

This statement meets the requirement to produce a Statement of Internal Control pursuant to Regulation 4 of the Accounts and Audit (Wales) Regulation 2005.

Part 1: SCOPE OF RESPONSIBILITY

Gwynedd 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, and used economically, efficiently and effectively. Gwynedd 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.

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

Gwynedd Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/Solace Framework *Delivering Good Governance in Local Government*. A copy of the code is on our website or can be obtained by writing to the Gwynedd Council, Council Offices, Shirehall Street, Caernarfon, Gwynedd LL55 1SH. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit (Wales) Regulations 2005 in relation to the publication of a statement on internal control.

Part 2: THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads 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.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Gwynedd 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.

The governance framework described above has been in place at Gwynedd Council for the year ended 31 March 2012 and up to the date of approval of the statement of accounts.

Part 3: THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise Gwynedd Council's governance framework arrangements are as follows:

In April 2011 a Local Code of Governance was adopted. The Local Code is based on six core principles of the CIPFA/SOLACE Framework for corporate governance in local authorities, and their supporting principles, which had been in turn adapted from the "Good Governance Standard for Public Services" that had been published by the Independent Commission on Good Governance in Public Services in 2004. The CIPFA/SOLACE Framework sets out the requirements for meeting each principle and also what should be reflected in the local code of governance.

Core Principle 1: Focusing on the purpose of the authority and on outcomes for the community, creating and implementing a vision for the local area (including citizens and service users)

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 1 are:

The Council's Values

The Council's values are as follows:

- **Serving**
- **Positive**
- **Working as a team**
- **Value for Money**
- **Respect**

The Community Strategy

'Gwynedd Together' – a strategic partnership of key agencies across the County – has developed the Gwynedd Community Strategy, "Improving Gwynedd Together". The purpose of the Community Strategy is to promote economic, social and environmental welfare within Gwynedd. The Community Strategy and the Council's Three-Year Plan were jointly developed by considering, with partners, those matters that are most important the community and by jointly engaging and consulting on these matters.

The Council's Three Year Plan

The Council's objectives and the transformation programmes within the Council's Three-Year Plan support the work and vision of the Community Strategy. The aim of the Council is to seek "The Best for the People of Gwynedd Today and Tomorrow". The Plan was adopted by the Council on 12 May 2011.

Statement of the Accounts

The Council's accounts are prepared in accordance with the expected standards. The basic format and contents of these Statements are imposed by regulation 7 of the Accounts and Audit (Wales) Regulation 2005 and subsequent amendments, together with other regulations and standards – the new IFRS (International Financial Reporting Standards) introduced several new requirements in the Accounts from 2010/11.

Arrangements are in place to distribute information and timetables for the preparation, presentation and certification of the accounts in accordance with statutory guidelines.

The Financial Strategy

A medium-term Financial Strategy is presented to the Council each year at its February / March meeting.

The complaints procedure

The Council has introduced a standard procedure across the Council to deal with complaints.

The performance management procedure

The arrangements for identifying measures and performance ambitions have been developed across the Authority. Ffynnon software is used to record performance and report on it.

The Local Code of Governance

The Code of Governance that was adopted in April 2011 is now the framework for preparing the Annual Governance Statement.

The Auditor's Annual Letter

The Auditor General for Wales issues an Annual Improvement Report (AIR) to each local authority and some of the issues that were traditionally reported in the Appointed Auditor's Annual Audit Letter are now included in that report. Before then, the Wales Audit Office's Appointed Auditor summarises the key messages arising from his statutory responsibilities in a letter which forms the Annual Audit Letter. The letter is designed to be a standalone document, but is also presented to the Council and the public as part of the Annual Improvement Report.

Core principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles.

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 2 are:

Schemes for delegation to committees, portfolio leaders and officers

During 2011/12, Part 3 (Responsibility for Functions) of the Council's Constitution contained details of the Schemes for delegation to committees, portfolio leaders and officers together with the distribution of functions that were not the responsibility of the Council Board.

The Constitution includes a protocol on Members' duties and responsibilities. The protocol contains details on the purpose and responsibilities of members, Chairperson, Vice-chairperson, portfolio leaders, senior leaders and the Council Leader.

Decision Notices

Prior to implementing the delegated power a decision notice is published noting the decision, the logic behind that decision, any other considerations or arguments (including policy implications on the decision), along with the observations of the statutory officers and other relevant individuals.

Management Structure

The Council has adopted a management structure that includes a Chief Executive (who is also the Head of Paid Service) and 3 Corporate Directors. Together, they form the Council's Corporate Leadership Team. The members of the Corporate Leadership Team together with the Monitoring Officer and the Head of Finance form the Council's Management Group.

The Council has nominated the Head of Democracy and Legal as the Monitoring Officer pursuant to Section 5 of the Local Government and Housing Act 1989, and the Head of Finance as the Chief Financial Officer pursuant to Section 151 of the Local Government Act 1972.

Description of members' roles and responsibilities

Part 5 (Codes & Protocols) of the Council's Constitution contains:

- Members Duties and Responsibilities (i.e. job descriptions)
- Protocol for the discharge of the statutory functions of the Monitoring Officer, the Chief Financial Officer and the Director of Social Services.
- Protocol for Member/Officer Relations

Members' Allowance Scheme

Gwynedd Council has developed its Members Allowance Scheme on the basis of the Local Authorities (Allowances for Members) (Wales) Regulations 2007.

In the Annual Meeting of the Council on 13 May 2010, the Members' Allowances scheme was amended to reflect the report by the Independent Remuneration Panel for Wales.

Core principle 3: Promoting the authority's values and demonstrating the values of good governance by upholding high standards of conduct and behaviour.

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 3 are:

Members' Code of Conduct

The Code of Conduct for the Council's elected members is lead by the Members Conduct Order (Principles) (Wales) 2001. The Order identifies the principles that should govern the conduct of local authority members in Wales.

Officers' Code of Conduct

The Council has adopted "The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001" as its code of conduct for all staff.

The Gwynedd Standard

This document explains the standard of conduct expected from Gwynedd Council's councillors in dealing with each other. It should be read in conjunction with the Members Code of Conduct and the Protocol Member-Officer Relations. It adds to those documents and not detract from them.

Standards Committee Procedural Rules

The Council has adopted the Local Government Investigations (Functions of Monitoring Officers and Standards Committees)(Wales) Regulations 2001 to manage the functions of the Standards Committee.

Anti-fraud and Corruption Policy

The latest version of the Anti-Fraud and Anti-Corruption Strategy was adopted by the Audit Committee at its meeting on 29 June 2009. The purpose of the Anti-Fraud and Anti-Corruption Strategy is to provide an overview of the Council's policy with regards to its attitude towards fraud and corruption and those who perpetrate, or seek to perpetrate, fraud or corruption against Gwynedd Council and the taxpayer.

The Council's Procedural Rules

The Council's Procedural Rules are contained within Part 4 (Rules of Procedure) of the Council's Constitution. Part 4 of the Constitution also contains the Financial Procedure Rules and Contract Procedure Rules.

Financial Management

The role of the Chief Financial Officer at Gwynedd Council complies with each of the governance requirements of the CIPFA Statement on the *Role of the Chief Financial Officer in Local Government* (2010).

The Council's internal and external auditors are expected to report to relevant officers on any failure to comply with either policy or legislation, and to report to the Audit Committee in accordance with its Terms of Reference. The heads of department receive a copy of every relevant internal audit report, and the result of follow-up work on recommendations is reported to the Audit Committee with a view to maximising the impact of audit work.

The appraisal procedure

The Performance Review process is part of the Council's Performance Management System which supports the Council's values as shown at the start of this document and the Council's vision of "Improving Gwynedd". All officers of the Council are expected to be the subject of an appraisal at least once a year.

Internal Audit Plan

The Internal Audit service is provided in accordance with CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom.

The Internal Audit Plan for 2011/12 was based on the Internal Audit Strategy 2008-11 (that had been extended for one year). The final plan contained 113 pieces of work.

In accordance with the requirements of the CIPFA Code of Practice, the Senior Manager, Audit and Risk prepares an annual report that summarises the results of internal audit work during the year on the overall system of internal control within the authority.

The Internal Audit Strategy 2012-2015 was approved by the Audit Committee on 13 February 2012. The Strategy has been set out in a form that follows the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006.

Gifts and Hospitality

Part 5 (Codes & Protocols) of the Council's Constitution contains:

- Policy for Gifts and Hospitality – Officers
- Protocol for Members Gifts & Hospitality
- Officers Interests Policy

The Standards Committee Annual Report

A Standards Committee has been established at Gwynedd Council in order to safeguard standards of conduct and propriety in all the council's transactions.

The second Annual Report of the Standards Committee, for the period from October 2010 to the end of September 2011, was approved by the Committee in its meeting on 16 January 2012.

Core principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risks.

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 4 are:

The Risk Management Strategy

Audit and Risk Management Services within the Finance Department has developed a Risk Management Policy and Strategy for the whole authority. The policy and strategy have been approved by the Corporate Leadership Team, with the objective of ensuring that the management of risks has been formally embedded in all aspects of the Authority's work. This is a continuous process to ensure all managers receive training on identifying risks and opportunities. Identifying risks and developing implementation plans are a part of the Authority's business cycle.

Overview and Scrutiny Procedural Rules

Part 4 (Rules of Procedure) of the Council's Constitution contains Scrutiny & Overview Procedure Rules, in order to give guidance on the purpose of the scrutiny committees, and their procedures.

Access to Committee Information Procedural Rules

Part 4 (Rules of Procedure) of the Council's Constitution contains the Access to Committee Information Procedure Rules.

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law.

Overview and Scrutiny Strategy

The Overview and Scrutiny Strategy remained in force during 2011/12. The purpose of this strategy is to ensure joint understanding of the purpose, vision and forms of implementing Gwynedd Council's scrutiny and overview function, and the key role of that function in relation to identifying and achieving the Council's priorities.

Members' Training Programme

A Members' Training Programme was in place during 2011/12, with further work being undertaken during the period to prepare for new members following the election of May 2012.

Constitutional Arrangements Training

A training course on the Authority's Constitutional Arrangements is included in the corporate training programme for officers.

Remit of the Audit Committee

During 2011/12 the Council had an Audit Committee discharging its functions in accordance with the Council's Constitution.

Decision Notices

Council Board Decision Notices and Portfolio Leader Decision Notices pursuant to the Scheme of Delegation to Portfolio Leaders appear on the Council's website.

Committee minutes

All Council committee minutes appear on the Council's website and in minutes volumes, in accordance with the Access to Committee Information Procedure Rules.

Whistle Blowing Code of Practice

The Council has adopted a Whistleblowing Policy and Arrangements, a scheme which gives staff a safe and reliable method for reporting honestly any concerns regarding illegal, fraudulent or corrupt behaviour, financial malpractice, endangering the public or the environment, abuse of clients, etc. During May 2009 cards that promoted awareness of the whistle blowing arrangements were distributed to all Council staff.

Corporate Risks Register

Every committee report that requires an executive decision are presented to the 3 statutory officers for comments.

The Internal Audit Strategy sets out clearly the intention to provide a service which undertakes risk based audits, and the reliance placed on the corporate risk management arrangements when planning Internal Audit work.

Managers are expected to manage the risks that are relevant to their area of work. This has been incorporated into the Risk Management Strategy. It is expected that job descriptions contain specific reference to certain risks, in particular to those in the areas of Health and Safety and Equality.

Core principle 5: Developing the capacity and capability of members and officers to be effective.

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 5 are:

Member Training Strategy

The Authority continues to implement and develop the Member Training and Development Strategy adopted by the Council in May 2009.

Officer Training and Development Plan

A training programme is in place for every Council officer, with the vision of becoming "the best teaching organisation in Wales, that offers innovative learning and development opportunities for all staff to obtain the expected skills, experiences, understanding and qualifications that are required to provide the best possible service to the people of Gwynedd".

The Council has devised a training matrix for staff, and has identified 6 training categories: Corporate Management Team, Head, Managers, Field Leaders, Supervisors, Staff and direct workers. Specific features were used to identify the appropriate training category for staff. A training programme has been developed for every category.

The recruitment procedure

The Human Resources Department has developed, and maintains, the Council's recruitment arrangements, giving clear guidance to officers and managers to allow them to ensure fair and transparent recruitment processes.

Management Competency Framework.

The Corporate Competency Framework was developed to give clear guidance to staff on what is expected of them, and is suitable for staff across the whole Council. The framework supports the Council Values and links directly with the Council's Performance Review (Appraisal) and Training & Development systems/procedures.

The Framework describes the behaviours the Council would like to see staff demonstrating when performing their duties in the Gwynedd Council way in order to live the Values.

Core principle 6: Engaging with local people and other stakeholders to ensure robust public accountability.

The policies, strategies, procedures and processes that support Gwynedd Council in adhering to Core Principle 6 are:

Scrutiny Annual Report

Article 6 of the Council's Constitution states that "Scrutiny committees must report annually to the Council on their workings and make recommendations for future work programmes and amended working methods if appropriate".

Planning Code of Practice

The Planning Code of Practice and Delegated Scheme to Officers is included within Part 5 (Codes & Protocols) of the Council's Constitution. The Code of Practice is intended to guide the procedures by which members and officers of the Council deal with planning matters and to set standards of probity and conduct which the people of Gwynedd can expect of them.

The Annual Report on the Council's Achievement

In accordance with the Local Government (Wales) Measure 2009, the Council publishes an annual report on its successes and failures in its Improvement Plan.

The Community Strategy "Gwynedd Together"

An annual meeting of Gwynedd Together is held, where there is an opportunity for Gwynedd residents to obtain feedback on what has been achieved and to contribute to the next steps of the partnership.

Part 4: EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK

Gwynedd 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 the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the authority, who have responsibility for the development and maintenance of the governance environment, and also by comments made by the external auditors and other review agencies and inspectorates.

The review described herein was undertaken by reviewing the findings of the Council's internal and external auditors and through discussions with key officers within the authority. The process that has been applied to maintain and review the effectiveness of the system of internal control includes:

Core Principle 1: Focusing on the purpose of the authority and on outcomes for the community, creating and implementing a vision for the local area (including citizens and service users)

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

The Council's Values. The Council's Values remained constant during 2011/12. In order to ensure that the Council's values are emphasised, they are used as a footer of correspondence, on the Council's intranet site and on publications.

The Community Strategy. The Community Strategy was the subject of consultation during 2011/12. A draft Strategy was presented to the Principal Scrutiny Committee during July 2011 and a final version of the Strategy, which replaces all the main partnership strategies, was published during the autumn of 2011.

The Council's Three Year Plan. The 2011/14 Three-Year Plan was approved by the full Council on 12 May 2011. It was reviewed during the year, and an initial review was presented to the Principal Scrutiny Committee on 8 December 2011, with a clear understanding that the first formal review would not be undertaken until after the May 2012 election.

Each of these strategic programmes had its own Programme Board in order to ensure implementation, with robust arrangements in place for each of the main issues, reporting to the Programme Board. Members as well as officers have sat on the Programme Boards in order to enhance the democratic arrangements. In addition, there are three Strategic Projects that sit outside the programme board arrangements, namely Health Improvement, Language and Local Development Plan.

Statement of the Accounts. The Statement of Accounts was signed by the Head of Finance on 30 June 2011. The Draft Statements were presented to the Audit Committee on 12 July 2011, and the Audited Statements to the Audit Committee on 29 September 2011.

The Financial Strategy. In March 2012, a Three-Year Financial Strategy was presented to the Council, for the period 2012/13 to 2014/15. In his report, the Corporate Director noted: *"Over the longer term, our latest projections show that our expenditure projections for the 4 year period to 2014/15 continue to be close to the mark and that the strategy to deal with the deficit of around £37m over the period continues to be necessary. The latest position shows that we are also succeeding in achieving that strategy. However looking forward to the future it appears that we will be faced with a much more difficult situation in 2015/16 and 2016/17 and we need to start planning for that situation now"*.

The complaints procedure. A total of 39 reviews by the Ombudsman following allegations of maladministration were closed during 2011/12. Of these, 2 allegations were upheld.

The performance management procedure. A thorough review of the business planning and performance monitoring arrangements was undertaken during 2011/12. This included presentations to the Leadership Group and the Management Group, with the intention of streamlining the process, concentrating further on the citizens' aspirations, and increasing the number of measures for effect and outcomes rather than measuring input only.

The Auditor's Annual Letter. In his Annual Improvement Report, published in February 2012 and presented to a joint meeting of the Council Board and the Audit Committee on 6 March 2012, the Auditor noted:

"The Council's improving planning and its increasing readiness to reflect on its performance suggest that it is well placed to improve on the steady progress made in 2010-11 and to better demonstrate the impact of its activity".

Core principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles.

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

Schemes for delegation. The Local Government (Wales) Measure 2011 received Royal Assent in May 2011. The result of the measure was a comprehensive review of the Authority's constitutional arrangements, and amendments to the Constitution were presented to the Council's Annual Meeting on 17 May 2012. The Council chose to adopt a Leader and Cabinet model, in accordance with the choices available to it under the Measure, at its meeting on 20 October 2011, to come into force following the May 2012 election. The main change to the Council's arrangements is that the right to decide on and to implement most of the authority's functions has transferred from the Council to the Executive.

Since then, the Council has undertaken a review of all its governance arrangements in order to comply with the measure. This includes fundamental changes to the Executive Role, with the introduction of a Cabinet to replace the Board. It has also meant reviews and changes in the role of Scrutiny and Overview, and of Audit, and the establishment of the new role of Head of Democratic Services.

Core principle 3: Promoting the authority's values and demonstrating the values of good governance by upholding high standards of conduct and behaviour.

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

Internal Audit Plan. 99.12% of the 2011/12 Internal Audit plan was completed by 31 March 2012, which is 112 assignments out of 113.

The Senior Manager, Audit and Risk reported that Gwynedd Council, in his opinion, has a sound framework of control to provide reasonable assurance regarding the effective and efficient achievement of the Council's objectives, as the steps taken by the Council during the financial year to establish and strengthen internal controls and to ensure that recommendations to remedy weaknesses identified by the Internal Audit service have, overall, been satisfactory.

The Wales Audit Office undertake an annual review of the Council's Internal Audit service. In its latest review the external auditors concluded that Gwynedd Council has an effective Internal Audit service that achieved fully 10 out of 11 professional standards. It complies partially with the "Independence" standards as the Senior Manager Audit & Risk has other responsibilities beyond Internal Audit.

There are regular meetings of the Audit Committee. The Committee closely supervises Internal Audit's completion of the audit plan and its success in conducting follow-up audits in areas where internal control failings have been identified. The Committee calls managers and Heads to account where there has been a failure to implement expected improvements to internal controls.

Anti-fraud and Corruption Policy. A review of the Council's anti-fraud and anti-corruption arrangements was undertaken by Internal Audit during 2011/12, using a diagnostic tool prepared by CIPFA in order to conduct a self-assessment of the authority's resilience to the risk of fraud. On the basis of a "RAG" (i.e. Red, Amber, Green) scoring system, the Council scored amber, which means medium risk. An action plan has been drawn up in order to close the gaps that were identified during the analysis.

The Standards Committee Annual Report. In its annual report, the Standards Committee reported, "*The Committee decided to ask Gwynedd Council to develop code of conduct training for both Gwynedd councillors and the county's town and community councillors.*

As a result, a training session for Gwynedd Council members was held in May [2011] concentrating on personal interests under the code. The material developed for the session will also be used for the training that is currently being developed on a national level for town and community councils".

Core principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risks.

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

Overview and Scrutiny Procedural Rules. Overview and scrutiny procedures were the subject of a detailed review during 2011/12, as a result of the Local Government (Wales) Measure 2011. A key stage in the process was a report to the full Council on 15 December 2011. In this meeting, the Council resolved to establish 3 Scrutiny Committees with 18 members each, namely Strategic and Corporate Development, Supporting Communities and Provision of Services, and to increase the membership of the Audit Committee to 18 with this committee also operating some overview and scrutiny duties.

The Risk Management Strategy. The Council's risk management procedures have been the subject of an internal review during the year, including giving consideration to the statutory duties of the Audit Committee from May 2012, pursuant to the Local Government Measure.

Core principle 5: Developing the capacity and capability of members and officers to be effective.

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

New member induction programme. The new member induction programme was developed further during 2011/12, when preparing for the Council's elections on 3 May 2012.

Member Training Strategy. On 1 March 2011, the following were adopted by the Council to be part of the Member Training and Development Strategy:

1. Description of Role and Responsibilities for Chairs and Vice-chairs
2. Description of Role and Responsibilities for Scrutiny Members
3. Competencies and Behaviours document for Chairs and Vice chairs
4. Competencies and Behaviours document for Scrutiny Members

Further developments were made in the training programme for members, under the leadership of the Learning and Development Unit.

Officer Training and Development Plan. The training arrangements for senior officers has continued, including the continuous development of the training matrix for officers. Amongst the training presented to chief officers and senior managers during 2011/12 was a course in Successful Change Management that was provided by PSMW (Public Sector Management Wales) for Gwynedd and the other 5 authorities in north Wales.

Core principle 6: Engaging with local people and other stakeholders to ensure robust public accountability.

Gwynedd Council has engaged the following processes when undertaking and reviewing the effectiveness of its arrangements:

Scrutiny Annual Report. The Scrutiny and Overview Annual Report 2010-2011 was approved by the Council at its meeting on 20 October 2011. This report expanded upon the main differences made as a result of the work of the Scrutiny Committees and Improvement Working Groups. It also included other successes and the priorities for the forthcoming year.

The Annual Report on the Council's Achievement. The 2010/11 Improvement Plan was approved by the Council at its meeting on 20 October 2011. The Council resolved to adopt the document as a correct and fair reflection of its successes and failures against its main improvements and indicators during 2010/11.

Part 5: SIGNIFICANT GOVERNANCE ISSUES

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

- A number of external bodies have conducted reviews on the Council's arrangements. The relevant departments will give attention to the issues identified.
- The Programme Management procedures were introduced in order to ensure the effective implementation of steps that need to be achieved in order to complete the tasks identified in the Three-Year Plan, together with other key actions. As a result, the successful implementation of the Programme Management regime is in itself a significant governance issue.
- The development and reinforcement of the new governance arrangements that have been introduced as a result of the Local Government (Wales) Measure 2011 will continue to be a significant challenge as the Council moves to a Leader and Cabinet arrangement following the May 2012 elections.
- As part of the Local Democracy Project, the Council will continue to develop the alternative role for councillors as local representatives – a system of governance that holds the cabinet to account.
- The Local Code of Governance was adopted in April 2011. A review would therefore have been premature during 2011/12 but a first review during 2012/13 would be beneficial.
- Anti-fraud and anti-corruption policy. The Anti-fraud and Anti-corruption Policy needs to be updated to incorporate the Bribery Act 2010, and presented to the Audit Committee for approval.
- Guidance for Chairpersons' Booklet. This is one of the cornerstones of the Governance Code, and it will need to be further developed during 2012/13.
- Whistleblowing Code of Practice. Although a code of practice is in place and remains relevant, it is suggested that further effort is made during 2012/13 to raising awareness of it as part of the good governance process.
- Members' personal development plans. Further work in introducing personal development plans for members will be undertaken during 2012/13.
- Succession Plan. The Succession Plan has been noted in the Local Governance Code as one of the policies that support the Council. Further development work on this plan will be required during 2012/13.

Part 6: OPINION

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.

HARRY THOMAS
GWYNEDD COUNCIL CHIEF EXECUTIVE

DATE

Councillor DYFED WYN EDWARDS
LEADER OF GWYNEDD COUNCIL

DATE