in recent years in the internal control environment, led by the senior management in place. Our Committee has been advised that there are mechanisms for delivering and acting on improvement actions, and that there is a constructive two-way relationship with Internal Audit, in the planning of, and response to, assurance work. We recognise the progress made for which continued management attention and assurance are required.
39. The Committee receives a list of all Internal Audit recommendations raised and agreed, and visibility of updated management comments until the point of implementation. Whilst the Committee has an overall assurance of internal control, we continue to require officers to account for services or functions where internal control weaknesses have been identified. We continue to challenge any impairment in stewardship and control of public funds and assets, seeking prompt and proportionate management actions. The Committee has considered and approved the Internal Audit Plan for 2022/23 and will closely monitor its progress and findings over the year ahead.

Financial Resilience (including Treasury Management)

40. In a position of constrained finances, the Committee will continue its consideration of the framework for financial decisions. The Committee has received regular updates on financial resilience and, in recent years has welcomed the independent assurance of the Council Treasury Management activities, by the Council's Treasury Management advisors, further to the regular assurance provided by Internal Audit.
41. The Governance and Audit Committee will continue to look to gain assurance of adequacy of treasury management practices and risk profile. This is vital work, which will both safeguard and deliver best value from the Council's borrowing and investments. The Committee has and will continue to seek assurance that borrowing and investment activities are appropriate and in line with the Treasury Management Practices, Strategy and Reports presented.

Schools Governance & Compliance

42. The Committee has sought regular reports from senior management in the Education and Lifelong Learning directorate for a number of years, following concerns raised through Internal Audit reports on good financial management

in school-traded services and on school governance. We have also sought ongoing assurance on the arrangements to manage school balances, and to address audit recommendations.

43. In view of an ongoing need for regular school governance assurance, we arranged early engagement with the new Director of Education and Lifelong Learning after their appointment, and we discussed the arrangements for monitoring controls and progress of governance improvements in schools. We were advised that actions had been taken with new staff resources and responsibilities assigned to support coordination and improvements. The Director has attended our Committee a further time, and we received an account of the governance arrangement in place to manage various aspects of the directorate control environment, together with an acknowledgement that further improvements are being sought.
44. Our Committee has noted the positive improvements made, as recognised in a recent Estyn report, and we will continue to keep a keen interest in the governance arrangements and assurance we receive in respect of schools and the wider education portfolio. This is with the understanding that the Governance and Audit Committee can request the attendance of those directly responsible for governance at an individual school level, to a Committee meeting, in the event that assurances are not considered as sufficient.
45. The Committee acknowledges that the Council is not able to set rules for schools to adhere to regarding contracting matters, albeit advice can be offered on good practice. This area of interest remains a priority of the Committee and we continue to support the production and use of best practice guidance in schools to strengthen financial stewardship and control.

ii) Governance Framework - Supporting Information

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

46. All Members and Officers in the Council are required to comply fully with Codes of Conduct as set out in the Constitution, which sets out the particular roles and responsibilities of Officers and Members and provides clarity on the interfaces between these roles. These include:
 - Functions and subsections delegated to Officers
 - Members' Code of Conduct
 - Employees' Code of Conduct
 - Protocol on Member / Officer Relations
 - Cardiff Undertaking – signed by all Members upon election and underlines their duties to the City and its citizens
47. The Director of Governance and Legal Services is the Monitoring Officer and has the specific duty to ensure that the Council, its Officers, and its Elected Councillors, maintain the highest standards of conduct in all they do based on

Section 5 of the Local Government and Housing Act 1989, as amended by Schedule 5 paragraph 24 of the Local Government Act 2000.

48. The Standards and Ethics Committee has a responsibility to monitor and scrutinise the ethical standards of the Authority, its Members, employees and any associated providers of the Authority's services, and to report to the Council on any matters of concern. The Committee is chaired by an independent person and its role includes determining the outcome of complaints against Councillors and Co-opted Members and monitoring the Council's whistleblowing procedures.
49. In 2021/22, the Monitoring Officer was notified of a total of twenty complaints relating to Member conduct. The Public Services Ombudsman has considered ten of the complaints and determined that nine complaints to have insufficient evidence of a breach of the Code, so there would be no further investigation. The Council is awaiting the determination of the remaining complaint. Three complaints were informally resolved with five complaints subject to ongoing informal discussions. One complaint was referred to the Hearings panel which found that there had been no Breach of the Code. One complainant was referred to the Ombudsman.
50. Prior to relinquishing the role of the Chair of the Standards and Ethics Committee the outgoing Chair presented the Committee's Annual Report 2020/21 to full Council in 21 October 2021 and outlined the work of the Committee. The report identified actions in respect to reviewing the Whistleblowing Policy, continuing to observe Council and Committee proceedings and ensuring that training on the Members' Code of Conduct was in place to be delivered following the local government elections in May 2022. In addition, the Committee was keen to ensure that group leaders were supported in ensuring any training requirements were met in connection with their new statutory duties in relation to Member conduct. The Committee firmly believes that presentation of its Annual Report to Council serves to promote Members' understanding of the important role of the Committee and its work; and that further Member briefings will continue to be issued as and when required.
51. Members and Co-opted Members are required to register their personal interests in any business of the authority, and to comply with the rules on personal interests set out in the Members Code of Conduct. Significant work has been undertaken this year to ensure that all relevant forms are completed by all Members. All personal interests disclosed by Members are published on the Council's website within the Member's profile information. The Council's Policy on Officers' Personal Interests & Secondary Employment requires all staff to disclose any personal interest which actually or potentially conflicts with their duties to the Council and all secondary employment. The policy sets out how all Council employees are obliged, under the Employees' Code of Conduct, to ensure that their private interests do not conflict with their public duties, and

to comply with the Council's rules on the registration and declaration of financial and non-financial interests.

52. The Council's Corporate Values focus on fairness, openness and working together. The Council supports a culture of behaviour based on these values which guide how the long-term vision of the Council is put into effect, as well as how Members and Officers deliver their day-to-day roles. Corporate and directorate planning, and personal performance and development arrangements are aligned to delivering corporate values and priorities.
53. The Workforce Strategy and Employee Charter continues to ensure that there is alignment between the Council's vision and values and the Corporate Plan:
 - The Employee Charter sets out the expectations of all staff (employees, managers and senior managers) and has formed part of the objective setting process for personal reviews
 - The Workforce Strategy seeks to deliver outcomes for and with employees, within a culture that supports a flexible, skilled, engaged and diverse workforce
54. The Council takes fraud, corruption and maladministration very seriously supported by the following strategy and policies to prevent, and manage such occurrences
 - Counter-Fraud and Corruption Strategy
 - Financial Procedure Rules
 - Contract Standing Order and Procurement Rules
 - Whistleblowing Policy
 - Fraud, Bribery and Corruption Policy
 - Anti-Money Laundering Policy
 - ICT Security Policy
 - Data Protection Policy & Procedure
 - HR policies regarding investigation and discipline of staff
55. The Counter-Fraud and Corruption Strategy has been in place since July 2019 with over 5000 staff and school governors having undertaken the course or attended face-to-face training / workshops. The Council continues to be supported by a range of policies, procedures and regulations which are reviewed for appropriateness, including those relating to Financial Control, Data Protection, Health & Safety, Equalities and IT Security.
56. During 2021/22, the Council continued to be required to assist in the administration of a significant amount of grant assistance within both Social care and business settings. A multidisciplinary team of colleagues from Social Care, Economic Development, Business Rates, Audit, Accounts Payable, IT and Information Governance worked closely together to ensure that up-front controls were robust, anomalies were investigated, and payments were reviewed. Post payment verification and assurance has included:

- Manual checks of entitlement / eligibility, using information submitted on the payment file, and open-source information.
 - Participation in two data matching exercises for wider verification.
57. The Council has a Whistleblowing Policy in place through which staff and contractors are encouraged to speak out on misconduct or illegal behaviour within the organisation, which affects the public or other people (making a disclosure in the public interest). In 2021/22 a total of three whistleblowing cases have been reported to the Monitoring Officer.
58. The Corporate Director Resources has both overall responsibility for the financial administration (S151 Officer) and the information governance arrangements of the Council (SIRO). The Council's financial management arrangements conform to the governance requirements of the Role of the Chief Financial Officer in Local Government) which is set out in the CIPFA Financial Management Code (2020).
59. For the year 2021/22 CIPFA formally adopted the Financial Management (FM) Code. The focus of the code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. Inevitably, the impact of Covid-19 as well as wider geopolitical and economic factors continued to test that financial resilience in 2021/22. The CIPFA Financial Management (FM) Code is intended to support good practice in financial management and assist Local Authorities in demonstrating their financial sustainability. The Code translates principles of good financial management into a series of standards against which Local Authorities should measure themselves.
60. During 2021/22 a self-assessment against the FM code was undertaken by senior Accountancy officers and the results presented to the Section 151 Officer to identify opportunities for improvement. Considering the significant financial uncertainty facing the Council, the Section 151 Officer agreed that the self-assessment identified three areas which should be the focus in the next twelve months. Firstly, where data is available to consider increasing the range of suitable sensitivity analysis when determining the Medium-Term Financial Plan. Secondly, the financial resilience of the Council will be enhanced by further strengthening of the link between Business cases and plans to spend. The third recommendation was to focus on service area budget spend both In respect to maintaining the improved level of budget savings delivered but also to identify any financial issues quickly to have time to put remedial action in place.
61. The requirements of the FM Code and the need for evidence has been a major consideration in the development of the Council's key financial strategies such as the Medium-Term Financial Plan, Capital Strategy and the Treasury Management Strategy.

B. Ensuring openness and comprehensive stakeholder engagement.

62. Through its Corporate Values, the Council outlines a commitment to being “open and honest about the difficult choices we face and allowing people to have their say on what’s important to them and their communities.” Consultation, engagement and joint working with citizens are central to delivering this value and are outlined as follows.
63. The legacy of the pandemic has meant that 2021/22 saw most meetings still needing to be held remotely. Meetings have remained open to the public to attend except where confidential or exempt information is being discussed, as defined by the law. Full Council meetings continued to include a facility for public questions, and the Council’s Scrutiny Committees have virtually invited stakeholder contributions to their scrutiny programme, both through research and consultation exercises and through direct access to Committees. During 2021/22, the number of webcast Council and Committee meetings continued to increase by a further 50% building on a similar increase from the previous year which reflected the full calendar of business in 2021/22 compared to 2020/21.

Webcasting Data				
Year	2018-19	2019-20	2020-21	2021-22
Number of Meetings webcast	37	54	105	155
Number of Committees (Types) webcast	8	10	21	19
Total Hours Webcast	95:15:44	126:50:24	202:36:54	269:39:22
Live views	1674	1960	4594	3965
Archive Views	3376	6909	10963	13644
Total Views	5050	8869	15557	17609

64. There has been open debate and challenge on performance and risk management with quarterly reporting and review in Senior Management Team (SMT) and further challenge and oversight in Cabinet, Scrutiny and Governance & Audit Committee meetings. A Risk Management Steering Group is in place to develop and review risk management policy and accountability frameworks and to support SMT in identifying new and emerging corporate risks. An Assurance role continues within the SMT environment where the Chief Executive, and Directors discuss aspects of the assurance, for example safeguarding, procurement compliance, performance management, outcomes and progress on audit recommendations made by internal and external auditors, bodies and regulators. This continues to highlight the connections between these assurance pieces and created a more joined up version of the assurance picture. The meetings between the Chief Executive, Directors and Cabinet Members to agree actions arising from an open debate of performance and service delivery challenges have continued for 2021/22.

65. The public and other stakeholders are given the opportunity to tell the Council what they think about the services provided through the Council's Comments, Complaints and Compliments Policy. It reflects guidance given in the Welsh Government Model Policy and Guidance Paper for Handling Complaints, as well as guidance received from the Public Service Ombudsman for Wales and places a greater emphasis on a prompt resolution of complaints. Cabinet is informed annually of the number of complaints received.
66. Citizens, communities and partners continue to be engaged through a programme of citizen engagement, budget consultation, Ask Cardiff surveys that seek opinions of a range of Quality of Life and Quality of Services statements. The output of these is used to inform proposals and decisions of priorities and planning for the provision of services. The participation levels for these engagement sessions continue to leave room for improvement particularly in respect to building up participation numbers.
67. Regular meetings are held with institutional stakeholders to whom the Council is accountable, which include the Welsh Government and the Council's External Auditors (Audit Wales). Efforts have also been made to foster open and effective relationships between the County Council and the six Community Councils in Cardiff through a Community Councils Charter ("the Charter"). It reflects the model Charter issued by the Welsh Government in the Local Government (Wales) Measure 2011 and is based on equality of partnership between the two tiers of local government.
68. The Cardiff Public Services Board (PSB) represents a statutory partnership of public and voluntary sector organisations, chaired by the Leader of the Council to deliver the city's Wellbeing Plan. The Wellbeing Plan, which responds to the evidence from the Wellbeing Assessment, focusses on the areas of public service delivery which fundamentally require partnership working between public and community services, and the citizens of Cardiff. The Wellbeing Assessment was agreed by the PSB in March 2022 and the draft Wellbeing Plan will be considered in September 2022 prior to public consultation. Cardiff PSB is supported by partnership governance and delivery arrangements, reporting by exception into the PSB on a quarterly basis. Over the course of the pandemic, the Cardiff PSB has met on a more regular basis to lead a co-ordinated strategic response to critical issues across the city's public services. The annual report on the Wellbeing Plan was considered by the Cardiff PSB in July 2022.

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

69. Following the local government elections on 5 May 2022, a new Council administration was formed. To make clear its ambitions for the city, the administration set out a new policy programme and associated delivery commitments for the coming municipal term, entitled 'Stronger, Fairer, Greener'. This is to be agreed / considered by Cabinet at its meeting of 14 July 2022, and it sets out the Council's policy agenda and programme for delivery for the next five years, based on the following commitments to make Cardiff:

- **A stronger city**, with an economy creating and sustaining well-paid jobs, with an education system that helps our young people reach their potential, with good, affordable housing in safe, confident and empowered communities, all supported by well-resourced, efficient public services.
 - **A fairer city**, where the opportunities of living in Cardiff can be enjoyed by everyone, whatever their background, where those suffering the effects of poverty are protected and supported, where a fair day's work receives a fair day's pay, and where every citizen is valued and feels valued.
 - **A greener city** which, through our One Planet programme, takes a lead on responding to the climate emergency, which celebrates and nurtures biodiversity, with high-quality open spaces within easy reach for rest and play that are connected by convenient, accessible, safe sustainable transport options.
70. Where 'Stronger, Fairer, Greener' provides a clear articulation of the administration's policy priorities, the Council's policy framework will translate these into organisational objectives with associated delivery milestones, key performance indicators and the necessary resources to ensure progress.
71. The Corporate Plan, therefore, plays a key role in translating the administration's policy ambitions into clear organisational objectives. In this way, the Corporate Plan sets out what the Council wants to achieve, and how it will organise itself to achieve it. In accordance with the requirements of the Well-being of Future Generations (Wales) Act 2015, the Corporate Plan is framed by Well-being Objectives, Steps and performance measures. The Corporate Plan is set at a strategic level and is supported by directorate delivery plans, which set out in greater detail how Corporate Plan objectives will be delivered, as well as how directorate business will be taken forward.
72. An enhanced process for developing and monitoring delivery of the Corporate Plan was agreed by Cabinet in February 2022 in response to the new performance requirements placed on local authorities by the Local Government and Elections Act (Wales) 2022. This includes:
- A Mid-Year Self-Assessment which is considered by Cabinet in December, following engagement with the Policy Review and Performance (PRAP) Scrutiny Committee. This commences the process of refreshing the Corporate Plan.
 - Thematic Challenge Sessions which are convened by Well-being Objective each January/February. The challenge sessions are chaired by the Leader and Cabinet Member for Finance, Modernisation and Performance and involve the lead Cabinet portfolio holders, Chief Executive and relevant Directors. The challenge sessions consider progress and challenges in relation to each of the Well-being Objectives within the Corporate Plan, and

provide an opportunity to consider priorities, steps, Key Performance Indicators and targets for the year ahead.

- Engagement with the Performance Panel each January/February. The Performance Panel allows the Chairperson of each Scrutiny Committee, to:
 - Consider the Mid-Year Assessment and make recommendations for improvement as well as strategic policy suggestions for consideration as part of Corporate Plan development
 - Corporate Plan development; with a focus on the priorities, steps, Key Performance Indicators and targets proposed for inclusion within the revised Corporate Plan.
 - Engagement with all Scrutiny Committees including PRAP Scrutiny Committee as part of pre-decision scrutiny of the Corporate Plan in February.
 - Formal consideration by Cabinet and Council in February/March. The Corporate Plan is part of the Council's Policy Framework and this, as set out in the Constitution of the Council, ensures that the Corporate Plan is formally subject to consideration by all elected members.
73. The development of the Annual Well-being Report, in effect the Council's self-assessment of performance, will involve the political and managerial leadership of the Council, with enhanced roles for both Scrutiny and the Governance & Audit Committee. This will include:
- Directorate self-evaluation of service performance, governance & financial challenges and priorities;
 - Performance and budget assurance sessions with each Director that are convened by the Chief Executive and Section 151 Officer to consider findings of directorate self-assessment;
 - Progress and performance session with Cabinet and the Council's Senior Management Team;
 - The Performance Panel, convened by the Chair of the PRAP Scrutiny Committee, and involving the Chairs of each of the Council's Scrutiny Committees
 - Consideration by the PRAP Scrutiny Committee.
 - Consideration by the Governance & Audit Committee.

- Consideration of the End-of-Year Assessment (the Annual Well-being Report) by Council.
74. The Corporate Plan is developed alongside the Council's Budget, thereby ensuring that the Council's resources are aligned behind the delivery of its policy priorities. The Corporate Plan and Budget are approved alongside one another by Council in February of each financial year. Progress against the existing objectives set out in the Corporate Plan will continue to be monitored and reported through the Council's strengthened Planning and Performance Framework, which was approved by the previous Cabinet on 24 February 2022.
 75. The financial uncertainty due to the pandemic and the economic outlook led to delays in Budget Settlement from Welsh Government for both 2021/22 and 2022/23. Therefore, consultation on the Council's 2021/22 budget proposals "Changes for Cardiff" ran from 13 January 2021 to 10 February 2021 and the budget consultation for 2022/23 budget proposals was for the period 14 January 2022 to 6 February 2022. Looking forward to future budget settlements, A Budget update will be submitted to Cabinet on 14 July 2022 which will set out the budget timetable including consultation. As outlined under principle B of this AGS, ensuring openness and comprehensive engagement, several mechanisms were used to ensure the consultation was as accessible as possible, but improvements are required in the number of engagements achieved. The consultation enabled members of the public to communicate their views on the budget proposals. It informed the final decisions on service changes, which focussed on delivering valued public services in the face of ongoing austerity.
 76. Building on the approach to the Council's Budget Strategy over the last few years is key to planning for future years. The Council identified for 2022/23 a budget gap of £69.2 million gap for the period 2023/24 to 2026/27. The outlook over the short term looks very challenging as services look to recover from the impact of the pandemic both in managing the increase in demand for some services and recovering lost income levels in other areas such as cultural venues and school catering. Looking further forward, Cabinet will consider a Budget Update refresh on 14 July 2022 which will provide an update on the Budget gap. The medium term remains a matter of concern and the Budget Report 2022/23 detailed the challenges in respect of the recovery post-pandemic and considerable economic uncertainty for the near future along with the difficulty of setting and realising year on year budget savings. A deliverable Budget Plan will continue to be a key document to review but this will require even closer monitoring and a potential reshaping of the strategy as services (and demand) evolve into their future shape and size.
 77. Delivering the 'Stronger, Fairer, Greener' policy agenda will also require coordinated action by the Council and its partners. The Cardiff Public Services Board (PSB), chaired by the Leader of the Council, brings together the city's public and third sector leaders, and builds on the long-established platform of partnership working in the city. The Well-being of Future Generations Act has placed in statute the role of PSBs and requires PSBs to publish an assessment

of local wellbeing, a local wellbeing plan and annual progress reports. The Cardiff PSB has produced its statutory [Well-being Assessment](#), which sets out how Cardiff is performing across the partnership's seven city outcomes. This assessment was approved by the Cardiff PSB on 9 March 2022 for publication by May 2022. Using the evidence provided in the Well-being Assessment, the Cardiff PSB is required to review its objectives for improving the well-being of Cardiff and develop a revised PSB Well-being Plan for 2023-27 by 5 May 2023, which will set out how public services will work in partnership to address the major long-term challenges facing the city. The Council will work with PSB members to ensure that the priorities identified in the Wellbeing Plan reflect the priorities set out in 'Stronger, Fairer, Greener' and that the partnership governance and delivery arrangements are reviewed and refocussed to ensure that they are ready to deliver against these priorities.

78. The refreshed policy and delivery framework is therefore characterised by the following key components:

- **Corporate Plan:** The Corporate Plan 2023-26 will set out the Council's objectives in order to deliver the administration's ambitions.
- **Budget Strategy:** The Council's Budget Strategy will be reworked to support the delivery of the administration's priorities.
- **Partnership Planning and Delivery:** The Council's policy position will inform the development of the Cardiff Public Services Board's Well-being Plan, which will be launched for public consultation in Autumn 2022 and considered by the Council and all PSB members by April 2023.
- **Performance Management Framework:** The delivery of the Corporate Plan will be monitored through the Council's strengthened performance management framework.

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

79. As in previous years, it continues to be the case that all Cabinet and Council decisions taken by Members are supported by written reports from Officers on the legal, HR, property and financial implications arising from the decision. These reports are also required to outline the economic, social and environmental outcomes, member consultations, the key risks and alternative courses of action which are available.

80. To meet requirements of the Well-being of Future Generations (Wales) Act 2015, the Council has published well-being objectives and a well-being statement as part of the development of the Corporate Plan. As referenced in the March 2022 Council the Corporate Plan does ensure ongoing consideration of the sustainable development principle with a focus placed on considering the 5 ways of working at the earliest stage of policy development. Policy development, across the organisation, is encouraged to consider:

- **Long term:** Defined as the trends that affect Cardiff both today and in the future.
- **Prevention:** Intervening earlier to prevent problems affecting citizens from occurring or worsening.
- **Involvement:** Engaging with citizens, particularly the most vulnerable in society.
- **Integration:** Working across boundaries to deliver the administration's policy agenda for the city.
- **Collaboration:** Working with others to have a greater impact.

81. The Council uses several sources of information to self-assess progress against Well-Being Objectives, including:

- **Progress against the Council's Key Performance Measures** – Several performance measures are identified within the Council's Corporate Plan which help show the progress made in delivering the Well-Being Objectives. Where applicable, targets are set against these performance measures to demonstrate the desired level of achievement. Performance measures are assigned a RAG status: GREEN where the measure is on or above target, AMBER where the result is within 10% of the target and RED where the result is greater than 10% from the target.
- **Progress against the Steps in each Well-being Objective** – The Council included a number of Steps in the Corporate Plan to help achieve the Well-Being Objectives. Monitoring the progress of these Steps provides an understanding of what has been achieved and where further work is required.
- **Inspection Reports** – The Council is subject to inspections from regulatory bodies including the Wales Audit Office, Estyn (Education) and the Care and Social Services Inspectorate Wales (CSSIW). Their findings help the Council to assess areas of strong performance, as well as identifying areas that require improvement.
- **Surveys and Citizen Feedback** – The annual Ask Cardiff survey, as well as more specific consultation and engagement work, provide residents an opportunity to share their views on a wide range of the Council's services. From this, areas of strong performance can be identified, along with those areas where Cardiff's citizens feel the Council needs to improve. Similarly, complaints and compliments provide a valuable source of information on performance, and the Annual Wellbeing Report is considered by Cabinet alongside the Annual Complaints Report.
- **Finance Monitoring** – The Council's Outturn Report and Budget Monitoring
- **Feedback from Scrutiny Committee and the Governance and Audit Committee** – The Council responds to the issues raised and recommendations made by Committees, which help inform performance improvement.

- **Risk** – The Council’s Corporate and Directorate Risks are considered as part of a rounded view of performance, and the Annual Well-being Report is prepared and considered by Cabinet alongside the Council’s Annual Corporate Risk Report. Reviewing this information assists the Council to develop a balanced picture of the Council’s improvement journey over the year.
82. By utilising this information, the Council can monitor progress but also identify areas of improvement. The Council also has in place a robust performance and accountability regime which involves the wider political governance of the Council. In developing the self-assessment of performance, the following steps have been undertaken to ensure a full and balanced assessment:
- Directorate Analysis of Performance
 - Assurance Sessions convened by the Chief Executive with each Director
 - Assurance Sessions, convened by Cabinet, with the Chief Executive and the Council’s Senior Management Team
 - Performance Panel Review, convened by the Chair of the Policy Review and Performance Committee, and involving the Chair of each of the Council’s Scrutiny Committees.
 - Consideration by the Policy Review and Performance Scrutiny Committee
83. By utilising this information, the Council can identify areas of improvement and celebrate success and identify areas where performance may not have been as good, and therefore the areas that may require further attention.
84. During 2021/22, The Council’s education Service was inspected by Estyn. The inspection concluded that in recent years, Cardiff has demonstrated a sustained and incremental improvement in the quality and effectiveness of its education service. Estyn identified four recommendations for improvement and three areas where it invited Cardiff Council to prepare case studies so that those areas of excellent practice could be shared. Actions to build upon the strengths identified in the report and to address the recommendations for improvement will be built into the Directorate’s 2022/23 Delivery Plan for the forthcoming year and will be carefully monitored through systematic performance evaluation processes.
85. As noted in last year’s AGS, there was a marked increase in the communication to staff from the Chief Executive in order to ensure that staff were aware of the latest developments as the impact of the pandemic ebbed and flowed throughout the year. This continued into 2021/22 as some services returned to a level of normality whilst others remained virtual. To ensure staff were consulted, and involved in decision making, various channels of communication were used including the Chief Executive’s Update, Core Brief, Staff Information messages, the Staff App, and DigiGov (the Council’s HR system).
86. Consultation on draft decisions resulting from budget proposals is robust and the impact on citizens and service users is an important consideration. The

engagement of citizens has continued to be an important means of identifying and designing services to meet the needs and expectations of service users and citizens in Cardiff in the context of budgetary constraints. To support project-based decision making, the Council has in place a Business Case template using the Office of Government Commerce (OGC) “Five Case Model”, as recommended by HM Treasury for use by Public Sector bodies. The Capital Programme for 2022/23 referenced certain projects that would be considered for 2023/24 Budgetary consideration only on the completion of a robust full Business Case.

87. The Council’s Budget Strategy is based on an incremental budgeting approach where budgets are informed to a greater extent by corporate priorities and the required future shape of the organisation. The themes for savings in the Budget Strategy for 2022/23 were categorised as Efficiencies and Income Generation and was both a reflection of the better than anticipated Budget Settlement but also reflecting the impact on Services wrought by the pandemic. As reported last year, there has been an increasing confidence in the delivery of savings with a focus on efficiency savings being primarily in place in advance of the beginning of the Financial Year in question both 2021/22 and 2022/23. There continues to be a lower level of savings proposals attached to income generation and this reflects the impact on many of those services both during and post pandemic but where opportunities arise they continue to be taken.
88. Cardiff City Transport Services Ltd. (Cardiff Bus), one of the Council’s wholly owned subsidiary companies determined to co-opt two independent non-executive directors with proven skills in governance and transport services. At its meeting of 28 January 2021, the council agreed that the two Independent Non-Executive Director appointments should be further extended for a 20-month period until October 2022 following the council elections in May 2022 to enable both individuals to continue to contribute their respective skills and expertise to the work of the Board and Company during the continuing Covid-19 pandemic and restructuring impacts. Any recruitment process will commence in summer 2022.
89. At its meeting in October 2020 Council agreed a package of financial viability support was agreed including injection of equity and becoming statutory employer for the Company pension scheme. As part of this , the second tranche of equity injection of £6.6 million was undertaken in 2021/22 to strengthen the balance sheet. The Council, led by the Corporate Director Resources, worked closely with the Trustees of the Pension Fund to successfully complete the triennial valuation of the fund as at 31 March 2021 and resolve a number of legacy issues. It is recognised that the company board and new management team are making significant progress considering significant challenges impacting on the bus industry across Wales including cost increases, driver shortages and reductions in patronage. The Welsh Government are also consulting on changes to the bus industry as part of a proposed white paper, which could have significant implications for Municipal Bus companies and the

vital services delivered. The implications of this on bus services across the city will need to be considered carefully by the company as part of wider service delivery objectives.

90. During 2021/22, a request for information was issued to all subsidiaries which asked questions about the respective governance arrangements in place. This will inform a self assessment of used to identify any improvement opportunities including for those undertaking the shareholder role..

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

91. Decision making responsibilities and authority are clearly set out in the Council's Constitution. It documents the roles and relationships for decision making, between the Full Council, the Cabinet, Scrutiny and other Non-Executive Committees. It also details decisions delegated to senior officers through the different management tiers.
92. The Cabinet is the part of the Council which is responsible for most major decisions. The Cabinet is made up of the Leader elected by the Council, and up to nine other portfolio Cabinet members whom he/she nominates for approval by the Council. For 2021/22, The Cabinet comprised of the leader and nine other councillors, but the legislation now provides for Cabinet Members to job share and that has been considered for 2022/23 with two portfolios being shared. The Cabinet must make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council to decide.
93. The senior management structure of the Council for 2021/22 did not change. The statutory responsibility for Social Services was delegated to the Corporate Director of People and Communities. The Statutory roles of the S151 Officer (Finance) and the Monitoring Officer continue to be discharged by the Corporate Director (Resources) and the Director of Governance and Legal Services, respectively.
94. The Council aims to ensure that Members and Officers have the skills, knowledge and capacity to discharge their responsibilities effectively and recognises the importance of well trained, competent people. New Members attend an induction programme to introduce them to the Council and its values, objectives, policies and procedures. Preparation was undertaken during 2021/22 to ensure that a complete Member training package was ready to roll out post elections 2022. The number of councillors was also increasing from 75 to 79 and the number of new councillors elected in May 2022.
95. All new officers undertake the appropriate level of induction which includes a suite of mandatory e-learning training modules. Each mandatory training module has its own target date for full compliance. An in-house Cardiff Manager

Programme represents a commitment to increasing the learning and development of staff with line management responsibilities. The programme continues to be offered more widely across the officer body without the requirement to sit a formal ILM level 3 qualification.

96. Performance is primarily evaluated through the Council's Personal Review process, which provides a framework for employees and managers to discuss work performance and behaviour as well as to identify learning and development needs. It enables employees to be clear about their roles, responsibilities and the behaviours expected of them whilst giving a clear understanding of how their job and efforts contribute to the Council's objectives. Member Personal Reviews are also in place to help them update their knowledge and learn new skills, where required, to be more effective in supporting their communities. The Cardiff Council Academy has a developed several learning and development programmes and courses which can be accessed and delivered remotely.
97. The Council's Workforce Strategy has employee health and wellbeing as a priority. The Council continues to support the 'Time to Change' Pledge, has been recognised as a Disability Confident Employer, signed the Dying to Work Charter and achieved the Corporate Health Standard Silver Award.
98. The Council will publish the next Annual Wellbeing Report in September 2022, if approved by Council, in accordance with the requirements of the Wellbeing of Future Generations (Wales) Act. This provides a retrospective summary evaluation of performance for 2020/21 and identifies areas of focus moving forward.

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

99. Risk management is an integral part of strategic decision making, forming a key element of business planning, budget proposals, budget strategy, and programme and project considerations. A Corporate Risk Register (CRR) is maintained and reviewed by SMT each quarter to ensure it includes key risks to the corporate vision, objectives and priorities. A Corporate Risk Map has also been used throughout 2021/22 to provide a transparent representation of the status of corporate risks and to support a proportionate management response.
100. The Risk Management Strategy and Policy continued to be supported by a nominated Member Risk Champion, Senior Officer Risk Champion and a network of Directorate Risk Champions. This process is designed to ensure clear ownership of risks which are identified, reviewed and escalated systematically each financial quarter. There has been an increasing trend to highlight target dates for individual risk actions for each area of the Corporate Risk Register and this will look to be extended across all Corporate risks in the next year.

101. The Council's five standing Scrutiny Committees are designed to support the Cabinet in providing accessible, efficient and effective services for citizens. For the year 2021/22, the Scrutiny Committees were able to meet throughout the year. There were 51 Scrutiny Committee meetings held during the municipal year 2021/22.
102. Scrutiny Committees undertake pre-decision scrutiny, policy monitoring and review and launch in-depth inquiries to help the Cabinet develop and review policies and services. Most recommendations raised to Cabinet following Scrutiny Inquiries are fully accepted. A number of the Council's collaborative activities are governed by Joint Committees which can be identified on the Council's website.
103. The Council has robust arrangements for internal control which are set out within the three statements contained within this report from the Audit manager, Governance and Audit Committee and Senior Management, respectively.
104. The pandemic led to a more frequent engagement on Health and Safety between appointed Elected Members, Union Representatives and relevant Council Officers. The Health and Safety Forum met four during the year with the focus being on ensuring the most up to date guidance was available and implemented appropriately for each of the different services the Council delivers.

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

105. The Council continues to aim to ensure that all reports for the public and other stakeholders to be written in a fair, balanced and understandable way. It remains the case that there is a need to achieve a balance between providing full and complete information to demonstrate clear transparency without being onerous or overly complex.
106. The Council also aims for information to be easy for the Council and the public to find and use. The Council has where practicable looked to publish information in advance rather than await Freedom of information Requests. The Council takes careful consideration of the model publication scheme set out by the information Commissioner which sets out the classes of information that should be routinely available. The Council acknowledges that it has not fully conformed with the model publication scheme due to practical reasons such as capacity and ease of accessing information. However, the Information Commissioner's has recently revised its model publication scheme and the Council will review its position against the new expectations and look to improve its adherence to the expectations set out in the document.
107. The Council's Annual Wellbeing Report evaluates performance, summarising the findings of several reports on performance, including corporate measures and evaluations of delivery against the Capital Ambition, Wellbeing Plan and the objectives and activities that the Council is delivering as part of the Partnership arrangements (PSB).

108. The AGS is an assessment of the governance of the Council applied to the 'Delivering Good Governance in Local Government' CIPFA / SOLACE framework, as outlined in the Assessment Process and Summary. The continued impact of the pandemic has had an impact on service delivery both at heightened times of infection rates and interim periods of normalcy. The need for reactive solutions in some services and alternative delivery models in other areas have been taken into account in the determination of the Senior Management Assurance Statements (SMAS). SMT hold an action plan of significant governance issues, representing an open disclosure of the most prominent issues of governance which require attention following the SMAS review. The AGS Action Plan for 2021/22 and 2022/23 are both included in the following section.
109. In May 2021, the Council met to establish Committees: their size, terms of reference and allocation of seats. Most meetings continued to be delivered through virtual channels, but the development of hybrid meeting technology has been undertaken with the first hybrid meetings being held in June 2022. The Council's Constitution is reviewed regularly by the Constitution Committee and sets out the terms of reference for each of its Committees and the decisions that can be taken by each of those Committees. A number of Committees have been appointed by Council to discharge regulatory and scrutiny services and they deliver annual reports on their performance and findings.
110. Prior to services being delivered through third parties or via joint working arrangements, the Legal Services Team assist directorates to ensure responsibilities and accountabilities for governance and risk management are adequately documented. The risk management strategy and policy require clear risk management arrangements in whichever model of service delivery is used.
111. Peer challenges, reviews, and inspections from regulatory bodies are welcomed by Cardiff Council to provide assurance over service delivery or identify opportunities for improvement.

2021/22 AGS Action Plan – Significant Governance Issues

112. An Action Plan of Significant Governance Issues is owned by the SMT and is formally reviewed and updated on a bi-annual basis. The review is supplemented by Challenge sessions for each Directorate chaired by the Chief Executive and accompanied by the Corporate Director of Resources. In addition, each directorate developed actions to address the three corporate actions identified for 2021/22 and to address any matters for the individual directorate.
113. SMT considered that the three actions identified for 2021/22 have seen progress as demonstrated below. However, the three areas continue to be considered as the main areas of focus for governance improvement and are therefore recommended to be carried forward into 2022/23 to maintain and build on the momentum of progress made in 2021/22. The Actions and Progress to date is set out below.

Actions

Extend and deepen the areas of SMT investigation in respect to compliance, risk and outcomes.

Progress

Compliance reports on areas such as Safeguarding, Procurement, Sickness Absence, Performance Reviews and Internal Audit recommendations have been received during the year. Data has accompanied reports that enable SMT to identify areas of improvement and to ensure that progress where needed is achieved.

Action

Extend the assurance on the quality of performance reviews through evidence gathering at Directorate level.

Progress

SMT have regularly received reports on compliance on Performance reviews. The Directorate delivery plans continue to be the source of personal and team objectives although it is acknowledged that this is not the case at all levels due to the scope and scale of some directorates. The quality of performance reviews has been an area of interest in the CEX Challenge sessions where directors have set out how performance is measured, and it is recognised that further improvements are required to ensure that this is fully embedded throughout individual directorates.

Action

Embed into the self- assessment on Assurance the Five ways of Working in respect to the Future Generations Act.

Progress

The Self– Assessment on assurance was amended to include a specific set of questions which covered the Five ways of Working in respect to the Future Generations Act. In addition, Individual directorates identified specific actions in respect to FGA and have been monitoring their progress throughout the year.

Cardiff & Vale of Glamorgan Pension Fund 2021/22 AGS Action Plan – Significant Governance Issues

114. There were two significant issues brought forward from 2020/21 that related to the completion of the transfers to the WPP Global Equity sub-funds and Low Carbon Equity Fund and the creation of the Wales Pension Partnership pooled funds for Emerging Market (EM) Equity. During 2021/22 both actions were completed in July 2021 and October 2021 respectively and the monitoring of both funds has been subsumed into the regular monitoring and review process. In considering significant governance challenges going forward, it has been determined that a new action will be introduced which will look to build on existing processes and identify ways to further improve the transparency and robustness of decision making in respect of decisions influenced by Environmental, Social and Governance (ESG) factors.

Certification by the Leader of the Council and the Chief Executive

Councillor Huw Thomas, Leader of Cardiff Council

Date:

Paul Orders, Chief Executive

Date: