Complete Agenda

Democratic Services
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Meeting

GOVERNANCE AND AUDIT COMMITTEE

Date and Time

10.00 am, TUESDAY, 29TH SEPTEMBER, 2026

Location

Virtual Meeting

*** NOTE ***

*** For public access to the meeting, please contact us***

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(DISTRIBUTED 22/09/26)

GOVERNANCE AND AUDIT COMMITTEE

MEMBERSHIP (18)

Plaid Cymru (8)

Councillors

Geraint Wyn Parry
Arwyn Herald Roberts
Meryl Roberts
Ioan Thomas
Menna Baines
Huw Rowlands
Edgar Wyn Owen
Elfed Wyn ap Elwyn

Independent (4)

Councillors

Wendy Cleaver
Richard Glyn Roberts
Angela Russell
Elwyn Jones

Lay Members (6)

Carys Edwards
Hywel Eifion Jones
Peter Barnes
Paul Millar Mills
Dewi Lewis
Vacant seat

Ex-officio Members

Chair and Vice-Chair of the Council

A G E N D A

1. ELECT CHAIR

To elect Chair for 2026/27

2. ELECT VICE CHAIR

To elect a Vice-Chair for 2026/27, if the need arises.

3. APOLOGIES

To receive apologies for absence.

4. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

5. URGENT ITEMS

To note any items which are urgent business in the opinion of the Chairman so they may be considered.

6. MINUTES 5 - 14

The Chairman shall propose that the minutes of the meeting of this committee, held on the 9th of July 2026, be signed as a true record.

7. IMPLEMENTING THE DECISIONS OF THE COMMITTEE 15 - 34

To consider the report

8. UPDATE ON THE PROGRESS OF THE RESPONSE PLAN: OUR BRAVERY BROUGHT JUSTICE 35 - 172

To consider the report on the update on the progress of the Response Plan

9. FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026 AND RELEVANT AUDIT 173 - 320

To consider and approve the information before authorising the Chairman to certify the letter of representation and statement of responsibilities for the statement of accounts.

10. THE GWE JOINT COMMITTEE'S FINAL ACCOUNTS FOR THE YEAR ENDED 31 MAY 2025 AND RELEVANT AUDIT 321 - 402

To receive and note the report of the Auditor General for Wales, approve the 2025/26 accounts, and authorise the Chair of the Governance and Audit Committee to sign the letter of representation for GwE.

11. TREASURY MANAGEMENT QUARTERLY UPDATE 403 - 410

To receive the report for information

12. OUTPUT OF THE INTERNAL AUDIT SECTION 411 - 433

To consider and accept the report on the work of the Internal Audit Section in the period from 1 April 2026 to 20 September 2026, comment on the contents in accordance with members' wishes, and support the actions agreed with the relevant service managers

13. REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP 434 - 446

To consider the report on the meeting held on 1 September 2026

14. INTERNAL AUDIT PLAN 2026/27 447 - 451

To note the contents of this report as an update on progress against the 2026/27 audit plan, offer comments thereon and accept the report.

15. CYNGOR GWYNEDD'S ANTI-FRAUD, ANTI-BRIBERY AND ANTI-CORRUPTION STRATEGY AND RESPONSE PLAN 452 - 469

To consider and receive this report as an explanation of the Council's arrangements for investigating and preventing fraud and corruption within the organisation and to approve the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy and the Fraud and Corruption Response Plan.

16. FORWARD WORK PROGRAMME 470 - 472

To consider and accept the work programme

GOVERNANCE AND AUDIT COMMITTEE 9th July, 2026

Present:

Vice-chair: Dewi Lewis

Councillors: Menna Baines, Wendy Cleaver, Elwyn Jones, Geraint Parry, Arwyn Herald Roberts, Richard Glyn Roberts, Ioan Thomas and Elfed Wyn ap Elwyn

Lay Members: Peter Barnes, Carys Edwards, Eifion Jones, and Paul Millar Mills

Officers: Dewi Morgan (Head of Finance), Ffion Madog Evans (Assistant Head of Finance - Accounting and Pensions), David Lloyd Williams (Group Accountant), Delyth Jones-Thomas (Investment Manager), and Lowri Haf Evans (Democracy Services Officer)

Others invited:

Item 7:	Cllr Nia Jeffreys (Council Leader), Dewi Wyn Jones (Council's Business Support Service Manager) and Sioned Mai Jones (Leadership Team Executive Officer)
Item 9:	Sioned Owen (Audit Wales)
Item 11:	Dylan Owen (Corporate Director – Social Services)
Item 12:	Dewi Wyn Jones (Council's Business Support Service Manager) and Mari Wynne Jones (Head of Adults, Health and Well-being Department)
Item 13:	Vera Jones (Democracy and Language Services Manager)

1. **APOLOGIES**

   Apologies were received from the Chair Rhys Parry and Councillors Edgar Wyn Owen, Huw Rowlands, Meryl Roberts and Angela Russell.

2. **DECLARATION OF PERSONAL INTEREST**

   None to note.

3. **URGENT MATTERS**

   None to note.

4. **MINUTES**

   The Chair accepted the minutes of the previous meeting of this committee held on 21 May 2026 as a true record**.**

5. **IMPLEMENTING THE DECISIONS OF THE COMMITTEE**

   A report was presented providing an outline of how the Council's departments had responded to the decisions of the Governance and Audit Committee so that Members could be assured

that their decisions were being addressed. It was noted that the report provided an opportunity for Members to consider the decision made with the intention of removing the item from the Action Sheet once the action had been completed. It was highlighted that the Committee's request at their last meeting to change the wording of the report to 'has been implemented' rather than 'deleted' had been implemented to highlight a more encouraging position.

Reference was made to the Committee's concern about the insufficient capacity of the Internal Audit Unit to meet the Council's expectations and the request made for a report by the Head of Finance to highlight the situation and risks. In response, the Head of Finance noted that comparative data on the Internal Audit Unit had now been received and that the situation would be considered in September. He took the opportunity to announce that the Unit had successfully appointed an apprentice to start in July for a period of two years, and that Gwawr Owen, a Senior Auditor in the Unit, had qualified as a full CIPFA accountant.

The members appreciated the update and congratulated the Unit on recruiting an apprentice and Gwawr Owen on her success.

RESOLVED

- **To accept the contents of the report.**

Note: Capital bids (the plan to extend Ysgol y Faenol car park) – full information to be submitted at the September 2026 meeting.

6. CYNGOR GWYNEDD'S ANNUAL GOVERNANCE STATEMENT FOR 2025/26

The Statement was presented by the Head of Finance. He explained that the statement, although not part of the accounts, was a statutory document which needed to be published with the accounts. In accordance with the Accounts and Audit (Wales) Regulations and the CIPFA Code of Practice, all Local Authorities must ensure that a statement of internal management was in place and that the management system was reviewed at least once a year. It was reported that the Chief Executive and the Council Leader were required to sign the statement, although the Audit and Governance Committee's approval was needed.

Some background was given to the statement which was based on the CIPFA / SOLACE Framework published in 2016 and identified 7 core principles for good governance which were then further broken down into sub-principles. It was highlighted that the Governance Arrangement Assessment Group, led by the Chief Executive, had considered these principles and sub-principles and had created a Governance Risk Register, which formed part of the Council's Corporate Risk Register. Risks had been identified in 24 different areas of governance, identifying the controls that the Council had in place to mitigate these risks.

It was reported that there were four types of risks and that each risk had departmental ownership; the Group had concluded that there were 0 areas of very high risk, 7 high risk areas, 8 areas of medium risk and 9 low risk areas. Despite recognising that the current risk score remained higher than the Council was willing to accept, further actions had been identified to minimise these risks.

In terms of adjustments, it was expressed that the Engagement risk likelihood score had increased from 3 to 4 as the preparation and conduct of consultations and engagement exercises remained very challenging.

The members expressed their thanks for the report.

During the ensuing discussion the following observations and responses were noted:

- That the Committee accepted the statement late in the process. Should the Chair attend the Governance Arrangements Assessment Group?

  The Head of Finance noted that there was room to improve the process and for the Committee to be updated during the year. He added that work was being done to strengthen the risk arrangements and that he accepted the observation to invite the Chair of the Committee to the Governance Arrangements Assessment Group when relevant.

- A suggestion that the lawfulness score should be reassessed due to the risk of 'ignoring the rule of law, which made the Council vulnerable to challenges from the courts' in light of a recent court case, namely the Article 4 Direction. Also, a request to refer to the Article 4 Direction in the statement.
- That the order of the decision which led to the loss of money in the case of the Article 4 Direction needed to be traced. Suggestion of institutional discrepancy in the willingness to take legal proceedings, e.g., officers highlighting to the Planning Committee the risk of going to an appeal and incurring costs if a decision was contrary to policy.
- Request for the Monitoring Officer to attend the meetings.

  The Head of Finance noted that the risk was set based on whether the Council was deliberately ignoring the law and in the case of the Article 4 Direction the Council had no intention of being intentionally misleading. Accepted the observation to add a clause in the statement.

- Suggestion that the Workforce Planning score should be reassessed in future due to the risk to the care sector given the constraints of recruiting care workers from overseas.

  The Head of Finance noted that the Council had a long-term project in place for future workforce planning and while accepting that recruiting and retaining care staff was a significant challenge, the score applied to the Council as a whole.

- Finance - suggestion to consider breaking down the risks of the Finance area into two separate categories, 'Overspending due to underfunding or lack of financial control' to: a) Overspending due to under-funding b) lack of financial control'.

  The Head of Finance noted that he accepted the observation that there were two different categories here and that a discussion had taken place with the Cabinet about where to draw the line – that increasing pressures on services were leading to overspending.

- Agreed that the engagement likelihood risk needed to be increased with a suggestion to gather public opinion on Council tax increases in future.

- Reference to an internal review to improve Council Tax collection arrangements - although a report had been received in response to Cyngor Gwynedd's ranking at the bottom of the Welsh table on Council tax collection rates, an update on performance was needed.

  The Head of Finance noted that although there was an improvement to the arrangements, Gwynedd had not moved up in the performance table. He added that Audit Wales was also looking into this.

- While noting that the Apprenticeship Scheme had given 90 apprentices an opportunity since 2019 this was less than 1% of the workforce. Did the Council have any plans to improve this? - it could boost future employments. Needed information about the success of the scheme; Were apprentices being employed after their traineeship? Assurance was needed that the scheme contributed to future workforce plans.

The Head of Finance noted that the scheme was dependent on how it was funded and maximising the Apprenticeship Levy. He added that he was happy with the Future Planning risk score but accepted that it was a matter for the Committee to review in terms of good governance.

RESOLVED:

- **To accept an adjustment to an increase in the likelihood score (from 3 to 4) in the Engagement risk.**
- **To accept the (draft) Annual Governance Statement.**
- **To approve the Statement and recommend that it be signed by the Council Leader and Chief Executive.**

Note:

- Include in the work programme that the Chair of the Governance and Audit Committee be invited to attend the Governance Arrangements Assessment Group where relevant.
- Consider re-scoring the Lawfulness area following a recent court case. A need to add a clause to the Article 4 Direction case in the statement.
- To consider breaking down the risks of the Finance area into two separate categories, 'Overspending due to underfunding or lack of financial control' to: a) Overspending due to under-funding b) lack of financial control'.
- Reference to an internal review to improve Council Tax collection arrangements – a request for the Committee to be updated.
- Apprenticeship Scheme - a request for a report that would include information on the success of the scheme. Assurance was needed that the scheme contributed to future workforce plans.
- Request for the Monitoring Officer to attend the meetings.

7. CYNGOR GWYNEDD SELF-ASSESSMENT 2025/26

Cllr Nia Jeffreys (Leader of the Council), and Dewi Jones (Council Business Support Service Manager) were welcomed to the meeting.

A draft was presented of the main matters to be addressed within Cyngor Gwynedd's Self-Assessment 2025/26 for the Committee's consideration and asking them to offer any comments and recommendations along with any additional matters that should be included in the report. It was reported that the Self-Assessment was a statutory requirement under the Local Government and Elections (Wales) Act 2021 which also stated that the Committee needed to be involved in the self-assessment process.

Attention was drawn to the fact that the Council already collected a lot of evidence and published documents containing the type of information expected to be included within the self-assessment – documents such as (but not limited to) annual reports on Performance, Equality, Director of Social Services and Annual Statement of Accounts. It was also noted that there was a close link between the Self-Assessment and the Annual Governance Statement and as a result an attempt had been made to keep the self-assessment relatively concise to try to avoid duplication of work/information.

It was reported that, in March 2026, the Council received a Performance Assessment from a Panel made up of independent members. It was highlighted that a Panel Assessment needed to be carried out at least once within an electoral cycle and that it related to the duty to carry out annual self-assessments of performance with those documents forming the evidence base of the assessment. It was noted that the Council was working through the response received from the Panel and that the intention was to submit an action plan in response to those recommendations to the Committee in September/October.

It was highlighted that presenting the main issues at the beginning of the process was in response to the Committee's desire to have the opportunity to provide input earlier into the content of the self-assessment report. The Committee would also be able to provide observations/recommendations to the final draft report in September/October before it was submitted to the Cabinet in October/November and to the Full Council in December 2026.

Members expressed their thanks for the report.

During the ensuing discussion, the following observations were noted:

- That the content of the self-assessment was good, but there was room for improvement.
- A need to insert a reference to legal challenges to which the Council was exposed.
- Education Transport Policy 'being developed': a risk that the delay would have an impact on pupil attendance along with the practical shortcomings of school bus route problems.
- The reference to the Visitor Levy highlighted that the decision had been made despite the consultation period not having ended.
- Those statements that were outdated needed to be verified, e.g. the Language Policy had been approved and was not 'out for consultation'.
- It needed to be highlighted that funding for the Pupil Immersion Units was challenging – lobbying was needed to ensure that the Units were fully funded by the Government.
- Infrastructure in the rural areas of Dwyfor and Meirionnydd - note the challenge of trying to attract funding to improve the infrastructure.
- Introducing a council tax premium – noting the challenge of coping with the extra work of collecting and implementing the premium.
- Improving Council Tax collection arrangements – the challenge to improve performance compared to other Councils.
- A need to evaluate educational achievements in literacy and numeracy. What is the challenge that has been set to achieve this?
- Apprenticeship Scheme - assurance was needed that the scheme contributed to future workforce plans.

RESOLVED:

- **To accept a draft report of the 2025/26 CYNGOR GWYNEDD SELF-ASSESSMENT**

8. CYNGOR GWYNEDD STATEMENT OF ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2026 (SUBJECT TO AUDIT)

The Assistant Head of Finance - Accounting and Pensions explained that the accounts had been completed and released for audit by Audit Wales, the Council's external auditors, since the end of June. It was noted that the statutory timescale for the audit of the accounts was the end of September, so it was Audit Wales's intention to complete the audits so that the final accounts could be approved at the Committee on 29 September 2026.

The contents of the report were described, explaining that five sets of accounts for 2025/26, were being completed.

1. Cyngor Gwynedd
2. Gwynedd Pension Fund
3. GwE (substantially sized joint committee and therefore Full Statements had been prepared)
4. Gwynedd Harbours (which had already been submitted to the 21 May 2026 Committee)
5. North Wales Corporate Joint Committee

Members were reminded that the year-end financial position for 2025/26 had been submitted to the Committee on 21 May 2026 in the form of a simple out-turn, but that the Statement of Accounts, which was for external and governance purposes, had to be completed in the CIPFA standard format. It was now a lengthy and technically complex document.

Reference was made to the Narrative Report that provided information about the Accounts and on the vision and priorities of Gwynedd, the Financial Strategy and the financial performance measures. Members were guided through the report, and details were provided on some of the elements:

- Summary of capital expenditure. There was expenditure of £84 million during the year compared to £85 million in the previous year.
- The main financial statements included an Income and Expenditure Statement, Balance Sheet, Cash-flow, etc.
- Movement in Reserves Statement which was an important statement and summarised the Council's financial position. It was highlighted that the Council's general balances were £14.5 million at the end of March 2026 – up £6.6 million from £7.9 million at the end of March 2025 due to the Statutory Finance Officer's opinion that the Council's General Balances needed to be increased so that they represented 2.5% of the authority's gross revenue expenditure, transferring an amount from the Financial Strategy Fund.
- That Reserves highlighted an increase in the £111 million funds at the end of March 2025 to £112 million by the end of March 2026.
- School Balances where there was a steady reduction in school balances which had fallen from £8.5 million at the end of March 2024, to £8.3 million by the end of March 2025, to £7.1 million by the end of March 2026, which now highlighted a picture that was nearer to pre-Covid balance levels. It was explained that this was the general picture in Wales as school balances had been high due to a number of grants provided in light of Covid.
- Earmarked Reserves including an analysis of the £112 million reserves - capital reserves, the Council Plan/Transformation reserve, supporting the financial strategy reserve and the Council's Tax Premium reserve.
- Reference was made to Note 15 - Property, Plant and Equipment which presented a breakdown by category of land and buildings, vehicles, plant and equipment, etc. Capital Commitments included schemes such as the work on Ysgol Ein Harglwyddes, Bangor, Canolfan Dolfeurig and capital works on a development at Coed Mawr Bangor and on Parc Eryri Industrial/ Business Units in Penrhyndeudraeth.
- Note 22 Provisions relating to Waste Sites and insurance claims, Note 30 relating to Officers' Remuneration, and Note 32 details of Grant Income received (over £154 million in 2025/26 compared to £207 million in 2024/25, highlighting the Levelling Up Fund, which was £82 million in 2024/25, but reduced to £37 million in 2025/26, which had had a significant impact on the grant figures and on the figures in the accounts).
- Note 36 - details of Exit Packages for the last two years.
- Note 39 - Contingent Liabilities such as landfill sites and insurance with reference to a liability in education.
- Note 43 - details of Cyngor Gwynedd's participation in Joint Operations and Joint Committees.
- Appendix B - The Tithe Fund and the FMG Morgan Trust Fund.

Members expressed their thanks for the report and the Department for completing the accounts, albeit complex, in such a timely and tidy manner.

In response to a question about the meaning of the term 'unusable reserves' (Note 23) and what examples could be presented, it was noted that these reserves could not be used to fund the Council's expenditure, but to maintain and manage technical accounting processes required to comply with the requirements of CIPFA.

In response to a question regarding an approved expenditure commitment of £2 million for the upgrade of the Council's mandates due to a significant lack of investment in the past and why the figure had not been recognised in the accounts, it was noted that the amount had been included in Note 15 – Property, Plant and Equipment due to the need to follow the standard format.

In response to a question about the increase in capital reserves from £26 million to £36 million and whether this was a normal situation, it was noted that substantial grants had been received including to complete school maintenance which as a result highlighted a slippage in Council expenditure and therefore an increase in the relevant fund. It was added that the Housing and Property Department had also received significant grants with the same impact on their funds.

In response to a question as to why the Financial Strategy Support Fund had reduced, the Head of Finance stated that this was because £6.6 million had been transferred to the general reserves because he considered that, as a Statutory Finance Officer, it was necessary to increase the Council's General Balances to represent 2.5% of the authority's gross revenue expenditure.

RESOLVED:

- **To accept and note the Council's Statement of Accounts (subject to audit).**

9. THE GwE JOINT COMMITTEE'S ACCOUNTS 2025/26 FOR THE PERIOD OF TWO MONTHS TO 31 MAY 2025 - OUT-TURN REPORT, STATEMENT OF ACCOUNTS SUBJECT TO AUDIT AND THE GOVERNANCE STATEMENT

The Assistant Head of Finance Department - Accounting and Pensions explained that Cyngor Gwynedd, as the host Council, was responsible for carrying out the accounting responsibilities and reporting on the financial matters of the GwE Joint Committee. GwE ended on 31 May 2025, and as the Joint Committee did not meet after this date, the decision made was to submit the accounts for the two-month period 2025/26 to the Governance and Audit Committee.

It was reported that Audit Wales had received the accounts since the beginning of April and the accounts had been subject to audit since then. Like the Gwynedd accounts, Audit Wales intended to complete the audit before the end of September 2026 so that they could receive final approval at the Committee meeting on 29 September 2026.

Reference was made to the out-turn position, which was a breakdown of the final position. It was noted that there had been expenditure of £1.1 million during the two months and it was noted that the relevant contributions to fund the costs had been collected from North Wales Councils and other relevant sources.

In the context of the Statement of Accounts, it was highlighted that the Accounts and Audit Regulations required each Joint Committee to prepare annual accounts, and as GwE's turnover in a normal year had exceeded £2.5 million, a statement of accounts had to be prepared in accordance with the CIPFA code.

It was also noted that as part of the GwE governance process, at the last meeting of the GwE Joint Committee on 21 May 2025, an Annual Governance Statement for 2024/25 was submitted and received, ten days before the GwE Joint Committee was due to end. There was no change in the operation of GwE during the last two months of its existence, and therefore a request was made to the Committee for approval to extend the period of the 2024/25 Annual Governance Statement for the first two months of the 2025/26 financial year up to 31 May 2025, in order to comply with statutory requirements**.**

In line with following GwE's termination arrangements on 31 May from 2025, and to comply with the regulations as an entity ceases to be an active member of the pension fund, it was clarified that the Pension Fund was required to carry out a termination valuation (assisted by the Fund's Actuary) and determine whether a related severance payment applied. The value of the surplus at GwE's termination date was identified as almost £9.4 million. With the value of the employer's contributions at 55% of the overall surplus, equivalent to £5.1 million, this amount was distributed to the authorities based on their contributions to the GwE budget since it was established. Reference was made to the amounts that had been distributed at the end of the financial year to North Wales Councils with a figure for Cyngor Gwynedd at £908 thousand.

The members expressed their thanks for the report.

RESOLVED:

- **To note and accept the GwE Revenue Income and Expenditure Account 2025/26 in the form of an "out-turn" report for the period of two months to 31 May 2025.**
- **To note and accept the GwE Statement of Accounts 2025/26 (subject to audit) for the two months to 31 May 2025.**
- **To approve to extend the period of the Annual Governance Statement for 2024/25 to cover the first two months of the 2025/26 financial year to 31 May 2025, to comply with statutory requirements.**

10. TREASURY MANAGEMENT

A report was presented by the Investment Manager reporting that the Treasury Management Strategy for the year 2025/26 had been approved at the Full Council meeting in March 2025. It was explained that the report before the committee summarised the activities of the year ending 31 March 2026.

It was reported that the year had been a very busy one for the Council's treasury management activity as the activity had remained within the constraints originally set and £1.7m of interest was received on investments which was slightly higher than the £1.6m noted in the budget.

On 31 March 2026, the Council was in a very strong position with net investments due to the high level of investments and operational capital. This included the Pension Fund's money, and the level had decreased due to the transfer of funds from the North Wales Corporate Joint Committee at the beginning of the financial year.

Reference was made to the borrowing activity noting the decision to repay a historic £16.2m loan from the bank due to favourable terms. It was noted that the strategy had enabled the reduction of net borrowing costs (despite the lost investment income) and the reduction of the Council's overall treasury risk.

It was explained that the Council, as was consistent with the type of investments made for a number of years now continued to invest money in banks and building associations, local authorities, money market funds, debt management office and pooled funds. It was added that the pooled funds were medium/long term investments that brought a very good level of income, with the Council's funding levels being healthy.

It was noted that all activities complied with the CIPFA code of practice, and the Council's treasury management, apart from two occasions within investment constraints due to historical limits having been followed for a very short period – measures were now in place to ensure that this did not happen again. It was added that treasury management indicators were fully compliant with them, which was good news, and showed sound control over the money.

Members expressed their thanks for the report and for the assurance that there was sound control over the money.

In response to a question about the relationship between Treasury Management and increasing pressures on the Council's service costs and the sustainability of the situation, it was noted that an annual presentation by Arlingclose looked at the capital plans so that it was possible to keep within internal resources (although there was a need to borrow at the end of 2027 for a short period). It was added that consideration was given as to how to finance revenue and capital budgets before spending.

RESOLVED

- **To accept the report and note the information.**

11. ESTYN INSPECTIONS AND CARE INSPECTORATE WALES REPORT

Following a Joint Audit by Care Inspectorate Wales and Estyn in November 2025, and a report highlighting the findings of that audit to the Governance and Audit Committee in February 2026, an update on progress against the four recommendations was presented by the Corporate Director of Social Services. Members were reminded that several of the recommendations were already being addressed through the Action Plan developed in response to the Our Bravery Brought Justice report.

Members expressed thanks for the report, and it was pleasing to see that the improvements were going in the right direction.

Observations arising from the ensuing discussion:

- An update was needed on disciplinary matters. While accepting that the matter was confidential, the public needed to have the information.
- Concern about the time it was taking to clear up the matter. A need to be more transparent and open.
- A clear picture was needed of the impact and uncertainty on those members of staff who had taken on additional burdens.

In response to the comments, the Corporate Director noted that the Response Board, which was leading on the Wider Response Plan, would be meeting in September 2026 where a wider update and response was expected. It was noted that investigations were ongoing and that the Council was following a specific procedure to deal with the matter.

RESOLVED

- **To accept the report and note the information.**
- **To welcome that the improvements were going in the right direction.**

Note:
That the Committee received an update on the work of the response plan to Our Bravery Brought Justice; to include updates on disciplinary matters and the additional impact on staff because of the uncertainty surrounding this issue.

12. RECOMMENDATIONS AND IMPROVEMENT PROPOSALS OF EXTERNAL AUDIT REPORTS

A report was presented by the Council's Business Support Service Manager highlighting the need for the Committee to be satisfied that appropriate arrangements were in place to ensure that improvement proposals arising from external audit reports were realised; that national and local external audit reports for Gwynedd needed to be considered, along with the recommendations, implications for governance, risk management or management. Members were reminded that they had made a decision at the February 2025 meeting to amend the reporting procedure on the recommendations and improvement proposals so that the assurance to respond earlier to the recommendations could be strengthened by submitting the Council's response to the Committee and then having 12 months to act before returning to the Committee to report on the action.

The list of audits carried out by external auditors between 2025 and 2026 was highlighted along with their proposals for improvement, the actions identified in the organisational response and an expected completion date.

RESOLVED

- **To accept the report and note the information.**
- **That the actions need to be monitored and make sure the action is moving in the right direction.**

13. NORTH WALES CORPORATE JOINT COMMITTEE – NOMINATION OF A LAY MEMBER FOR THE GOVERNANCE AND AUDIT SUB-COMMITTEE

A report was presented by the Democracy and Language Manager stating that, in accordance with the provisions of the Local Government and Elections (Wales) Act 2021 ('the 2021 Act') the North Wales Corporate Joint Committee 2021 needed to establish its own Audit Governance Committee. In December 2025, the Governance Sub-Committee was established with the membership to consist of six Councillors (one from each of the Constituent Councils) and three lay members.

It was reiterated that it was the wish of the Governance and Audit Sub-committee to appoint members of the current Governance and Audit Committees of the Constituent Councils and for each of the Constituent Councils to nominate a Councillor from its own Governance and Audit Committee as its principal nominee along with a second Councillor to act as a deputy (to ensure a quorum when the principal nominee was unavailable). Those Constituent Councils were required, if they wished, to also nominate a lay member for consideration to serve on the North Wales Corporate Joint Committee's Governance and Audit Sub-committee.

It was explained that in recent months, a seat had become vacant on the Sub-committee and that a lay member needed to be nominated to serve on it. In accordance with the procedure, nominations would be put forward by the constituent councils and if more nominations than required were proposed, the North Wales Corporate Joint Committee would select a lay member considering the role description, person specification and other background information.

The members appreciated the report.

In response to a request for the Corporate Joint Committee to consider a delegation arrangement for Lay Members as arranged for the Elected Members, the Democracy and Language Manager stated that there was no arrangement in place at this time, but that she would refer the suggestion to the Joint Committee for consideration.

RESOLVED

- **To nominate Dewi Lewis as a Lay Member for the Governance and Audit Sub-committee of the North Wales Corporate Joint Committee.**

Note:
Request that the Corporate Joint Committee consider a delegation arrangement for Lay Members as has been arranged for Elected Members.

14. THE GOVERNANCE AND AUDIT COMMITTEE'S FORWARD PROGRAMME

A forward programme of items for the Committee meetings was presented up to July 2027.

RESOLVED:

To accept the Work Programme for July 2026 - July 2027.

The meeting commenced at 10.00 and ended at 11:55

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CHAIR

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**29 SEPTEMBER 2026**
TITLE	**IMPLEMENTING THE DECISIONS OF THE COMMITTEE**
PURPOSE OF REPORT	**TO PRESENT AN UPDATE ON IMPLEMENTING THE COMMITTEE'S PREVIOUS DECISIONS**
AUTHOR	**DEWI MORGAN, HEAD OF FINANCE**
ACTION	**FOR INFORMATION**

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1. INTRODUCTION

1.1 The purpose of this report is to outline how Council departments have responded to the decisions of the Governance and Audit Committee, so that members can receive assurance that their decisions are being addressed.

1.2 This contributes to reassuring members that the Council's governance is operating effectively.

1.3 This item is an opportunity for all members of the Governance and Audit Committee to consider the decisions made. Where the action has been completed, or where further action was not necessary, the line is removed from the table after the Committee has considered the matter.

ACTION SHEET

2. Decisions since establishing the new Council (May 2022)

Meeting of 16 January 2025

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
WALES AUDIT OFFICE REPORTS – 'LOCAL GOVERNMENT FINANCIAL SUSTAINABILITY' AND 'FINANCIAL SUSTAINABILITY REVIEW – CYNGOR GWYNEDD'	• To accept the National and Local reports • To accept the Council's response to the recommendations	Following the receipt of support and CIPFA guidelines, the Response Work Programme is to be presented to the Committee by March 2026. Performance reports will be presented to Scrutiny Committees to show that the statutory requirements are being met.	Head of Finance	The report's recommendations have been taken into account in the review of the Medium-Term Financial Plan. That will be reviewed over the next few months and an update to the CATC will be presented to the October 2026 meeting of the Committee, which will address remaining issues.	**No**

Meeting of 15 January 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
COUNCIL TAX REDUCTION POLICY UNDER SECTION 13A(1)(C) OF THE LOCAL GOVERNMENT FINANCE ACT 1992	• Accept the report, noting the position and relevant risks • Welcome the Cabinet's decision to approve the Policy • Welcome that the Policy is under continuous review and can be adapted in response to any legislative changes or changes in circumstances	Reword paragraph 3.3 of appendix 2 – Equality Impact Assessment to reinforce the statement Add sustainable tourism as a priority area to paragraph 4.5, Cabinet Report	**Assistant Head of Finance – Sustainability and Developments, Taxation Manager**	These points will be given consideration when the Policy is reviewed	**No – to be retained until the Policy has been formally reviewed**

Meeting of 3 February 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
URGENT MATTERS	Concern that the Internal Audit Unit does not have sufficient capacity to meet the Council's expectations	• Accept a report from the Head of Finance outlining the position and potential risks • Need assurance that the work required of Internal Audit continues to be of a high standard	Head of Finance	The service has been successful in appointing an apprentice who started with the service at the end of July. The Head of Finance has now received comparative data and will discuss making a bid for additional resources for 2027/28 with the Cabinet Member, as the bid submission period started in September. Since we are anticipating a poor settlement for 2027/28, the likelihood of success is low.	**No**
BUDGET 2026/27	• Accept the report, noting its contents • Accept the financial propriety of the	C**apital bids list** • Scheme to extend the Ysgol y Faenol car park. Request from the Local Member for	Head of Finance	The budget was presented to the Cabinet on 10 February and approved by Full Council on 5 March.	**No**

	proposals and the associated risks • Submit comments from the discussion for the Cabinet to consider when discussing and approving the 2026/27 Budget at its meeting on 10/02/26 • Thank the Finance Department for the thorough work in preparing the Budget • Overspending position is a concern • Concern that reserves are decreasing – welcome the harvesting exercise	further details regarding the reasons for the time slippage (original date 2021) and the costs associated with the delay • Suggestion to present Council Tax information in monetary (£) terms rather than percentages (%) only • Statement by the Finance Officer: 'it is inevitable that the budget contains an element of risk from assumptions' … are there plans in place should there be a decrease in premium housing income but an increase in demand for house building?		Ysgol y Faenol – see the decision action sheet for the meeting on 9 July 2026 below. The report format will be considered when the 2027/28 Budget report is presented. Plans for the possibility of a reduction in Premium income are being considered as part of the review of the Housing Action Plan.	
BUDGET 2026/27 (continued)	• Development plans / improvements to Residential Care provision in Gwynedd –		Assistant Head – Business and Commissioning	It is premature to present an update on the Housing LIN Wales report at this	**No**

	request that the findings of the Housing LIN Wales investigation be presented to the Committee			meeting. The report is expected to be considered by the Leadership Team in October and, subject to that, by the Cabinet in November. Consequently, it is intended that an update will be presented to the Committee at the first meeting following those stages.	
WALES AUDIT REPORTS – TEMPORARY ACCOMMODATION, A LONG-TERM EMERGENCY?	• Accept the Wales Audit Office National Report • Accept the Council's organisational response to the recommendations: -A1 Value for Money -A2 Planning for Prevention -A3 Partnership Working • Welcome the good work being undertaken by the Homelessness Unit • Request a report providing an update on the pilot work being undertaken by the	• Request a report providing an update on the pilot work being undertaken by the Council to bring empty homes back into use • Receive an update on the progress of the organisational response plan	Head of Finance Homelessness and Support Manager, Assistant Head of Business	In line with the new arrangements, an update on progress with the organisational response will be presented to the Committee following the agreed completion date for the work in March 2027.	**No**

	Council to bring empty homes back into use • Receive an update on the progress of the organisational response plan				

Meeting of 21 May 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
FINAL ACCOUNTS 2025/26 – REVENUE OUTTURN	• Receive the report and note the relevant risks	• Invite the Heads of those Departments that are overspending to the Committee to report on the overspend • That a report be submitted to the Committee on Article 4 legal costs	Head of Finance	These reports will be scheduled during the year as appropriate	**No**
INTERNAL AUDIT OUTPUT	• Accept the report and support the actions already agreed with the relevant services – with a specific request to revisit the Fleet Fuel Usage arrangements • Refer the matters of School Transport, Breakfast Clubs and Fire Arrangements to the	• Received without objection	Audit Manager	An update has been included as an item on this meeting's agenda.	**Yes**

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
	Service Improvement Working Group for more detailed consideration of the concerns • Nominate Rhys Parry (Chair), Dewi Lewis (Vice-chair), together with Councillors Richard Glyn, Menna Baines and Ioan Thomas as members of the Working Group • That a report on Category Management – Environment be presented to the Committee				
WALES AUDIT OFFICE REPORTS	• Accept the national reports • Accept the Council's response to the recommendation in the report *"Building Blocks? Capital Planning in Welsh Councils"* – *'Councils should review*	• Request to present an Asset Management Plan to the Committee	Senior Executive Manager	An update will follow a review of the Asset Management Plan during 2026/27.	**No**

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
	their capital planning arrangements in order to identify and implement opportunities for improvement'				
SPECIAL AUDIT REPORT UPDATE – HOME CARE	• Accept and note progress on the Council's Home Care arrangements • A further update is required in 6 months on the progress and success of the work programme • That there's a need to look at standardizing pay across every sector – this is key if Gwynedd Council wants to keep offering quality care	• Received without objection	Assistant Head – Business and Commissioning	Further Update in six months (January 2027).	**No**

Meeting of 9 July 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the

					Action Sheet?
IMPLEMENTING THE DECISIONS OF THE COMMITTEE	Accept the contents of the report.	Capital bids (Ysgol y Faenol car park extension scheme) – full information to be presented at the September 2026 meeting.	Head of Finance	The delay to the programme has arisen from complex legal issues that needed to be resolved in order to complete this project. Following capital investment to modernise Ysgol y Faenol and increase the school's capacity to 315 pupils, together with the relocation of Canolfan Penrhosgarnedd to share the site and provide a new facility for its use, the parking requirements increased significantly compared with the original plans. As a result, it was necessary to develop an expanded scheme to provide additional parking spaces on the site and secure additional	**Yes**

				funding for this work. A successful corporate bid was submitted to increase the capital budget in order to enable this additional provision. In terms of the costs associated with the delay, the increase relates primarily to the additional investment required to provide the extended car park and associated works. Demolition work at the former Canolfan Penrhosgarnedd and construction of the new car park has been underway since June 2026, and the project is expected to be completed by January 2027.	
CYNGOR GWYNEDD ANNUAL GOVERNANCE	• Accept the amendment to the likelihood score for	• Include in the work programme that the Chair of the	Head of Finance	• The Leader of the Council and the Chief Executive have signed the	**No**

STATEMENT 2025/26	the Engagement risk (from 3 to 4). • Accept the draft Annual Governance Statement. • Approve the Statement and recommend that it be signed by the Council Leader and the Chief Executive.	Governance and Audit Committee is invited to attend the Governance Arrangements Assessment Group when relevant. • Consider rescoring the Legality risk area following a recent court case. A clause relating to the Article 4 case should be added to the Statement. • Consider splitting the Finance risk area into two separate categories: "Overspending due to underfunding" and "Lack of financial control". • Reference the internal review to improve Council Tax collection arrangements and provide an update to the Committee.		Statement and it has been included with the Statement of Final Accounts as a separate item on the Committee's agenda. • The invitation to the Chair was discussed at the Governance Group meeting on 21 September. • The legality risk score has been considered by the relevant officers in the context of the governance arrangements in place to protect against members or officers deliberately breaking the law, which is the description of this risk. •Update to the committee on improvements to the Council tax collection arrangements.	

		• Apprenticeship Scheme – request a report containing information on the success of the scheme and assurance that it contributes to future workforce plans. • Request that the Monitoring Officer attend Committee meetings.		•Presentation of a report on the successes of the apprenticeship scheme.	

CYNGOR GWYNEDD SELF-ASSESSMENT 2025/26	• Accept the draft 2025/26 Gwynedd Council Self-Assessment report.	• The content of the self-assessment is good, but there is room for improvement. • Reference should be made to the legal challenges to which the Council is exposed. • Development of the Education Transport Policy is "under development"; there is a risk that delays could impact pupil attendance and compound practical issues relating to school bus routes. • The reference to the Visitor Levy suggests that a decision has been made before the consultation period has ended. • Outdated statements should	Council Business Support Service Manager / Leadership Team Executive Officer	The Committee will also be invited to submit comments and recommendations on the final draft report during October before it is presented to the Cabinet in November and to the Full Council in December 2026. A draft of the document will be presented to the Committee at its October meeting.	**No**

		be reviewed, for example the Language Policy has been approved rather than being “out for consultation”. • The challenges of funding the Immersion Units should be highlighted, together with the need to lobby Government to fully fund them. • Infrastructure in rural areas of Dwyfor and Meirionnydd: highlight the challenge of attracting funding to improve infrastructure. • Introduction of the Council Tax premium: highlight the challenge of managing the			

		additional collection and administration work. • Improving Council Tax collection arrangements: challenge of improving performance compared with other councils. • Educational attainment in literacy and numeracy should be considered, including the challenges involved in achieving improvements. • Apprenticeship Scheme: assurance required that the scheme contributes to future workforce planning.			
ESTYN AND CARE INSPECTORATE WALES INSPECTION REPORT	• Accept the report and note the information.	• The Committee to receive an update on the implementation of	Corporate Director of Social Services	An item will be presented at the September meeting to provide an update on the response	**Yes**

	• Welcome that improvements are moving in the right direction.	the response plan to the *Our Bravery Brought Justice* Report, including updates on disciplinary matters and the additional impact on staff arising from the uncertainty surrounding the matter. •		plan to the *Our Bravery Brought Justice* Report, together with an update note from Legal Services regarding the other matters.	
NORTH WALES CORPORATE JOINT COMMITTEE – NOMINATION OF A LAY MEMBER TO THE GOVERNANCE AND AUDIT SUB-COMMITTEE	• Nominate Dewi Lewis as a Lay Member of the Governance and Audit Sub-Committee of the North Wales Corporate Joint Committee.	• Request that the Corporate Joint Committee consider introducing delegation arrangements for Lay Members similar to those available to Elected Members.	Democracy and Language Service Manager	View of the North Corporate Joint Committee's monitoring officer: It is not considered appropriate for a lay member to be represented by a deputy. Lay members are appointed based on their individual skills and experience, and are therefore expected to discharge their duties	**Yes**

				personally. This differs from elected members, who represent an organisation and—where arrangements permit—may be represented by an elected deputy.	

3. RECOMMENDATION

3.1 The Governance and Audit Committee is asked to:

- **Consider the contents of the action schedule above and offer comments**
- **Agree to remove from the schedule those items identified as suitable for deletion**

Meeting:	Governance and Audit Committee
Date:	29 September 2026
Title:	Update on the Progress of the Response Plan: Our Bravery Brought Justice
Cabinet Member:	Cllr Nia Jeffreys – Council Leader
Contact Officer:	Dafydd Gibbard - Chief Executive
Reason for Scrutiny:	The item has been included on the scrutiny work programme following the committees' previous consideration in January 2026 and as part of the need to scrutinise the progress of the Response Plan.

1. Why it needs scrutiny

1.1. *Our Bravery Brought Justice* (Child Practice Review Report by North Wales Safeguarding Board) was published on 4 November, 2025.

1.2. Prior to that, the Council had adopted its original Response Plan in January 2025 and following the publication of *Our Bravery Brought Justice* a revamped Response Plan was submitted to the Response Board on 8 December, the Care Scrutiny Committee on 13 January 2026, the Governance and Audit Committee on 15 January 2026, the Education and Economy Scrutiny Committee on 19 January 2026 and the Full Council on 5 February.

1.3. Following input from the above Committees the Cabinet adopted the final Plan, on 10 March 2026.

1.4. This report is presented to provide an update on the progress of the Response Plan. It is recognised that delivering the Response Plan involves more than completing individual tasks. Further work continues on more long-term matters related to culture change, measuring impact and embedding improvements sustainably. In any programme of significant change such as this, elements such as embedding culture are ones that will need to continue for a significant period of time and will need to be continually revisited over the coming years.

1.5. The report also sets out the actions taken in response to members' comments and recommendations during the forward scrutiny, provides an overview of progress made across the work-streams and outlines the next steps.

1.6. The purpose of the scrutiny is to enable members to consider and challenge the progress made, how the work has been influenced by the committees' previous comments and recommendations, and what the arrangements are to continue to ensure progress.

2. What exactly needs scrutiny?

2.1. The Committee is asked to:

a) Note and scrutinise the progress made in delivering the Response Plan.
b) Consider the response to the comments and recommendations submitted by the Scrutiny Committees in January 2026.
c) Offer any further comments on the work that is underway.
ch) Note the suggestion regarding the future scrutiny arrangements of the Response Plan.

3. Progress update

3.1. Since the publication of the *Our Bravery Brought Justice* report in November last year, significant progress has been made across all themes of the Response Plan's work programme.

3.2. Following the publication of the report the Council stated clearly that we would implement the recommendations in full.

3.3. *Our Bravery Brought Justice* made 27 specific recommendations and placed the responsibility for taking action on various local and national organisations. The report emphasised not only the need to improve arrangements locally, but also the need to learn the lessons and improve nationally if we are to give the best chance of preventing such horrific crimes in the future. The recommendations and the responsibility for taking action can be summarised as follows:

Recommendation for whom?	Number
Cyngor Gwynedd	1
Betsi Cadwaladr University Health Board	1
Regional Safeguarding Board / Regulators	4
All Organisations / Local Authorities	8
Welsh Government	13

3.4. Although there was only one recommendation specifically for Cyngor Gwynedd, we stated clearly that we would act on all possible recommendations. Whilst it was not possible for us to act on a recommendation to the Health Board (1), we were able, and indeed needed, to ensure that we were ahead in terms of the recommendations that had been designated for "All Local Authorities" and also to tried to do everything within our power to deliver the Regional and National recommendations, whilst accepting that we would not be able to fully deliver these until other organisations had carried out their work.

3.5. In addition to this, it was also made clear that our Response Plan would go further than the specific recommendations set out in Our Bravery Brought Justice. We went through the body of the report with a fine comb identifying every opportunity for us to learn, thereby strengthening our arrangements and the safeguarding culture. We had also commissioned a number of independent investigations and specific recommendations had stemmed from these and it was therefore important that they were included in our Response Plan.

3.6. Therefore, the Response Plan consists of a total of 55 work-streams, and these can be summarised as follows:

WORK-STREAMS	**QUANTITY**
OBBJ Recommendations (to Cyngor Gwynedd or all organisations)	9
OBBJ Recommendations (National/Regional)	17
Work-streams Beyond OBBJ Recommendations	29

3.7. In order to carry out this enormous work, a detailed work programme was developed consisting of over 200 individual actions and tasks. It was agreed to give the highest possible priority to delivering the work. A Theme Leader was identified to correspond to each theme within Our Bravery Brought Justice and in setting a budget for 2026/27 the Council decided to invest an additional £600,000 of revenue budget into areas of work related to Safeguarding. In due course other Authorities will need to invest similar amounts, if they are to incorporate everything that was in Our Bravery Brought Justice into their working arrangements.

3.8. One year later the delivery and progress across all work-streams in the Response Plan can be summarised as follows:

WORK-STREAMS	Number of Recommendations	Completed / Incorporated permanently (in Gwynedd)	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	9	8	1	0
OBBJ Recommendations (Regional and National)	17	9	1	7
TOTAL OBBJ RECOMMENDATIONS	**26**	**17**	**2**	7
Work-streams Beyond OBBJ Recommendations	29	26	2	1
TOTAL OF ALL RESPONSE BOARD WORK-STREAMS	55	43	4	8

3.9. As can be seen from the table, 43 out of all 55 work-streams have now been delivered and/or incorporated as ongoing arrangements and activities within the Council's services.

3.10. 8 out of the 9 Our Bravery Brought Justice recommendations that had been designated to Cyngor Gwynedd (or all Councils) have been delivered with the remaining one in the pipeline and scheduled for completion before Christmas.

3.11. 9 of the 17 Our Bravery Brought Justice recommendations designated to Regional and National organisations have been delivered in Gwynedd. 3 of these have been delivered by those organisations, with the other 6 delivered by the Council itself. The remaining 8 recommendations are dependent on factors beyond the direct control of the Council, as they are regional and/or national matters that are dependent on implementation by those organisations.

3.12. A further 4 work-streams are underway and nearing completion, with the timetable to complete these before Christmas.

3.13. We will therefore have completed all work-streams that are within our control as a Council by the end of 2026.

3.14. In addition, the vast majority of recommendations received from the scrutiny committees, the Governance and Audit Committee and the full Council have now been fully implemented, with 28 of the 30 completed. The remaining five recommendations are in the pipeline, with the progress and impact of which detailed in part 2 of this report.

3.15. It is recognised that delivering the Response Plan involves more than completing individual tasks. Further work continues on more long-term matters related to culture change, measuring impact and embedding improvements sustainably. In any programme of significant change such as this, elements such as embedding culture are ones that will need to continue for a significant period of time and will need to be continually revisited over the coming years. This is detailed in part 6 of this report.

3.16. The Response Board has monitored progress across each of the work themes and has established thematic reporting arrangements to enable detailed attention to progress, risks, actions and measuring impact. These arrangements have matured further since the last reporting period and provide greater certainty about the delivery of the work programme. This, and the work of the Ministerial Assurance board, is detailed in part 7 of this report.

3.17. In response to feedback and requests from the Scrutiny Committees and others, this year further progress has been made in strengthening transparency and accountability by publishing the Response Board papers on the Council's website and developing more accessible materials. This includes a version of the Response Plan for children and families, along with infographics, to make key information easier to understand to a wider audience. (See **Appendices 3, 4 and 5**)

3.18. Members will be aware of the commitment to commission further investigations into certain areas. These were commissioned by Cabinet on 19 May 2026 and a copy of that report can be seen at **appendix 7**. All of these have been commissioned and have followed/are following the timetable agreed at the time.

4. What has been achieved per Response Plan theme?

4.1. The Our Bravery Brought Justice report was divided into 6 Themes, and as set out in 3.7 above, the Council identified an individual Theme Leader to accompany each of these Themes and lead on the delivery of all the resulting work-streams.

4.2. The Themes, and the Theme Leaders, are as follows:

Theme	Leader
Theme 1: Voice of the Child and Supporting Victims	Gwern ap Rhisiart, Head of Education
Theme 2: Managing Allegations and Concerns About Adults Working with Children	Sharron Williams Carter, Head of Children and Supporting Families Department
Theme 3: Training and Policies	Ian Jones, Head of Corporate Services
Theme 4: School Governance	Alison Halliday, Assistant Head of School Support
Theme 5: Restrictive Practices	Llion Williams, Safeguarding and Well-being Quality Leader
Theme 6: Crisis Planning and Crisis Response	Catrin Love, Assistant Head of Corporate Services

4.3. To provide more detail on the progress made, please see below a summary of the main developments under each of the themes of the Response Plan.

4.4. Theme 1 – The Voice of the Child and Supporting Victims

THEME 1 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	6	6	-	-
OBBJ Recommendations (Regional and National)	1	-	-	1
Work-streams Beyond OBBJ Recommendations	2	2	-	-
TOTAL	9	8	-	1

4.4.1. All recommendations under Theme 1 that are within the Council's control have now been completed or incorporated into ongoing arrangements that are established and operational.

4.4.2. Key developments include:

- Developing the Voice of the Child Strategy from an early draft to a comprehensive strategy with four specific appendices. It will be submitted to Cabinet in October to be formalised.
- Extensive consultation and engagement with the Youth Forum throughout the period.
- Ensuring that all schools now have access to an electronic system to record concerns and changes in behaviour.
- Creating a work programme for trauma-informed and compassionate training, and children's rights training for the workforce.
- Continuing to support victims through regular engagement, ISVA support and interventions tailored to the needs of individuals and families. This is an ongoing area of work that provides long-term support.
- Ensuring that all children named as part of a referral have the opportunity to have a conversation with a social worker so that their voice can be heard.

4.4.3. The only remaining recommendation* under this theme is one that depends on national curriculum changes by the Welsh Government, and is therefore outside the Council's direct control.

**Recommendation 8 OBBJ: That the Welsh Government develop the curriculum to ensure pupils have the knowledge to understand grooming behaviour by adults and know how to report this safely to an adult*	*We cannot act until the national curriculum has been adapted*

4.5. Theme 2 - Managing Allegations and Concerns About Adults Working with Children

THEME 2 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	1	1	-	-

OBBJ Recommendations (Regional and National)	6	4	-	2
Work-streams Beyond OBBJ Recommendations	8	7	-	1
TOTAL	15	12	-	3

4.5.1. All recommendations under Theme 2 that are within the Council's control have now been completed or incorporated into ongoing arrangements that are established and operational.

4.5.2. Key developments include:

- Developing and implement a new Quality Assurance Framework across the Children's Department.
- Ensuring that information on historical claims is considered as part of the Part 5 threshold assessment process.
- Holding a successful pilot of *Beam Notes* (formerly Magic Notes). Beam Notes has now been incorporated as part of wider developments within Social Services recording arrangements. Training was provided to the entire workforce, with a particular emphasis on the proper recording of safeguarding matters.
- Reviewing the arrangements for the transfer and sharing of information in relation to safeguarding and employment matters.
- Providing additional funding to the Children's Department, enabling the creation and filling of new posts to strengthen the capacity of the service.
- Carrying out an audit of Part 5 referrals, reviewing historical referrals to ensure that concerns have been addressed and dealt with appropriately.

4.5.3. The remaining recommendations* under this theme are subject to national changes and reviews, as well as the results of the referral form pilot. Although preparatory work and a number of tasks have been completed internally, it has not been possible to implement all the proposed changes until decisions are made at a national level.

**Recommendation 10 OBBJ: That the Welsh Government ensure that the review of Section 5 procedures is informed by this Review and takes into account what has been learnt from it*	*There are inconsistencies between the new Part 5 procedures and the OBBJ recommendations, and Cyngor Gwynedd has raised the issue with the Welsh Government.*

**Recommendation 15 OBBJ: That the Welsh Government consider requiring schools to develop a 'Adult Conduct of Concern Policy' (known as the 'Low-level Concerns Policy' in England), and consider providing guidance on safe working practices.*	*We are awaiting guidance from the Welsh Government.* *Cyngor Gwynedd has consistently raised this issue through the Ministerial Assurance Group.*
**Further Response Plan Work-stream: Ensure that the public is aware of the referral procedure, and that the referral form for professionals is accessible and simple to complete.*	*As the referral form has been adopted on a regional basis, any changes require the agreement and support of partners across the region.*

4.6. **Theme 3: Training and Policies**

THEME 3 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	2	1	1	-
OBBJ Recommendations (Regional and National)	5	2	1	2
Work-streams Beyond OBBJ Recommendations	10	9	1	-
TOTAL	17	12	3	2

4.6.1. Three-quarters of the recommendations under Theme 3 that are within the Council's control have now been completed or incorporated into ongoing arrangements that are established and operational.

4.6.2. The two remaining work-streams are underway and relate to the roll-out of the NSPCC grooming training module across the whole workforce and the completion of the establishment of appropriate training levels across the workforce, with development work already underway through the Safeguarding Operational Group.

4.6.3. Key developments include:

- The Council formally adopted the Whistleblowing Policy, with further work underway to promote awareness of the policy amongst the workforce.
- Introducing mandatory training on "Whistleblowing" for the workforce.
- Developing bespoke safeguarding training in the form of a video for frontline staff.
- Reviewing and strengthening the Corporate Safeguarding Policy.
- Increasing the percentage of the workforce who completed the safeguarding e-module from 36.4% to 77.8% over the year, although it should be noted that a change in the reporting method contributed in part to this increase.
- Completing an internal audit of workforce awareness of the Council's safeguarding procedures, with a view to repeating the exercise before the end of the year in order to measure further progress.

4.6.4. The remaining recommendation under this theme depends on the Welsh Government's work to develop a national training resource based on the findings of Our Bravery Brought Justice, for use across schools and other agencies working with children.

4.7. **Theme 4: School Governance**

4.7.1. Progress under this theme has been largely dependent on the Welsh Government's review of school governance arrangements. Despite this, significant work has been carried out locally to strengthen internal arrangements and support developments in the field in the interim.

4.7.2. The Council has maintained an ongoing dialogue with the Welsh Government regarding the need for necessary changes to the national arrangements, and has ensured that local views and experiences are reflected by contributing to the consultation.

THEME 4 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	-	-	-	-
OBBJ Recommendations	3	2	-	1

(Regional and National)				
Work-streams Beyond OBBJ Recommendations	4	4	-	-
TOTAL	7	6	-	1

4.7.3. The key developments under Theme 4 include:

- Strengthening the capacity of the governance service by doubling the size of the team from two to four members of staff.
- Piloting the GovernorHub platform with a sample of schools to support communication, governance and information sharing.
- Introducing a new questionnaire to assess governors' confidence in their role as critical peers and to inform the future development of training
- Establishing a regular forum to support engagement and sharing of good practice among governors.
- Raising concerns about the status and role of governors to the Welsh Government, contributing to the national debate on reforming governance arrangements.
- Providing a comprehensive training programme and revised training for Safeguarding Designated Governors and Chairs of Governors.

4.8. **Theme 5: Restrictive Practices**

4.8.1. Theme 5 has progressed significantly beyond the original scope of the Our Bravery Brought Justice recommendation, which focused on school events filming arrangements*. This particular recommendation could not be delivered as it relied on national action by the Welsh Government.

**Recommendation 25 OBBJ: That the Welsh Government publish an appendix to the 2022 Framework guidance for reducing restrictive practices involving adults filming events and provide guidance on the retention period of such videos*	*The Council is awaiting any further guidance or revisions from the Welsh Government.*

4.8.2. Nevertheless, the work-stream was used as an opportunity to strengthen wider arrangements that support the safety and well-being of children and young people in relation to restrictive practices.

THEME 5 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end	Number which will not have been delivered or are beyond

			of the year	the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	-	-	-	-
OBBJ Recommendations (Regional and National)	1	-	-	1
Work-streams Beyond OBBJ Recommendations	5	5	-	-
TOTAL	6	5	-	1

4.8.3. The key developments under Theme 5 include:

- Strengthening school monitoring arrangements to ensure consistent adoption and implementation of the Regional Policy, with all schools visited having adopted the model policy.
- Undertaking a comprehensive external evaluation of the Reasonable Force Policy and Arrangements, informing a programme of further work to strengthen the existing arrangements.
- Establishing an internal group made up of representatives from the Safeguarding and Well-being, Education and Inclusion services to oversee this area, monitoring the implementation of existing arrangements and driving further improvements.

4.9. **Theme 6: Crisis Planning and Crisis Response**

THEME 6 WORK-STREAMS	Number of Recommendations	Completed / Permanently incorporated	Underway and on track to be completed by the end of the year	Number which will not have been delivered or are beyond the Council's control
OBBJ Recommendations (Cyngor Gwynedd or all organisations)	-	-	-	-
OBBJ Recommendations (Regional and National)	1	1	-	-
Work-streams Beyond OBBJ Recommendations	-	-	-	-

TOTAL	1	1	-	-

4.9.1. The key developments under Theme 6 include:

- Developing and refining a Crisis Plan in consultation with schools and key partners, ensuring that it reflects the needs of schools of different sizes.
- Preparing a collaboration agreement with North Wales Police, establishing a more flexible model for a multi-agency response, including the possibility of seconding a social worker when required.
- Preparing an awareness raising programme to be delivered during the autumn term 2026 to ensure a consistent understanding of the relevant arrangements and responsibilities.

4.9.2. The focus of Theme 6 has now shifted to monitoring the implementation of the arrangements and ensuring consistent understanding across schools. To avoid duplication and integration of this work with existing processes, this will be incorporated as part of the regular Health and Safety visits to schools.

4.10. Theme 7: Ysgol Friars

4.10.1. In addition to the 6 themes in Our Bravery Brought Justice, another theme has been added to our Response Plan in order to support and stabilise Ysgol Friars.

4.10.2. Significant work has been done to stabilise arrangements at Ysgol Friars. A strong emphasis has been placed on the well-being of pupils and staff by widening access to counselling services, establishing bespoke well-being spaces and strengthening the support available to pupils with emotional and well-being needs. Additional investment from the Council, combined with grant funding from the Welsh Government, has enabled the school to further strengthen this provision and begin to deliver trauma-informed training to staff.

4.10.3. In terms of leadership and governance, a new governing body and management team are now in place. The appointment of a permanent Headteacher and the implementation of a clear plan in response to the Estyn inspection have provided a solid foundation for continuous improvement.

4.10.4. The school continues to play a full part in the work of the Programme Board, contributing openly and constructively and demonstrating an ongoing commitment to the improvement programme.

4.11. Appendix 2 includes the full suite of Programme Board progress reports, providing further details on the implementation and progress against each theme in the period since January.

5. What changes have been made as a result of scrutiny?

5.1. The comments and recommendations of the Scrutiny Committees have led to 27 definite changes to the work of the Response Board. These include reforming the Response Plan, strengthening safeguarding and quality assurance arrangements, extending the scope of further inspections and reviews to test the effectiveness of arrangements, developing new training and resources, improving the accessibility of information for children and the public, and increasing transparency through wider publication of information and reports.

5.2. There are two remaining scrutiny recommendations in the pipeline, mainly relating to the development of measuring the more long-term impact of the plan (see part 6 below).

5.3. A detailed response to the comments and recommendations submitted through the Scrutiny Committees is provided in **Appendix 1**.

5.4. Attention is also drawn to **Appendices 1a, 1b and 1c**, which include work commissioned or developed directly as a result of requests made by Members during scrutiny sessions

6. Measuring impact and culture change

6.1 In trying to achieve change, and embedding that change across all parts of a large and broad organisation such as a Local Authority, some elements of change are easier than others to implement and their impact measured.

6.2 As can be seen in parts 3 and 4 above, most of the tasks and actions that needed to be focused on have now been completed. Staff resources clearly had to be prioritised and allocated to achieving that as a matter of urgency; our priority was to ensure that we responded to the recommendations contained in the report, as well as the improvements that were needed to our working arrangements.

6.3 We have now started to move from delivery to the implementation phase of the new arrangements, and as a result, measuring what a difference this has all made/will make to ensure that our safeguarding arrangements are to the highest possible standard.

6.4 We have a cache of anecdotal evidence showing that the change in our Safeguarding arrangements is now leading to a change of culture across the organisation. Safeguarding and challenging are being discussed more naturally across the organisation in departments beyond those which deal with the day-to-day work of child protection. We see this in management team meetings across the council, in performance challenge meetings and in informal situations in our offices.

6.5 While formal arrangements to measure impact over time are not yet fully established, there are a number of sources of information available that provide an initial picture of the current situation and provide a baseline for measuring future progress. These include:

- A questionnaire to Governing Bodies to gauge members' level of confidence in carrying out their responsibilities and to identify what additional support would help them to act more effectively as critical friends.
- Independent research by Dr Ceryl Davies, Bangor University, as part of the Scrutiny Investigation into safeguarding arrangements in schools has provided insight into children and young people's awareness of processes to raise concerns, highlighting strengths and areas for development.
- An internal aduti of staff awareness has provided a picture of staff's understanding of the Council's safeguarding policies and procedures, helping to identify areas where further support or communication is needed.
- A staff experience questionnaire of the Section 5 referral process distributed to a sample of staff who have made a referral in order to understand their experience of the process and identify opportunities to improve guidance and support.

6.6 Together, these activities provide an important baseline and offer a picture of the current situation. However, these measures will need to be tracked over time in order to be able to demonstrate change and evaluate the impact of the work more robustly.

6.7 Therefore, we have developed impact measures across each of the themes, as follows:

What is being measured?	How will we measure impact?	Timeline

To what extent children and young people feel that their voice is heard and taken into account in decision-making.	Through the Voice of Children and Young People Questionnaire, measuring the extent to which children and young people feel that their views are heard and taken into account, that they can influence decisions, and that they know where to go for help when needed.	Annually, with the questionnaire being conducted in secondary schools one year and primary schools the following year.
Victim support	Gathering feedback from victims through support officers and IDVAs, asking if they are getting the support they need and if there are areas that could be improved.	Every 6 months
Employee experience of making part 5 referrals to Children's Services.	Through a follow-up questionnaire to the referral process, including questions about the experience of the process, any obstacles faced, and whether they would be willing to make a referral again in the future.	The pilot questionnaire has been sent to individuals who have made part 5 referrals between January and September 2026.
Staff confidence, awareness and understanding of their safeguarding responsibilities.	By repeating an internal audit of staff's awareness and understanding of safeguarding procedures, and measuring their confidence to identify and act on safeguarding concerns.	Annually
Confidence of staff to raise concerns and use Whistleblowing arrangements.	Through the Staff Voice Questionnaire, measuring staff confidence levels to raise concerns and awareness of the support and arrangements available. Results will be compared with the previous survey where possible.	Next round of staff voice
The confidence and ability of governors to fulfil their role as effective critical friends.	By repeating the governors' self-assessment questionnaire annually and comparing the results with the baseline collected before summer 2026. This will measure changes in governors' confidence in challenging, scrutinising and holding school leaders to account.	Annually

The effectiveness of school arrangements in relation to restrictive practices.	Through monthly monitoring arrangements by an internal group that reviews trends, incident data and the quality of records, including consideration of the voice of the child and the follow-up actions taken.	Monthly
Understanding and implementation of the Crisis Plan in schools.	Assess staff understanding through feedback at the end of training workshops, and then check the implementation of the arrangements through monitoring visits to schools.	Workshops in October 2026, with ongoing monitoring through school visits.

6.8 As many of the things that have been achieved so far have not been in place for a long time, they need to be implemented for some time before it can be measured whether they are really effective or not. As themes are scrutinised in the future we will be able to focus more on showing evidence of the impact over a period of time. This is what the Response Board has emphasised from the outset and this is what the Ministerial Assurance Group is likely to focus on over the next period as well.

6.9 In addition to the above measures, we have developed a brief, assisted by the Chair of the Response Board, to commission a series of Focus Groups between now and Christmas. This work will build on the approach used as part of the previous scrutiny investigation. This will include focus groups with a sample of:

- School Governors to assess their confidence to fulfil their role as critical friends and to understand their experience of the new support, training and arrangements.
- The Council's workforce to assess their confidence in safeguarding and raising concerns, and their views on the changes made to the existing arrangements.
- Elected Members to examine their understanding of their safeguarding responsibilities, Whistleblowing and their confidence in the Council's arrangements.
- Inclusion Service staff in terms of their confidence in decision-making and responding in accordance with the Restrictive Practices Policy.
- Parents to understand their perceptions of safety, communication and the support available to children and families.

6.10 The Focus Groups' conclusions will allow us to receive an honest and open view of our current situation, and will also help feed into the Chief Executive-led review of work culture.

7. How does the Response Board ensure progress?

7.1. The Response Board accepts and challenges **regular progress reports** on each of the work themes. This approach has enabled the Board to focus on specific areas in greater detail, monitor progress against actions, consider risks and barriers to delivery, and provide regular opportunities for Board members to further question, challenge and advise.

7.2. While significant progress has been made in delivering the actions committed to, the Board has recognised the need to strengthen the arrangements for measuring and evaluating the impact of the work. As a result, further work is underway to:

- develop impact measurement arrangements;
- use focus groups to gather stakeholder perspectives;
- develop criteria for the transfer of work to normal business arrangements;
- ensure that progress and supporting documents are publicly available.

7.3. The independent Chair of the Board, Professor Sally Holland, assesses progress by presenting **a quarterly report to Cabinet**. In her recent reports, she has noted that the Board's reporting and scrutiny arrangements have matured, providing a clearer picture of progress and enabling a higher level of challenge, assurance and oversight. However, she also stresses the need to strengthen impact and outcomes measurement in order to understand the difference that the changes make in practice.

7.4. The **Welsh Government Ministerial Assurance Board** provides a further layer of assurance and oversight. This two-way relationship enables the Response Board to share progress and learning, whilst also keeping track of relevant national developments and changes to ensure that Gwynedd's work continues to fit into the wider context.

7.5. In a Written Statement in March 2026, Lynne Neagle, former Cabinet Secretary for Education, acknowledged the positive and constructive collaboration between Cyngor Gwynedd and the Ministerial Assurance Group:

"I would like to place on record my thanks to Councillor Jeffreys and her team for their constructive co-operation and engagement throughout the work of the Assurance Group. Their willingness to consider challenges and show progress has been central to this process."

7.6. The arrangements of the Ministerial Assurance Group have continued under the new Government, with the first formal meeting between representatives of the Board and the Welsh Government taking place in July 2026. This gives confidence that the positive relationship and two-way assurance arrangements established to date continue to support supervision and learning at a national and local level.

8. What is the timescale for doing this?

8.1. The Response Board does not consider that the work will cease when individual actions have been completed.

8.2. While good progress has been made in delivering the actions set out in the Response Plan, the focus is now shifting towards ensuring that the changes are sustainably embedded in practice, influence organisational culture and lead to better outcomes for children and young people.

8.3. Work over the next period will focus on:

- Monitoring the impact of the delivery.
- Focus groups with stakeholders.
- Continuing to report publicly on progress.
- Completing the remaining activities within each theme.

9. What difficulties and challenges have they faced, and how have they overcome them? Are there barriers to delivery?

9.1. As already noted, significant progress has been made in delivering the Response Plan. Nevertheless, it is important to recognise that the work has not been straightforward. The broad nature of the plan, the size of the organisation, and the need to operate across a number of services and partners have meant that a number of practical challenges have arisen along the way.

9.2. One of the challenges was to turn some of the recommendations into practical arrangements that work in real situations. For example, when strengthening the voice of the child in safeguarding arrangements, there have been cases where parents did not wish their children to be interviewed, particularly where the child is a witness rather than the child who is at the centre of the concern.

9.3. The size and complexity of the Council has also been a factor. In an organisation with over 5,000 staff and a very wide range of services, ensuring that changes are consistently understood, implemented and incorporated is time-consuming. This is particularly true in relation to frontline staff who do not have regular access to computers or digital devices. In response to this, a dedicated officer has been

appointed to strengthen communication, support access to information and promote training opportunities.

9.4. Challenges have also arisen because some of the workflows are dependent on decisions or actions by other bodies. This includes elements that require regional or national change, such as Welsh Government guidance or action by other partners. Where the Council is unable to act fully on its own, we have tried to do as much as is reasonably within our control, including putting temporary arrangements in place until any national/regional change has been introduced whilst raising issues through the appropriate forums and continuing to press for progress.

9.5. Staff capacity and resources have also been a challenge. Implementing the recommendations of *Our Bravery Brought Justice*, together with the additional work-streams identified by the Council, has resulted in significant work for a number of services in addition to their usual responsibilities. This work was the priority and as a result, some activities have had to be prioritised at times, and additional capacity has had to be invested. The Council has already committed over £500,000 of an additional annual revenue budget to strengthen safeguarding and support this work.

9.6. In addition, some of the training packages or resources referred to in the recommendations were not readily available to be bought. It was therefore necessary to develop new content, adapt materials and ensure that they were relevant in the Gwynedd context. This has taken more time than expected in some areas, but it has also resulted in more bespoke and workforce-friendly materials.

9.7. While these are real challenges, they have not prevented the Response Plan from moving forward. Rather, they have influenced the way the work is scheduled, prioritised and delivered. Currently, there is nothing internal preventing the Council from completing the work under its control by the end of 2026. The main remaining risks relate to issues that are beyond the Council's direct control, and the Response Board will continue to monitor them, escalate them where necessary, and put mitigation arrangements in place where possible.

10. Future scrutiny arrangements

10.1. The Response Plan's work programme is a substantial one and therefore as we approach the completion of the individual actions the activity will be incorporated into normal business arrangements, and therefore in the future it is recommended to adopt a more thematic approach to scrutiny. Rather than presenting all the themes to each scrutiny committee, it is recommended:

- That each theme be allocated to the most relevant scrutiny committee.
- That all themes are subject to detailed scrutiny with a focus on ensuring that the new arrangements are successfully incorporated into day-to-day work and that there is no future slippage.

- That cross-cutting or strategic matters are reported to more than one committee as required.
- That these arrangements enable members to focus on the most relevant matters and to offer a more detailed challenge.

10.2. This approach would ensure that the governance arrangements of the Response Plan are both robust and effective. It would also enable the committees to spend more time scrutinising specific themes in detail, strengthening the challenge and assurance provided.

10.3. In line with the areas of scrutiny of the individual Committees, the following is recommended:

Theme	Committee
Theme 1: The Voice of the Child	Education and Economy Committee (Education Portfolio)
Theme 2: Managing allegations and concerns	Care Scrutiny Committee (Children and Safeguarding Portfolio)
Theme 3: Training and Policies	Education and Economy Committee (Corporate Services Portfolio)
Theme 4: School Governance	Education and Economy Committee (Education Portfolio)
Theme 5: Restrictive Practices	Care Scrutiny Committee (Safeguarding Portfolio)
Theme 6: Crisis Arrangements	Education and Economy Committee (Corporate Services Portfolio)

11. Consultation

11.1. The report has been prepared on the basis of discussions and preparatory work across the Leadership Team, Response Plan theme leaders and relevant officers. The work also reflects comments received from the scrutiny committees in January 2026.

11.2. The report will be presented to the Response Board for discussion at its next meeting. The Chair's most recent assessment of progress is set out in her latest report to Cabinet (**appendix 6**), with a further report due in November, providing an additional opportunity to reflect on progress.

11.3. Further work is underway to involve stakeholders through focus groups, building on the approach used as part of the previous scrutiny investigation.

12. The Well-being of Future Generations (Wales) Act 2015

The Five Ways of Working	How the Response Plan contributes
Involvement	Focus group work and the voice of the child work provide an opportunity for stakeholders, children and young people to contribute to the way progress is measured and understood.
Collaboration	The Response Board brings together relevant services and includes collaboration between Education, Social Services, Human Resources, Democracy and Corporate services as well as a number of external Agencies.
Prevention	The work focuses on preventing failures from happening again by strengthening safeguarding, training, recording, governance and arrangements for raising concerns.
Long-term	The plan has been amended to emphasise sustainable change and long-term support rather than just short-term steps.
Integration	The actions link to the Council's policies, training, school arrangements, governance work and wider assurance arrangements.

13. Impact on Equality Characteristics, the Welsh Language and the Socio-Economic Duty

13.1. The Response Plan is directly concerned with safeguarding children and young people, ensuring their voices are heard, and improving access to information and support. As the Work Programme develops the Board will continue to consider the accessibility of information for children, young people, families and victims and address the impact on people who face disadvantage or barriers to accessing support.

14. Next Steps

Next Step	Description	Proposed timeframe
Develop impact measures	Continue to work with theme leaders to define how impact will be demonstrated in practice.	October 2026 onwards / to be confirmed by the Response Board
Hold focus groups	Use focus groups with stakeholders to test and challenge the progress and impact of the work.	October 2026 onwards / to be confirmed by the Response Board
Review thematic progress	Continue to submit theme-by-theme progress reports to the Response Board.	October 2026 onwards / to be confirmed by the Response Board

Arrange future scrutiny	Agree a thematic scrutiny programme in which each theme will be scrutinised at least once a year by the most relevant committee.	October 2026 onwards / to be confirmed by the Response Board
Continue to publish information	Ensure that accessible and public materials continue to be updated as work progresses.	October 2026 onwards / to be confirmed by the Response Board

APPENDICES

- **Appendix 1:** A response table to all the recommendations from the Education and Economy Scrutiny Committee, the Care Scrutiny Committee and the Governance and Audit Committee.
    - **Appendix 1a**: Trauma-informed and Children's Rights Work Programme
- **Appendix 2:** Thematic progress reports (February – July 2026)
- **Appendix 3:** New Response Plan website: Our Bravery Brought Justice: Cyngor Gwynedd's Response Plan
- **Appendix 4:** Infographic "What's changed?"
- **Appendix 5:** Response Plan for Children and Families: Response Plan
- **Appendix 6:** Quarterly Reports of the Chair of the Response Board
- **Appendix 7:** Cabinet Report - Commissioning Investigations
- **Appendix 8:** Our Bravery Brought Justice Progress against Recommendations

OTHER DOCUMENTS:

- **Cyngor Gwynedd's Response Plan:** Response Plan

APPENDIX 1 - A response table to all the recommendations from the Education and Economy Scrutiny Committee, the Care Scrutiny Committee and the Governance and Audit Committee.

Committee	Recommendation / Comment	Progress Made	Status
Care Scrutiny	Report on progress towards Child-Friendly and Trauma-Informed status	A separate work programme was developed in this area and an update was presented to the Leadership Team. Details of the Work Programme are provided in **Appendix 1a**.	Completed
Care Scrutiny	Ensure that external female safeguarding information and contact details are available in schools	The Safeguarding and Well-being Team's phone number has been included rather than the contact details of a designated individual. Team members offer anyone who contacts the service the choice of speaking with a male or female.	Completed
Care Scrutiny	Pay more attention to the voice of the family as well as the voice of the child	Included within the development of the Voice of the Child Strategy and the wider work of the workstreams.	Completed
Education and Economy Scrutiny	Develop measurable arrangements to show how the voice of the child influences decisions	Measuring impact is now part of the Voice of the Child Strategy. Further work to develop impact measures for the Board is ongoing.	Underway
Education and Economy Scrutiny	Ensure long-term support for victims	The Response Plan has been reviewed to place more emphasis on long-term support and change. This aligns with the Welsh Government's National 10 Year Strategy.	Completed. This is ongoing work.
Education and Economy Scrutiny	Ensure that safeguarding information is accessible and child-friendly	Annual assurance visits have confirmed that safeguarding information is visible and accessible in all schools visited.	Completed

Education and Economy Scrutiny	Strengthen arrangements for managing allegations and concerns about adults	The collaboration between Education and Children has been strengthened. Multi-agency arrangements are now a key part of the process.	Completed
Education and Economy Scrutiny	Consider incidents that do not directly involve children	An audit of the transferable risks, employment procedures and requirements under Part 5 was carried out.	Completed
Education and Economy Scrutiny	Ensure an appropriate transition between HR and Part 5 processes	The audit confirmed that these arrangements had operated appropriately in the cases reviewed.	Completed
Education and Economy Scrutiny	Extend the Part 5 audit period	The scope of the audit was extended back to 2020 and findings were presented to the Strategic Safeguarding Panel.	Completed
Education and Economy Scrutiny	Gather evidence of change and impact	The Board has prioritised the development of impact measurement arrangements and further work in this area will take place over the coming weeks.	Underway
Education and Economy Scrutiny	Ensure a rapid corporate response to systemic concerns	The matter has been included within the governance and assurance arrangements of the Response Board.	Completed. This is ongoing work.
Full Council	Share safeguarding referral forms more widely	It was confirmed that this arrangement was already in place and the work programme has been updated to reflect that.	Completed

Care Scrutiny	Report on the implementation of the Whistleblowing Policy	This area has been included within the Theme 3 progress reports.	Completed
Care Scrutiny	Deliver training on grooming	A bespoke training package has been developed with the NSPCC for staff, elected members and schools. It will be available from autumn 2026 onwards.	Completed
Education and Economy Scrutiny	Ensure that grooming is given specific attention in training	The new training focuses on this matter, including learning and awareness of the Finkelhor Model to strengthen understanding and practice in this respect.	Completed
Governance and Audit	Update on the Whistleblowing Policy and Safeguarding Policy	Both policies have been formally adopted by the Council and Cabinet.	Completed
Education and Economy Scrutiny	Address unconscious bias	Training in this area is already available, and further content is being added to school training.	Completed
Education and Economy Scrutiny	Ensure clear arrangements for employees who raise safeguarding concerns.	Reporting arrangements are included in the Safeguarding Policy and on the intranet.	Completed
Education and Economy Scrutiny	Regularly review safeguarding records	A new Quality Assurance Framework has been developed and quality capacity within the Children's Department has been strengthened.	Completed
Care Scrutiny	Raise concerns about the role of governors with the Welsh Government	A formal letter has been sent to the Welsh Government and regular discussions have taken place with officers, including through the Ministerial Assurance Group.	Completed

Education and Economy Scrutiny	Develop training for Designated Safeguarding Governors	The training has been adapted to include a greater emphasis on challenge and safeguarding assurance.	Completed
Education and Economy Scrutiny	Ensure a proper understanding of the use of Reasonable Force	The theme has been expanded and included in the Board's work programme. The original recommendation focused solely on filming incidents.	Completed
Education and Economy Scrutiny	Strengthen communication and clarity of roles in an emergency	An Emergency Plan has been developed with the Schools. An ongoing training programme will be developed to accompany the Plan.	Completed
Care Scrutiny	Include a greater emphasis on children's well-being within the theme of Ysgol Friars	The wording of the Response Plan has been amended.	Completed
Governance and Audit	Produce a more accessible and easy-to-read summary	A bespoke website, a child-friendly version and public infographics have been developed.	Completed
Governance and Audit	Receive regular updates on progress	Arrangements have been put in place to report regularly to the relevant scrutiny committees.	Completed
Full Council	Publication of a simpler and more accessible version of the Plan	A website, a child-friendly version and infographics have been developed.	Completed
Education and Economy Scrutiny	Ensure a clear overview of the work streams	The Board now receives thematic reports by work stream.	Completed

Education and Economy Scrutiny	Ensure greater transparency	The Response Plan Programme Board's papers are now publicly available.	Completed

APPENDIX 1a: Cyngor Gwynedd's journey to become a child-friendly, caring and trauma-informed Council.

The trauma-informed and child-friendly areas of work have gained momentum within the Council over the past few years, particularly following the publication of the Our Bravery Brought Justice report. Following a request from the Scrutiny Committee in January, this paper provides an update on the progress to date and outlines the next steps for developing this agenda across the Council.

1. Trauma-Informed Work in Gwynedd

1.1. Mapping work and understanding the current situation

1.1.1. The mapping and engagement work carried out across the Council's departments shows that levels of awareness, confidence, learning needs, training provision and barriers vary significantly between services.

1.1.2. Trauma-informed work has already developed strongly in some areas of the Council, particularly in Social Services, the Homelessness Service, the Early Years and within schools and teams in the Education Department. These services have invested in specialist training, including diploma-level training and Trauma-Informed Schools training programmes.

1.1.3. In developing the work programme, models, training and good practice from other organisations have been reviewed. There is no single solution or single approach that will achieve this vision, so the programme includes a range of courses of action that complement each other and will continue to evolve as we learn and develop.

1.2. Setting up a tiered training programme

1.2.1. A tiered training programme is planned to be developed which aligns with the National Trauma Aware Framework for Wales, and builds on existing arrangements across the Council to take the agenda forward.

1.2.2. Our approach to workforce development recognises that different levels of knowledge and skills are required according to the role and responsibilities of staff. At the bottom of the framework is compassionate practice providing the foundation for all, reflecting the Council's values and linking directly to our Learning and Development Framework.

1.2.3. Moving through the layers, the framework provides opportunities to develop more specialist knowledge and competencies, including trauma-informed practice where appropriate. This approach emphasises the importance of understanding people's experiences and circumstances without rushing to label individuals or situations as being trauma-related. Rather, the aim is to build the confidence of staff to respond in a compassionate, curious and considerate way, seeing the individual first and focusing on their strengths, needs and unique experiences.

1.2.4. The table below explains the tiers involved:

What?	How?
Tier 1: Senior leadership and understanding	Further training is commissioned for specific groups such as Headteachers, Assistant Headteachers and Cabinet Members. This will strengthen their understanding of the impact of trauma and the implications for service leadership, decision making and policy development. In addition, shorter awareness sessions will be offered to managers through the Managers Network, drawing on the expertise of Early Years officers.
Tier 2: Raising general awareness	A corporate e-learning module, *"An Introduction to Adverse Childhood Experiences (ACEs) and Trauma-Informed Practice"*, is now available to staff and councillors via the E-learning Portal. It aims to provide a basic understanding of trauma, ACEs, and the impact that adverse experiences can have on individuals throughout their lives. To date, over 300 individuals have completed this training.
Tier 3: Compassionate skills for frontline staff	The third tier will focus on staff who work directly with residents and service users on a day-to-day basis. The aim is to give staff the tools and confidence to respond in a positive, empathetic and supportive way to people facing challenges or trauma. (Compassionate Service Delivery)
Tier 4: Specialist trauma training	Theproposal does not interfere with the good work already taking place within services with specialist requirements. Services such as Social Services, Homelessness, Early Years and schools will continue to organise and commission the training best suited to their specific needs, building on the strong foundations already in place.

1.3. <u>Culture</u>

1.3.1. Initial discussions have begun with Bangor University to explore good practice that supports the creation of the environment and culture needed to deliver services in a compassionate way. This work will inform training development, policy reviews, and the way procedures and processes are interpreted and implemented across the organisation.

1.3.2. The Learning and Development Service will review the current Learning and Development Framework to ensure that it aligns with the Council's values and provides a solid foundation for the development of compassionate practice across all services.

1.3.3. As a further sign of commitment to leading by example, the Cabinet Member for Children and Supporting Families is completing a Trauma-Informed Practice Diploma, supporting the promotion of a trauma-informed understanding and culture across the organisation.

1.4. Monitoring and Learning

1.4.1. It is planned to re-run the mapping questionnaire with Gwynedd Heads of Department and School Headteachers in November 2026 in order to assess the extent to which the desired principles and behaviours are embedded across the organisation, and to use the findings to inform further work.

1.5. Work Programme

Action	By when?
A trauma-informed Virtual Reality (VR) workshop and training was held in June 2025.	June 2025
A questionnaire sent out to Heads of Department to understand Council Departments' awareness of trauma-informed working.	November 2025
Discussed and planned potential options for trauma-informed training with the Learning and Development Service.	December 2025
Introduced an E-module Training on Adverse Childhood Experiences (ACEs) and Trauma-Informed Practice.	March 2026
Prepared a work programme to present to the Leadership Team.	March 2026
Submitted a Cabinet Report stating the corporate commitment setting out the ambition to develop the Council as a child-friendly, caring and trauma-informed organisation.	May 2026
Training sessions held **Collaborative Conversations** have been held for frontline staff who work directly with residents and service users.	May 2026
Explored how the Council's policies, procedures and processes can be reviewed through a trauma-informed lens.	July 2026
Conducted a trauma-informed training session using VR for Cabinet Members and the Corporate Management Team.	October 2026
Hosting a trauma-informed training session using VR for the Assistant Heads' Forum.	November 2026
Awareness-raising session on Trauma-Informed Practice in the Managers' Network (requesting a presentation from the Early Years Unit).	November 2026
Re-assessing the level of Departmental awareness by circulating a further questionnaire to Heads of Department.	December 2026
Scoping and commissioning the work of policy proofing and developing a more detailed work programme following the feedback of the Departmental questionnaire for Year 2.	March 2027

2. Gwynedd Child-Friendly Work

2.1. As members will be aware, ensuring that the voice of children and young people is heard and considered is central to the work of the Response Plan Programme Board. A solid foundation has already been set through the work of the Youth Forum and the development of the Children and Young People's Voice Strategy, which provides a clear direction for this area of work.

2.2. This workstream is intended to build on existing work and support Council departments to understand their role in promoting children's rights and ensure that the voice of children and young people is given due consideration in the development of policies, services and decisions.

2.3. Mapping Work

2.3.1. Research has been completed into the various accreditation schemes in place in other areas. While UNICEF's Child Friendly Cities and Communities accreditation has been considered, that scheme is not currently available. As a result, it is intended to adopt the principles of *The Right Way*, which is promoted by the Children's Commissioner for Wales.

2.3.2. This approach provides a practical framework for embedding children's rights into policy, practice and decision-making across the organisation, without the need for a formal accreditation process.

2.4. Familiarising with “The Right Way” Training

2.4.1. To support this, a training programme is being developed. Work has already started through sessions for Heads held through the Response Plan Programme Board and the Public Services Board. In addition, an e-learning module on Children's Rights is available on the E-learning Portal to raise awareness and a basic understanding across the workforce.

2.4.2. The next step will be to work with the Office of the Children's Commissioner for Wales and use *The Right Way* framework to carry out a self-assessment in three services. This will provide a basic understanding of the level of awareness and understanding of Children's Rights across those services and inform further steps to strengthen practice.

2.4.3. In order to strengthen capacity and ensure the ability to maintain the momentum of this work in the longer term, it is planned to appoint an additional resource to support in equality. It is expected that this will increase the ability to co-ordinate, support and develop the Children's Rights agenda across the Council, complementing the arrangements already in place.

2.5. Work Programme

Child-friendly Outcome	By when?
Desktop Research for UNICEF's "Child-friendly Cities" accreditation	December 2025
"Children's Rights" Workshop held for Cabinet Members, Scrutiny Chairs and the Management Team	February 2026
Prepared a work programme to present to the Leadership Team	March 2026
Corresponded with the Welsh Government in relation to a request for funding to hold a second "Children's Rights" workshop in conjunction with the Public Services Board	March 2026
A second "Children's Rights" workshop held in conjunction with the Public Services Board	March 2026
Submitted a Cabinet Report stating the corporate commitment setting out the ambition to develop the Council as a child-friendly, caring and trauma-informed organisation	May 2026
Held a "The Right Way in Action" workshop in conjunction with the Public Services Board	July 2026
Self-assessment in three Services in terms of awareness and understanding of "Children's Rights" using the "The Right Way" Framework	October 2026
Holding a "children's rights" session at the Managers' Network	November 2026

3. Progress and Next Steps

3.1. The work programmes are now under the care of the Supporting People Working Group, which is a cross-departmental working group that brings together officers from a range of services to support, co-ordinate and monitor the work. The Supporting People Working Group will continue to take responsibility for overseeing the progress of both work streams, providing a constructive challenge and appropriate support to ensure that the principles of Children's Rights and compassionate practice are increasingly embedded in the Council's culture, arrangements and practices.

3.2. In addition, the working group already oversees the Gafael Llaw pilot and the Collaborative Conversations programme, ensuring coherence between the different pieces of work and learning opportunities across the whole programme.

3.3. This is recognised as being an area that is still developing. As a result, the work programme will evolve over time as we learn from our own experiences, evaluate the impact of the activities and take into account good practice and new developments.

Our Bravery Brought Justice - Cyngor Gwynedd's Response Plan

Progress Report

02.03.2026

Theme 1 - Voice of the Child and Supporting Victims ***Reporting Officer: Gwern ap Rhisiart***	
1. Theme Aim:	• Ensure that children are listened to, and that they are believed and taken seriously. • Give a voice to children and young people in processes that have been planned to keep them safe. • Do everything within our ability to support the victims and survivors.
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	• Initial discussion has been held on creating a practical action plan which states the priorities, responsibilities and clear timeframes to incorporate a culture which is child-focused across all services - **by April 2026.** The discussion has led to the intention of introducing a Voice of Children and Young People Strategy in an attempt to capture everything in one co-ordinated plan. • The strategy will highlight **5 main things**; o The voice of Children and Young People in the safeguarding procedure o The voice of Children and Young People in education o The voice of Children and Young People across Council Services o Influence on Corporate Processes o Impact • Draft strategy drawn up and discussion with the Youth Forum has been arranged to ensure the voice of children and young people in the strategy itself. • The Children's Service has presented an initial draft of a voice of the child policy • The Education Department has commenced the work of drawing up guidance of the very best practice in terms of the voice of learners within education, drawing on national best practice and guidance. • A workshop with Sally Holland and the Children's Commissioner team has been held with representatives of the Youth Forum, service heads, Cabinet members and representatives of scrutiny committees present.

<table>
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- Every primary school is now using an electronic recording system to note incidents of concern with those who did not have a system (5 small schools) now using Bromcom.
- Cross-departmental work has been undertaken to identify appropriate training in Grooming for Council and school staff. A cross-departmental panel has considered packs from two national providers.
- Contact has been made with the boys who had been identified in the report as victims. Assistance has been offered to them.

</td></tr>
<tr><td>4. Challenges faced:</td><td>

- Quite a lot going on, and therefore there is a risk of us duplicating work. Creating a Strategy will ensure coherence and consistency. Also a focus on impact so that we do not do anything without considering the impact from the very beginning.
- A wish for us to move to be a Child-Friendly Authority. This has now been removed from this theme but is going ahead under the guidance of the Children's Services.

</td></tr>
<tr><td>5. Next steps / key milestones:</td><td>

- The intention is to develop a charter on listening to the voice of the child and child-friendly versions of the strategy with a completion date of by April 2026..
- Implement training for staff to identify and document behavioural changes in children which could be a sign of grooming or abuse - by March 2026.
- Supporting the victims of trauma and tailor support to align with the needs of the individual - Ongoing
- Introduce the new Bromcom system across all Gwynedd schools, alongside a training and awareness raising campaign - by September 2027
- Include the County Youth Forum and seek approval in terms of the content of our Voice of Children and Young People Strategy -March 2026

</td></tr>
<tr><td>6. Risks / Resources:</td><td>

Resources:

- Ensure that we are able to hear the voice and opinion of specific cohorts of children and young people who are harder to hear. Have had new resources to target this work.
- Awaiting further guidance:
- Regional and national guidance on grooming training

</td></tr>
<tr><td>7. Communication Considerations</td><td>

-

</td></tr>
<tr><td>8. Timelines:</td><td>

<table>
<tr><td>CPR - 1 (1)</td><td>Listen to the voice of the child</td><td>April 2026</td></tr>
<tr><td>CPR - 2 (2)</td><td>Systems / measures / reporting - the voice of the child</td><td>April 2026</td></tr>
<tr><td>CPR - 3 (3)</td><td>Training - identify change in behaviour</td><td>March 2026</td></tr>
<tr><td>CPR - 4 (4)</td><td>Recording - change in behaviour</td><td>September 2027</td></tr>
<tr><td>CPR – 6 (5)</td><td>Speak with the child - Part 5</td><td></td></tr>
<tr><td>CPR - 7 (6)</td><td>Contact outside school (reporting concerns)</td><td>January 2026</td></tr>
</table>

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</table>

	CPR - 8 **(7)**	Curriculum changes	September 2026
	CPR - 9 **(8)** RP - A4 RP - A1	Supporting the victims	Ongoing
	RP- A5 **(9)**	Compensation claims	Ongoing
	NEWYDD – 1 **(10)**	Embed a culture of listening to the voice and experiences of children / young people	March 2026

Theme 2 - Managing Allegations and Concerns about Adults working with Children ***Reporting Officer: Dylan Owen***	
1. Theme Aim:	• Protect children by ensuring that concerns are taken seriously and acted upon quickly. • Ensure that Part 5 arrangements support a consistent and robust multi-agency response to allegations and concerns about adults working with children.
2. Guidance sought from the Board:	We ask the Board to: - Challenge and scrutinise the progress - Offer any further guidance on the next steps. Specific guidance: • Highlight risk in terms of speaking with every child who is the subject of a P5 referral. • Ensure agreement on the decision regarding the work on Low-Level Concerns Policies (No. 14). • Draw attention to the fact that some of the recommendations in the work programme have been merged, as they are a part of the quality assurance and audit programme work of the Children's Department. • Also draw attention to the fact that recommendations stemming from the ESTYN / CIW report (November 2025) have been added to the work programme.

3. Progress to date:	Part 5 referrals: • The discussion and strategy meetings templates have been adapted and they are being used to ensure that previous safeguarding information is being checked. • A social worker speaks with every child that is the subject of Part 5. • Threshold decisions are not made by only one person (Referrals Team Leader / LADO and/or DOS every time). • The referral form for professional adults has been highlighted on the website. It can be seen here: Child abuse. We have asked about the arrangements and timeframe for the proposed national changes to the referral form. There are also plans to look at how MOSAIC could support creating a digital form when the system goes live in the autumn. • A decision has been made to trial the use of Magic Notes during the strategy meetings. Piloting to begin in the next month after confirming with the company. Schools Safeguarding and Well-being Team • Welsh Government funding has been used to recruit and appoint an additional officer for the safeguarding team. The officer will begin before the end of February. Quality Assurance Framework • An initial draft of the Framework was prepared and presented to the Ministerial Assurance Group. • The intention is to present the draft to the Board meeting on 25.2.26.
4. Challenges faced:	Speak with Children who are the subject of a P5 Referral Some parents feel very uncomfortable about a social worker speaking with their child and, consequently, refuse permission. Such complaints are logged and will be monitored continually. Initial discussions have also been held with a legal expert in order to review the rights of parents and children in accordance with safeguarding procedures. Low-level Concerns Policy. Following the last Response Board meeting and the need for guidance from Welsh Government on the "Low-level Concerns Policy" matter, and we have now received confirmation: *That the Government is giving consideration to introducing a Concerns Policy regarding the Behaviour of Adults (similar to the Low-level Concerns Policy in England) in schools, as part of the work to review the guidance on school staff disciplinary and dismissal procedures. This will be done alongside Keeping Learners Safe, the intention is to consult on it following the Senedd elections.* **During a meeting of the Task and Finish Group on 4 February the options that could be considered to be carried out internally were discussed.**

	In terms of creating a Low-level Concerns Policy, following confirmation from Welsh Government of its intentions, the Council will not implement or proceed with new arrangements until the relevant guidance is published by Welsh Government. In terms of reviewing the internal central list: • The IT service (via the Head of Corporate Services) will make arrangements to provide access to the Children's Department Safeguarding Officer to the names on the current staff database, which has not been used since COVID. As this list is not being used for any checking purposes, there is no basis to keep the data. • The Children's Department Safeguarding Officer will check and cross-reference the individual records on the list in order to ensure that all relevant information is transferred to WCCIS. They will also check if any relevant safeguarding records involve the Adults Department, and these will be passed on to the appropriate team as and when necessary. • Social Services are currently preparing to transfer to a new data capture system (MOSAIC) which will allow us to see immediately if there are previous allegations/referrals and check that against the name and details of the person. • With two new systems being introduced (MOSAIC and the new Human Resources system) it is possible that further solutions will come in terms flagging matters, automation and case management. Those discussions will continue to be held between the Head of Corporate Services, Children's Department Safeguarding Officer and the IT Service. • In terms of informal concerns, the favoured approach is to bring every concern in to a formal process. Rather than holding informal discussions, every concern, including low-level concerns, will be logged on the new MOSAIC system in order to ensure that a clear record is available. Systems such as Magic Notes may also assist to simplify this process. • The Data Protection Officer will also review the guidance created back in 2013 in terms of defining concerns. **The decision therefore is to ask for the Board's agreement to close the recommendation formally until system / technology developments are in place (October 2026).**
5. Next steps / key milestones:	• March/April - Appoint DOS/Quality Assurance Officer • October - transfer to the MOSAIC system
6. Risks / Resources:	**Resources:** • Corporate bid has already been submitted in order to implement the recommendations in Theme 2. **Risk:** Recruitment risk

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- A corporate bid was submitted for several new jobs in order to increase the capacity in the Children's Department. As recruitment for social work posts is challenging within the current climate, it is possible that alternative methods will have to be considered in order to fill the roles and decide on creative ways of recruiting.

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<tr><td>7. Communication Considerations</td><td>

- Any support for recruitment and raising awareness of the new jobs would be appreciated.

</td></tr>
<tr><td>8. Timelines:</td><td>
<table>
<tr><td>CPR –11 (11)</td><td>Listen to the voice of the child</td><td>Completed - monitoring</td></tr>
<tr><td>CPR - 14 (12)</td><td>RSB scrutinising - managing allegations</td><td>To be confirmed - Regional Safeguardig Board</td></tr>
<tr><td>RP- B5 (13)</td><td>Estyn Inspections - safeguarding arrangements</td><td>Completed - monitoring</td></tr>
<tr><td>CPR - 15
RP- C2
RP - C2a
(14)</td><td>Low-level Concerns</td><td>Oct 25 - April 26</td></tr>
<tr><td>CPR - 12 (15)</td><td>Decisions in consultation</td><td>To be confirmed - some delay in terms of contact with the Police</td></tr>
<tr><td>CPR – 5 (16)</td><td>Consider safeguarding information on the record of the child when assessing risk</td><td>Completed - need to put monitoring arrangements in place</td></tr>
<tr><td>NEW- 2
NEW - 3
(17)</td><td>Part 5 implementation arrangements</td><td>Ongoing - appointing to post March / April</td></tr>
<tr><td>NEW- 4 (18)</td><td>Part 5 referral form</td><td>Short-term - highlight the form - completed
Long term - digital form - October 2026 onwards</td></tr>
<tr><td>NEW- 5 (19)</td><td>A transparent and open culture of dealing with referrals</td><td>Ongoing</td></tr>
<tr><td>CPR – 10 (20)</td><td>Lessons to be learned / Part 5 - Welsh Government</td><td>To be confirmed - awaiting a copy from WG</td></tr>
<tr><td>CPR 16 (21)</td><td>10 year strategy - Welsh Government</td><td>Beginning of March 2026</td></tr>
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	RP- B2 **(22)**	Establish a Schools Safeguarding and Well-being Service	Ongoing
	NEW- 8 **(23)**	Improve relationship with schools - referrals procedure	Ongoing
	NEW- 9 **(24)**	Communication between children/education departments	Ongoing
	NEW- 10 **(25)**	Record Strategy Discussions	Pilot Magic Notes - March 2026 Appointing to post March / April

Theme 3 - Training and Policies ***Reporting Officer: Ian Jones***	
1. Theme Aim:	• Ensure that staff are trained to "think the unthinkable" and understand that "it could happen here".
2. Guidance sought from the Board:	- We ask the Board to o Challenge and scrutinise the progress o Offer any further guidance on the next steps.
3. Progress to date:	**Whistleblowing** • The Cabinet approved the Whistleblowing Policy for Staff at its meeting on 20 January. The policy will be adopted formally as part of the Council's Constitution by the Full Council i March, 2026. The Cabinet asked for urgent work in terms of developing a similar policy for Members as well, and that work has started. • As a result of this decision, we will proceed to introduce a draft work programme for communicating and raising awareness amongst all Council staff regarding the content of the Policy. We will present the work programme to the Whistleblowing Task Group at its next meeting. • Every school has received a request to adopt a Whistleblowing Policy provided by Welsh Government and we will monitor this into the future. **Safeguarding Training** • An Internal Audit was completed on Mandatory Training arrangements within the Council and the actions of that report will be adopted by the Task Group. • Work to analyse the training needs of various cohorts of staff in relation to Safeguarding is underway. • Work on developing a series of video clips has started in order to assist with the task of reaching every cohort of staff with appropriate messages. That work has

<table>
<tr><td></td><td>included making contact with many other councils and organisations in the public sector across Wales in order to identify good practice.
• The percentage of staff who have completed the mandatory training is 75.7% currently.
Scrutiny Investigation
• A slippage in the timetable bu the final report is expected in the near future.</td></tr>
<tr><td>4. Challenges faced:</td><td>• A request by the Cabinet to develop a similar procedure for Whistleblowing for Members is likely to have a short-term impact on the Task Group's work programme.
• Access to IT systems for front-line staff continues to be a specific challenge.</td></tr>
<tr><td>5. Next steps / key milestones:</td><td>• Adopting the amended Whistleblowing Policy - Cabinet (January 26), Full Council (March 26) and implement the Policy (April 26)
• A clear communication plan for all Council staff, ensuring that it meets the needs of front-line teams - March 2026.
• Sub-group to develop and produce practical equipment to reiterate and promote the importance of safeguarding training across the Council - February 2026.
• Add training on keeping records of safeguarding in addition to the current e-module with the agreement of the SCW - Completed.
• Scrutiny Investigation Report (Safeguarding Arrangements) - February 2026
• Further review of the Corporate Safeguarding Policy - April 2026</td></tr>
<tr><td>6. Risks / Resources:</td><td>Resources
• The appointment of the Human Resources Advisory Service Manager to a post with another Council will have a short-term impact on the resources available for the Whistleblowing Task Group. Recruitment and appointment process has begun and a new manager is expected to be appointed in February.</td></tr>
<tr><td>7. Communication Considerations:</td><td>•</td></tr>
<tr><td>8. Timelines:</td><td>
<table>
<tr><td>CPR - 17 (29)</td><td>WG Review (Training)</td><td>To be confirmed by WG</td></tr>
<tr><td>CPR - 18 (30)</td><td>Grooming Training</td><td>To be confirmed</td></tr>
<tr><td>CPR – 19 (31)</td><td>Assurance of this for the Safeguarding Board.</td><td>To be confirmed (see CPR-18)</td></tr>
<tr><td>CPR - 20 (32)</td><td>Whistleblowing Policy</td><td>April 2026</td></tr>
<tr><td>CPR –13 (33)</td><td>LADO Officers Training/supervision</td><td>to be confirmed</td></tr>
<tr><td>CPR - 24 (34)</td><td>DSP/Supervision by social workers</td><td>to be confirmed</td></tr>
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	RP- C2 **(35)**	Training on keeping safeguarding records.	December 2025
	RP- B1b **(36)**	Departmental Safeguarding/VAWDASV Training	Ongoing
	RP- B2 **(37)**	Schools safeguarding training package	Complete
	RP- C2d **(38)**	Mandatory safeguarding training - safeguarding decisions	Ongoing
	NEWYDD - 11 **(39)**	"Advanced" Safeguarding Training	to be confirmed
	RP- B1 **(40)**	Review Safeguarding Policy	April 2026
	RP- B2 **(41)**	Review Safeguarding Policy (Schools)	to be confirmed
	RP- B1a **(42)**	Internal audit - safeguarding arrangements	June 2026
	RP- B1c **(43)**	Monitoring DBS compliance	Complete
	RP- B5 (**44)**	Monitor safeguarding arrangements in Schools	Complete
	RP- B6 **(45)**	Scrutiny Investigation - safeguarding	December 2025

Theme 4 - Governance ***Reporting Officer: Alison Halliday***	
1. Theme Aim:	• Ensure that school governors understand their roles and responsibilities to keep children safe. • Ensure that systems are in place which measure the wider health and culture of schools.
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps. Specific guidance: - Timeframes are a risk at present - it is anticipated that the Welsh Government review will take between 6 and 9 months. Can we proceed more swiftly with some of the recommendations? How?
3. Progress to date:	• Mandatory safeguarding training in place for every Chair and Safeguarding Designated Governor in schools. • Make it mandatory for Governors to complete basic safeguarding training • A new governor handbook has been shared with all governors and on the Gwynedd website • Start to collate information to assess the school's situation including health and wider culture • Meetings with neighbouring authorities to identify best practices in terms of clerking and effective and efficient governance arrangements. • Investigate a dashboard to capture all governance information and data in one convenient and manageable place.

4. Challenges faced:	• Dependencies - awaiting further guidance from WG following its review of governance arrangements within schools
5. Next steps / key milestones:	• Empower the governance arrangements of our schools by ensuring that all Governing Bodies receive professional and high quality clerking support. Consider holding a professional clerk pilot for those schools who do not have a clerk by **March 2026.** • Review and amend the training programme for Chairs and Governing Bodies in order to respond to current needs. This will include training such as grooming and unconscious bias in line with local requirement. • Ensure training for heads on the basics of effective governance with a continued focus on developing the role of the body as a Critical Friend by establishing a culture of honesty and transparency as central themes. Future Leaders programme / prospective Heads have received a presentation **January 2026.** New Heads Programme to be introduced by **March 2026.** • Education Department to develop and circulate a standing agenda for Gwynedd school governing bodies, which will focus on safeguarding and well-being matters, as well as providing appropriate data to help them to assess the schools' situation by **March 2026.** The work of reviewing and amending meeting agenda will have been completed by **January 2026.** Training for Clerks and new procedure in place by **March 2026.** • Respond promptly to and implement all the recommendations of the Welsh Government Review of governance arrangements in schools in Wales - **timetable to be specified in accordance with the review** • Appoint an additional governance support officer to support schools with all aspects of governance and complaints by **April 2026.** Job description and person specification confirmed **January 2026.**
6. Risks / Resources:	• **Resources:** RP-Ch7 (51)- An additional officer will be required to support 94 governing bodies. We currently have one officer. We have received a grant from WG which will allow us to appoint an additional officer. • **Resources:** CPR-22 (47) - We will require resources to create a dashboard which will facilitate the collection of such data. • **Resources:** (46.10) Additional resources will be required to establish a professional clerking model.
7. Communication Considerations:	•

8. Timelines:	CPR - 21 **(46)**	Governors' Responsibilities	to be confirmed by WG
	CPR - 22 **(47)**	Dashboard	to be confirmed by WG
	CPR - 23 **(48)**	Accurate minutes	May 2026
	NEWYDD-12 **(49)**	Investigation and prevention procedure	June 2026 / Ongoing
	RP- C3 **(50)**	ICP Recommendations	Ongoing
	RP- Ch7 **(51)**	Training	Ongoing
	RP- Ch6 **(52)**	Compare arrangements	May 2026

Theme 5 - Restrictive Practices ***Reporting Officer: Llion Williams***	
1. Theme Aim:	• Update guidelines on filming restraint in the past by adults, and how filming records should be kept.
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	• The offender's actions were contrary to the Schools Policy by filming cases - this is not standard practice. • During Quality Assurance visits we always look at the restrictive practice policy to ensure that it aligns with the exemplar policy provided. • Training is provided free of charge via the inclusion team • Pupil suspension records highlight training requirements in schools - the inclusion team contact and support schools in addition to the ongoing training schedule. • Appoint an additional Safeguarding and Well-being Officer to the Team in order to be able to carry out the annual quality visits • A company is commissioned to: 1. Evaluate the current policy against national guidelines and statutory requirements 2. Analyse the strengths and weaknesses of the policy, identifying good practices, gaps and risks in terms of compliance and restorative practice. 3. Recommend practical improvement steps which ensure full compliance and integrate restorative approaches and conversations. 4. Recommend clear implementation arrangements with roles, accountability and restorative approach embedded in daily practice. 5. Evaluate the training plan for staff in policy requirements and restorative conversations. 6. Establish clear reporting arrangements for incidents, concerns and outcomes of restorative conversations.

<table>
<tr><td></td><td>7. Implement firm monitoring and intervention arrangements
• An Education/Safeguarding/ALN Working Group has been set up to lead and facilitate the actions that will stem from the evaluation.</td></tr>
<tr><td>4. Challenges faced:</td><td>• Welsh Government to implement the recommendation of publishing an appendix to the Framework Guidance in order to reduce restrictive practices.
• Ensure that all schools are able to release staff in order to keep training current
• Staff appointments and movements mean that the situation in terms of training varies during the year - department and schools capacity to keep current</td></tr>
<tr><td>5. Next steps / key milestones:</td><td>• Establish a Working Group to lead and facilitate action - December 2025
• Establish a brief to evaluate the policy and current arrangements - December 2025
• Identify and commission an external company to evaluate policy, training arrangements, school support, pupil support, compliance monitoring methods - January 2026
• Establish an action plan following the evaluation – March 2026
• Establish and implement monitoring and compliance with policy procedure - March 2026
• Review strategy and training plan - Tbc
• Strengthen the reporting and monitoring of school reports data arrangements - Tbc</td></tr>
<tr><td>6. Risks / Resources:</td><td>Risks:
• The process of commissioning and completing the work to evaluate the policy and arrangements take longer than expected
• Ongoing compliance of schools
Resources:
• Resources and a system will be required to record 53.5 - collaborating with the IT Department to establish a system/Power App to keep data</td></tr>
<tr><td>7. Communication Considerations:</td><td>•</td></tr>
<tr><td>8. Timelines:</td><td>
<table>
<tr><td>CPR 25 (53)</td><td>Appendix to guidance - WG</td><td>Waiting for the Government</td></tr>
<tr><td>53.1</td><td>Establish a sub-group - investigating</td><td>December - Completed</td></tr>
<tr><td>53.2</td><td>Review the Policy</td><td>January 2026</td></tr>
<tr><td>53.3</td><td>Adopt the policy</td><td>February and annually</td></tr>
<tr><td>53.4</td><td>Provide training</td><td>February 2026</td></tr>
<tr><td>53.5</td><td>Monitoring</td><td>March 2026 and annually</td></tr>
</table>
</td></tr>
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Theme 6 - Crisis Planning and Crisis Response

Reporting Officer: Catrin Love	
1. Theme Aim:	• Ensure that a clear, strategic and co-ordinated plan is in place in an emergency
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise progress - Offer any comment or guidance, and guidance specifically on point 26d
3. Progress to date:	• Project group established. • Have stepped back of the original intention in order to have a better understanding of the current situation and guidance. • Key conversation has already taken place with a Detective Inspector from the Police's arrest team which has significantly improved understanding and changed the course of the content. Decision not to speak to the staff at the School. • Understand which formal Information Sharing protocols are in place in within safeguarding and emergency planning in order to establish whether this is a matter of raising awareness of them or that new agreements need to be created. WASPI agreements are in place within Safeguarding and for specific aspects of Emergency Planning and the ICO have clear guidance in terms of sharing information in an emergency therefore no need for a new guidance. • An early draft of a Strategic and operational Crisis Plan is in place. • Discussions have been held with the Policy on seconding a Social Worker to the Police in a serious safeguarding case. Favour having a flexible response in order to have the most appropriate arrangements for every individual case. That could be joint victim liaison teams (Police and Social Workers), it could be an open access arrangement for the Police or a formal secondment.
4. Challenges faced:	• Establishing what is already in place in the fields that overlap here - safeguarding, safety and emergency. • Tie all the documents already in place into one simple and concise document which addresses health and safety, safeguarding, emergency and information. • This is a requirement on all Councils by now as a result of the Government's letter to leaders and therefore there are questions around having standard templates / documents across North Wales counties. It is a statutory requirement but there is no national guidance. • It will be challenging to reach everyone in all schools and the initial work of mapping the training process has started to eliminate any delays once the Plan has been approved.

<table>
<tr><td>5. Next steps / key milestones:</td><td>• Consultation (end of March 2026)
• Mapping training and preparing training resources (Summer 2026 school term)
• School staff training (To be confirmed)</td></tr>
<tr><td>6. Risks / Resources:</td><td>• Once the work of mapping the training has been completed the resources required will become clearer however a bid for additional resources has been submitted.</td></tr>
<tr><td>7. Communication Considerations:</td><td>•</td></tr>
<tr><td>8. Timelines:</td><td>
<table>
<tr><td>CPR - 26a (54)</td><td>Review the strategic serious incidents plan</td><td>Draft Plan by 31/1/26
Consultation period 31/3/26
Training Programme Summer Term 2026
Recommendation for the Board to agree in order to complete the action.</td></tr>
<tr><td>CPR - 26b (55)</td><td>Official protocol - information sharing</td><td>Completed</td></tr>
<tr><td>CPR – 26c (56)</td><td>Plan in place / rapid support steps</td><td>Completed</td></tr>
<tr><td>CPR - 26d (57)</td><td>Move a social worker to work on secondment with the Police</td><td>April 2026</td></tr>
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Our Bravery Brought Justice - Cyngor Gwynedd's Response Plan

Progress Report

27.04.2026

THEME 1 - VOICE OF THE CHILD AND SUPPORTING VICTIMS ***Reporting Officer: Gwern ap Rhisiart***	
1. Theme Aim:	• Ensure that children are listened to, and that they are believed and taken seriously. • Give a voice to children and young people in processes that have been planned to keep them safe. • Do everything within our ability to support the victims and survivors.
2. Guidance sought from the Board:	We ask the Board to: • Challenge and scrutinise the progress • Offer any further guidance on the next steps
3. Progress to date:	<u>The Voice of the Child Strategy</u> A draft Voice of the Child Strategy has been completed. Observations have been received on the content by the members of the recovery board and have been incorporated in the current version. Work has been done to draw up some appendices, but not all. The appendix on the voice of children and young people in education is ready for discussion with the Children and Young People Forum, Education Strategic Groups and Gwynedd Governors Forum. There is work to be done to amend the current guidance of the Children's Services so that it becomes a natural part of the Strategy as a whole; the current content is wholly appropriate, but its format needs to be amended so that it reads as one. The content needs to be discussed with the Children and Young People Forum. This may be a task for the Engagement Coordinator that is currently in the process of being appointed. <u>Recording</u> Every school has the ability to record changes in the behaviour of children digitally on the Bromcom system or one of the previous systems, such as MyConcern. <u>Trauma Informed and Child Friendly</u> A work programme has been prepared which looks at: a) developing Gwynedd as a child-friendly county, placing the rights of children at the heart of decisions; b) moving towards being trauma-informed, kind and empathic organisations. The programme focuses on long-term changes and developing culture by means of: - A corporate and specialist training programme;

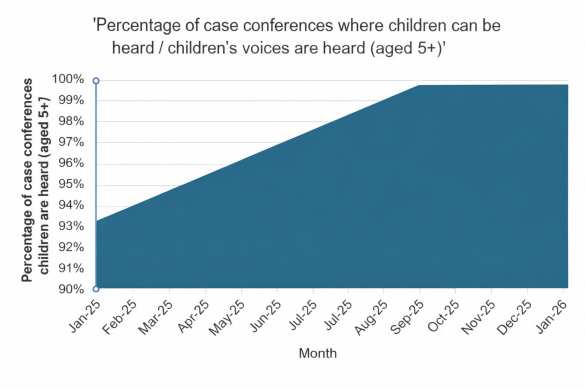
	- Policy and procedure checks; - Self-assessments; - Monitoring and evaluating impact. The Action Plan and its delivery continues under the Caring Gwynedd Priority Area, and the Supporting People Cross-departmental Working Group (instead of directly to the Board), in order to embed the whole-Council approach to the themes. The work programme can be seen in Appendix 1 (Additional Papers). <u>Contact Outside School</u> Quality checking visits continue to check that there are contact numbers that children can use if they wish to contact external agencies. This is a part of the continuous monitoring cycle of the safeguarding and well-being team. There has been no example where the team has not seen appropriate alternative contact details at any school.
4. Challenges faced:	One of the main challenges is the increasing demand on our Children and Young People Forum. Although they are more than able to consider and give their opinions, they also have their own priorities and this in itself places pressure on them. It appears that everyone wishes to hear the views of the forum on a broad range of fields, and we need to consider that they have exams, for example, and that it is not acceptable to take them out of their lessons all the time. It is something that needs to be considered moving forward, and officers will consider an annual programme with the Forum during their next meetings. As a result, we will delay the completion of work on the strategy until the end of June, beginning of July, as the examination period will have drawn to a close by then.
5. Next steps / key milestones:	• Refine the content of the current guidance of the Children's Services to correspond with the strategy's format. • Commence the work of considering corporate changes to ensure the voice of the child. • Draw up a realistic timetable for consulting with the Children and Young People Forum, considering the increasing demand on them as representatives.
6. Risks / Resources:	The availability of our Children and Young People Forum, particularly over the examination period.
7. Communication Considerations	

8. Timelines:

Number	Priority	What?	Timetable
1	1	The Voice of the Child Strategy	July 2026
6	1	Contact outside school (reporting concerns)	To be confirmed
4	2	System for recording a change in behaviour	September 2027
8	2	Support for victims	Ongoing
10	2	Walking on the corporate culture: Trauma-informed and The Right Way (Children's Rights)	Long-term work programme
2	3	Systems / measures / reporting - the voice of the child	To be confirmed
7	4	**Welsh Government** to implement changes to the National Curriculum	WG noted September 2026
5	5	Social Worker to speak with every child	Completed - monitoring
9	5	Compensation claims	Ongoing
3	Combined with number 30 (Theme 3)	Training - identify change in behaviour / grooming	See: Number 30 Theme 3

Grey = Completed or unable to implement as we are waiting for a national / regional change

Measures (Impact)		
Regular opportunities for victims / survivors to provide feedback to Cyngor Gwynedd about the quality and sufficiency of the support	**Update:** The intention is to discuss with the advocates during April. A verbal update could be provided if this has not happened by the time the papers have been shared with Board members.	**Timetable:** Board Meeting April 2026 (verbal)
Confidence and experience of safeguarding in schools	**Update:** A Youth Forum has been developed and a questionnaire has been circulated to gather the views of young people about their confidence and the experience of safeguarding within schools. 1291 young people across the County have responded. The responses show that over 80% pupils noted that they were able to speak with someone at the school if support is needed, 14% were not able to speak with someone at the school and 6% did not respond.	**Timetable:** Annual - results Feb / March

	75% noted that they knew where to go for support, 6% were uncertain, 15% did not respond and 4% did not know where to go for support.	
Health and Well-being of Gwynedd Schools (School Life)	**Update:** The Report on the results of the *Survey on the Health in Schools Research Network* (SHRN): *Improve the health and welfare of learners* has not been published by Public Health Wales yet.	**Timetable:** Delay from reporting as the SHRN report has not yet been published. July 2026 Board
Percentage of case conferences where the voice/views of the child (5+ years old) were heard	**Update:** 	**Timetable:** This is a measure that it reported regularly to the Children's Performance Challenge meeting. The next Performance Challenge meeting will be held in May.
Percentage of part 5 referrals where a social worker has made a proactive effort to visit and listen to the voice of the child (5+yrs)	**Update:** **Number of children seen during the assessment (Dec-Jan) = 97%** Three children not seen during assessment The reasons for this include children not wanting to leave their bedroom/not wishing to be a part of the assessment. There was one case where a parent refused a visit, telephone assessment only. A strategy discussion was held and escalated to Strategy 47 for access without parental consent.	**Timetable:** This is a measure that it reported regularly to the Children's Performance Challenge meeting. The next Performance Challenge meeting will be held in May.
Outputs to date		



A **social worker makes a proactive effort to hear the voice of every child** subject to a Safeguarding Referral (Section 5)



All schools display **information about an independent person** that pupils can talk to if they have safeguarding concerns.



A **special role has been appointed to help develop the Gwynedd Youth Forum.**



The Council works together with partners in order to offer **ongoing support to the victims.**



All schools have access to an electronic data management system so that changes in a child's behavior can be recorded.

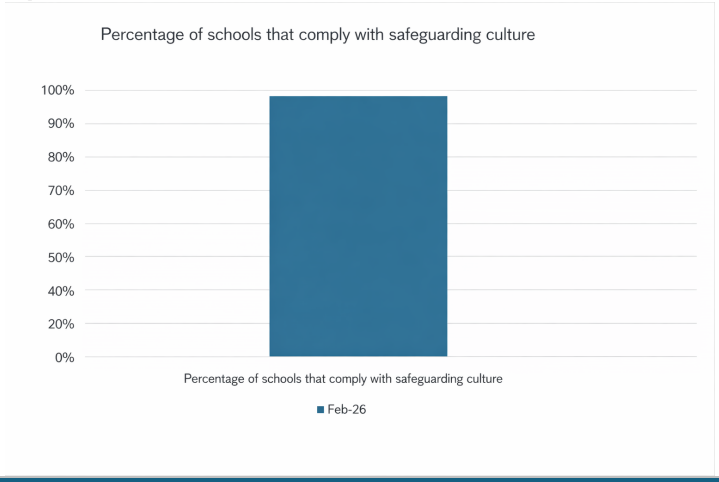
THEME 2 - MANAGING ALLEGATIONS AND CONCERNS ABOUT ADULTS WORKING WITH CHILDREN ***Reporting Officer(s): Dylan Owen / Sharron Carter Williams***	
1. Theme Aim:	• Protect children by ensuring that concerns are taken seriously and acted upon quickly. • Ensure that Part 5 arrangements support a consistent and robust multi-agency response to allegations and concerns about adults working with children.
2. Guidance sought from the Board:	We ask the Board to; • Challenge and scrutinise the progress • Offer any further guidance on the next steps.
3. Progress to date:	• The **Quality Assurance Framework** has been completed (copy for information included in the pack). • The **Magic Notes pilot** has been commenced, with positive results thus far, as staff note that it facilitates their work. • An application was submitted to be a part of a national pilot to trial the new **national referral form**. We are waiting to hear if the application has been successful.
4. Challenges faced:	• Although the initial meeting with the Police was positive in terms of establishing a TEAMS channel, they have currently refused the request, noting that the current arrangements work effectively. Further contact will be made to explain the situation further. • With the funding for additional posts confirmed, the Department will move to advertise them. However, as recruiting social workers is already a challenge, there is an actual risk that these roles cannot be filled.
5. Next steps / key milestones:	• Follow-up conversations to hold with the Police (April 2026) • Appoint to the DOS/Quality Assurance Post (May/June 2026) • Evaluate the Magic Notes Pilot (July 2026)
6. Risks / Resources:	• With the funding for additional posts now confirmed, the Department will move to advertise them. However, as recruiting social workers is already a challenge, there is an actual risk that these roles cannot be filled.
7. Communication Considerations	• Work will be needed to raise the awareness of the **Children's Department workforce** about the new Quality Assurance Framework. • A challenge is expected in wording the recruitment to additional posts. A further **public** and internal campaign will need to be considered as required.

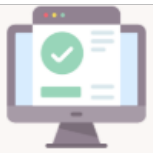
8. Timelines:

Number	Priority	What?	Timetable
15	1	Safeguarding (Part 5) decisions being made on a multi-agency basis, and not by the LADO alone	Delay – awaiting discussions with the Police
17	1	Part 5 and Quality Assurance Framework implementation arrangements	Framework completed
23	1	Improve the relationship between the children's teams and schools	Ongoing
24	1	Strengthen collaboration / Communication between the Children and Education Departments	Ongoing
25	1	Quality of Strategy Discussions recording (Part 5)	July - 2026
18	2	Ensure that the Part 5 referral form will be easy to find and easy to use.	Oct-2026
14	4	**Welsh Government** to develop a Low-level Concerns Policy	Awaiting implementation by WG
11	4	**Welsh Government** to note that the Voice of the Child needs to be heard following the Part 5 referral	Awaiting a copy from WG
12	4	**Regional Safeguarding Board** to scrutinise the Welsh Government's arrangements for dealing with allegations	Awaiting confirmation from the RSB
20	4	**Welsh Government** to review the Part 5 procedures	Awaiting a copy from WG
21	4	**Welsh Government** to publish the 10-Year Strategy on Preventing the Sexual Abuse of Children	Published
13	5	Collaborate with schools on any safeguarding issues that arise following the ESTYN inspections	Ongoing
16	5	Consider historical safeguarding information on a child's records	Completed
19	5	A transparent and open culture of dealing with referrals	Ongoing
22	5	Establish a Schools Safeguarding and Well-being Service	Continuous Review

Grey = Completed or unable to implement as we are waiting for a national / regional change

Measures (Impact)		
Staff confidence and experiences of Part 5 referrals and dealing with	**Update:** We are considering whether something can be done as part of the internal investigation of the awareness of the safeguarding workforce (internal audit), seeking the	**Timetable:** October 2026 Board.

low-level concerns	views of an individual who has experience of making a safeguarding referral or conduct a joint inspection with the Safeguarding and Well-being Team.	We are delaying before conducting an internal audit on the workforce's awareness in order to give time for the materials produced by the Corporate Safeguarding Promoter to take root.
Attendance of the Chair of Governors or deputy at a Part 5 strategy meeting if there is an allegation about a member of a school's workforce.	**Update:** Our intention is to try and report on this **per quarter**. Please note, however, that this cannot be done by using the current data system and some manual administrative work will have to be done in order to calculate it.	**Timetable:** Aiming to start reporting on this measure to the Board in July 2026
Estyn inspection reports : numbers who comply with safeguarding culture	**Update:** 	**Timetable:** Reported quarterly
Outputs to date		



The **form for referring allegations of abuse** is easier to find on the Council's website and on the Schools' "hub" website.



No **safeguarding decisions are made by one employee** alone.



Historical information on a child's record is checked each time a Safeguarding Referral is made (Section 5).



Historical information is also checked on the record of the professional adult who is the subject of a Section 5 enquiry.



"Magic Notes" is being piloted to facilitate the recording of safeguarding meetings (Section 5).



The **Quality Assurance Framework has been completed** to help ensure the Children's Department works effectively and consistently.

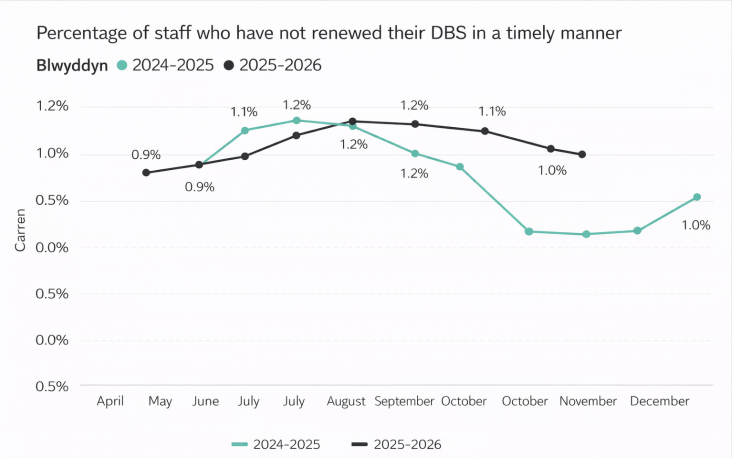
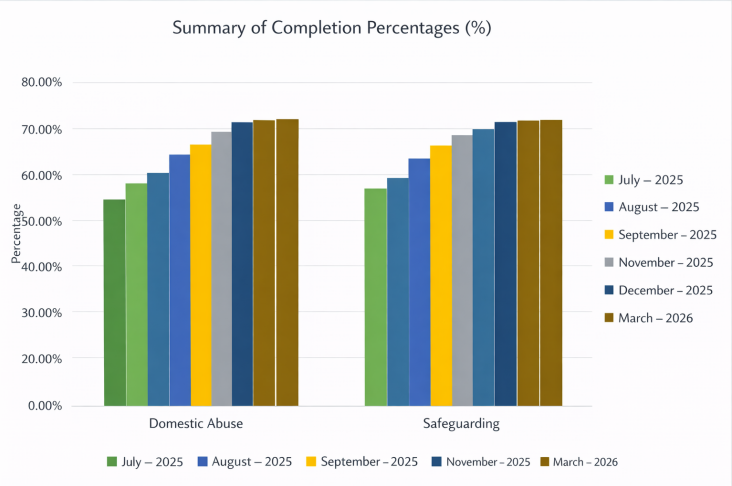
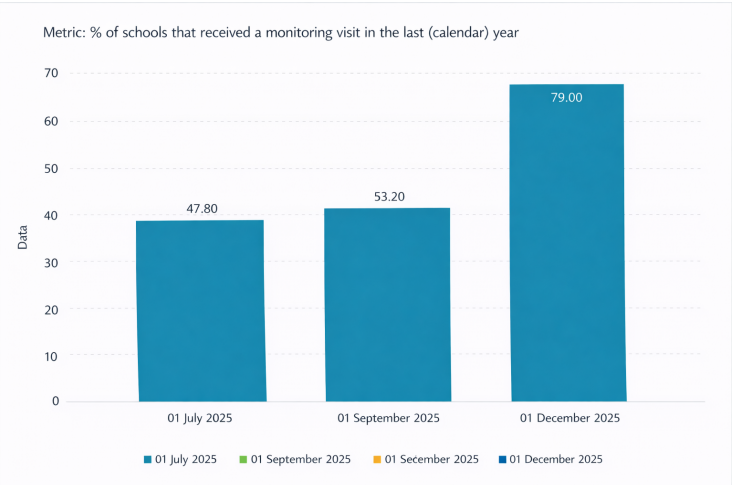
THEME 3 - TRAINING AND POLICIES ***Reporting Officer: Ian Jones***	
1. Theme Aim:	• Ensure that staff are trained to "think the unthinkable" and understand that "it could happen here".
2. Guidance sought from the Board:	We ask the Board to; • Challenge and scrutinise the progress • Offer any further guidance on the next steps.
3. Progress to date:	<u>Whistleblowing Policy</u> The amended Whistleblowing Policy was adopted by the Full Council in March 2026, and work is afoot to raise awareness of the policy across the Council. We have also committed that relevant officers attend specialist training from the Protect organisation during the coming months (exact dates to be confirmed). <u>Safeguarding Training</u> Progress has also been made in terms of converting Safeguarding training into video presentations so that they can be introduced to frontline staff across the Council. Work has also commenced on mapping the training needs of staff beyond the basic module so that they can support staff in the workplace. Group F training has also been carried out by an External Expert for the Council's Members. <u>Grooming Training</u> The NSPCC will be commissioned to prepare the grooming training pack. The training will include two parts: 1. An on-line class for up to 5000 for officers across the Council, raising awareness of the signs of grooming, and how to respond, etc. The training will also be available to elected members and school Governors. 2. Face-to-face training for 20 officers (5 sessions booked, therefore 100 officers in total). This is specific for front-line workers; Social Workers, Teachers, Designated Safeguarding Persons in Schools and Headteachers. The aim is to start the sessions in June. There was some delay as a result of the need for bilingual materials.
4. Challenges faced:	Access to all Council staff to the Council's IT systems remains a challenge. However, a financial bid has recently been approved to facilitate the work, and a further work is in place to realise the ambition.
5. Next steps / key milestones:	<u>Whistleblowing Policy</u> **April – July 2026 >** Raise awareness of the Whistleblowing policy amongst Council staff. **April - December 2026 >** Attend training sessions **April - September 2026 >** Introduce sessions to frontline staff on Safeguarding **July 2026 -** Complete mapping work on the training needs of Managers and Team Leaders
6. Risks / Resources:	Work priorities continue to be challenging as a result of the Council's broader work programmes.

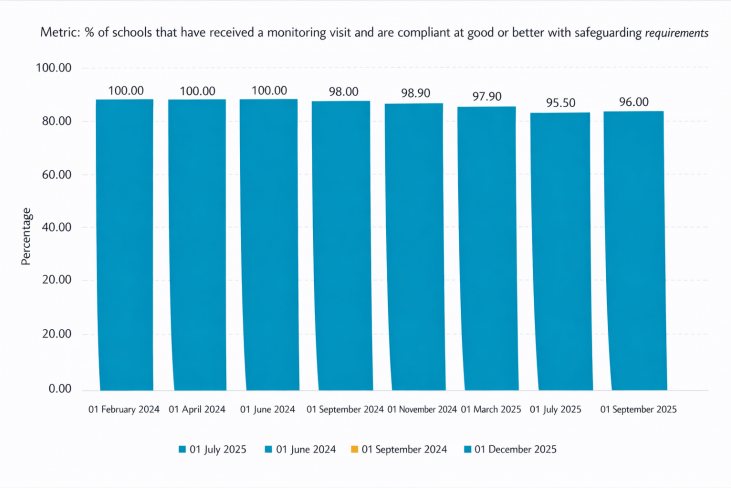
7. Communication Considerations:	• Internal communication messages to be prepared in terms of Whistleblowing and Safeguarding matters
8. Timelines:	

Number	Priority	What?	Timetable
32	1	Whistleblowing Policy	April 2026
35	1	Training on keeping safeguarding records	April 2026
45	1	Safeguarding Scrutiny Investigation	To be confirmed
30	2	Grooming Training	To be confirmed
38	2	Safeguarding Training - higher levels and training	To be confirmed
34	3	Supervision of Designated Safeguarding Persons by social workers	To be confirmed
29	4	**Welsh Government** to Commission a Training Resource	To be confirmed by WG
31	4	Assurance for the **Regional Safeguarding Board** of the grooming training that will be held	To be confirmed
33	4	**Regional Safeguarding Boards** have assurances that the LADO has received training	To be confirmed by the RSB
36	5	Departmental Safeguarding/VAWDASV Training	Completed - ongoing monitoring
37	5	Review the schools safeguarding training package	Ongoing
40	5	Review the Corporate Safeguarding Policy every two years	Ongoing
41	5	Review the Safeguarding Policy (Schools) every year	Ongoing
42	5	Internal audit: The workforce's awareness of safeguarding	July 2026
43	5	Monitoring DBS compliance	Ongoing
44	5	Visits to monitor safeguarding arrangements in schools (Safeguarding and Welfare Team)	Ongoing
39	Combined with number 38	"Advanced" Safeguarding Training	Combined with number 38

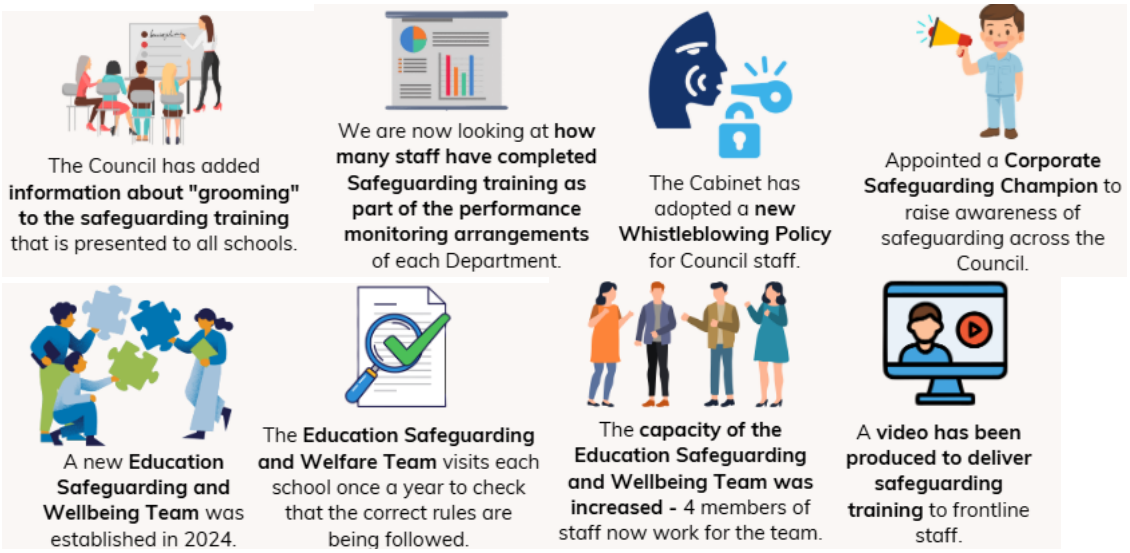
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Measures (Impact)

DBS rates for staff		**Timetable:** This is a measure that it reported regularly to the Corporate Performance Challenge meeting. The next Performance Challenge meeting will be held in April. The figures per department are also scrutinised through the Safeguarding Operational Group.
Completing mandatory safeguarding training	**Update:**  *It is expected for the percentage to increase as a result of the mandatory training video presentation sessions for frontline staff.*	**Timetable:** This data is scrutinised at the Safeguarding Operational Group. The data is now also included in the performance challenge of every Department.
Number and percentage of school quality check visits		**Timetable:** This is a measure that it reported regularly to the Education Performance Challenge arrangements. **The next meeting is in May, and it will be possible to report on the data of the last 4 months at the July Board.**

Compliance with school safeguarding policies		**Timetable:** This is a measure that it reported regularly to the Education Performance Challenge arrangements. **The next meeting is in May, and it will be possible to report on the data of the last 4 months at the July Board.**
% staff completed training on sex offenders and grooming	**Update:** As a result of the delay to secure bilingual materials, the data will now be collected from June onwards.	**Timetable:** The intention is to start reporting on this data at the Board's meeting in July 2026.
Staff and members' confidence in the Council's Whistleblowing arrangements	**Update:** Further work is needed between April and July in order to raise awareness of the in-house arrangements.	**Timetable:** Aiming to start reporting on this measure to the Board in September 2026.

Outputs to date



THEME 4 - GOVERNANCE ***Reporting Officer: Alison Halliday***	
1. Theme Aim:	• Ensure that school governors understand their roles and responsibilities to keep children safe. • Ensure that systems are in place which measure the wider health and culture of schools.
2. Guidance sought from the Board:	We ask the Board to; – Challenge and scrutinise the progress – Offer any further guidance on the next steps
3. Progress to date:	<u>Safeguarding Training</u> • Mandatory safeguarding training in place for every Chair and Safeguarding Designated Governor in schools • Basic Safeguarding Training is mandatory for every Governor • A new Governor Handbook has been shared with all Governors and on the Gwynedd website <u>Appointment of a Governance Support Officer</u> • A Governance Support Officer has been appointed and will commence in the role in **May 2026** <u>Effective Governance as a Critical Friend</u> • Every leadership development programme in the authority gives purposive attention to the importance of effective governance with the need to foster a culture of honesty and transparency to ensure that governing bodies implement their role as a critical friend. • New headteachers and headteachers in charge, along with participants from the primary and secondary future leaders, have now received this training. <u>Training for Clerks</u> • Meeting agendas have been amended to ensure a specific and purposeful focus on the voice of the child, well-being and safeguarding. These programmes have been shared with the Authority's clerks of school governing bodies in **April 2026** <u>Welsh Government</u> • We have attended meetings with the Welsh Government to gain more information and updates regarding the review. A Welsh Government Representative will attend the next meeting of the Gwynedd Governance Forum to share an update and receive input on the governance challenges of smaller and rural schools. <u>Professional Clerk</u> • Awaiting job evaluations.
4. Challenges faced:	Dependencies - awaiting further guidance from Welsh Government following its review of governance arrangements within schools.

5. Next steps / key milestones:

- Induction of the new Governance Support Officer to their role - **May 2026 onwards**
- Ensuring a comprehensive training programme for Governing Bodies **June 2026 onwards**
- Appointment of a Professional Clerk to meet the demand and needs of schools for a clerk
- Prompt response and implementation of all recommendations in the Welsh Government Review of governance arrangements. **September 2026 onwards**
- Continue discussions with the Governance Hub company to respond to the need for a dashboard to capture all data and information in a convenient location.
- Draw up a questionnaire for governors to measure the impact of training on the culture and their confidence as a critical friend of the school **June - July 2026**
- Implement any findings, empowering a training programme for governing bodies

6. Risks / Resources:

Risk:

- Adapt the Authority's mandatory training in terms of governance before receiving national guidance following the review
- The authority unable to meet the needs and demands of schools for a governing clerk from September onwards.

Resources:

- (Number 46) - Additional resources will be required to establish a professional clerking model.

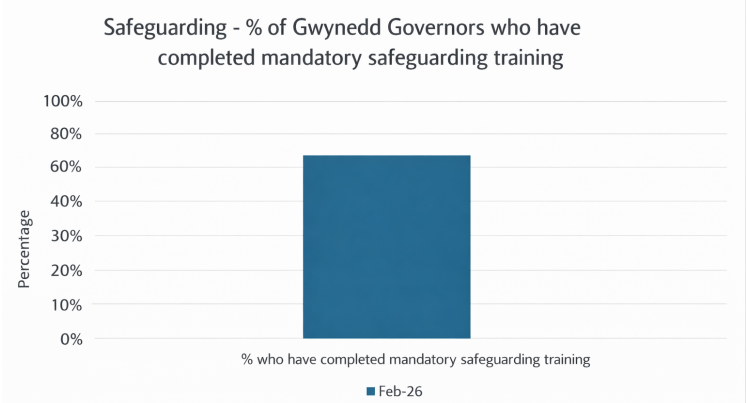
7. Communication Considerations:

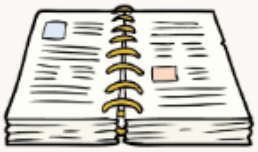
- Information will need to be shared with Governors, including a comprehensive training programme.
- We will appoint a Professional Clerk to meet the demand and needs of schools.

8. Timelines:

Number	Priority	What?	Timetable
46	2	**Welsh Government** to highlight the responsibilities of Governors	To be confirmed by WG
47	2	Governors dashboard on the health and well-being of schools	to be confirmed by WG
48	2	Governors to keep accurate records of safeguarding decisions	May 2026
49	2	Highlight the role of Governors in an investigation and suspension procedure	June 2026 / Ongoing
52	3	Compare the Governance arrangements of YF and other schools	May 2026
50	4	Learn lessons when dealing with complaints in the future	Ongoing - a case similar to ICC 2019 has not happened
51	4	Training and Support for Governors	Awaiting the findings of the WG review

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Measures (Impact)		
% of school governing bodies reporting that all members have completed mandatory training		**Timetable:** This information is collected once a year during the Autumn Term by means of the Annual Safeguarding Questionnaire.
The Governing Body's confidence in their ability to be a Critical Friend of the school.	**Update:** **To be introduced in September 2026.**	**Timetable:** Information being collected before the end of the Summer term in order to be able to report to the Board at the beginning of the new term (**September 2026**).

Outputs to date		
 A **new Governor's Handbook** has been created and shared with all Gwynedd School Governors.	 A **new Officer has been appointed** to support School Governors.	 A **training program for clerks** is available to all School Governing bodies.

THEME 5 - RESTRICTIVE PRACTICES ***Reporting Officer: Llion Williams***	
1. Theme Aim:	• Update guidelines on filming physical restraint by adults, and how filming records should be kept.
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	• An external company has been commissioned to: 1. Evaluate the current policy against national guidelines 2. Analyse the strengths and weaknesses of the policy. 3. Recommend practical improvement steps which ensure full compliance and integrate restorative approaches and conversations. 4. Recommend clear implementation arrangements with roles, accountability and restorative approach embedded in daily practice. 5. Evaluate the training plan for staff in policy requirements and restorative conversations. 6. Establish clear reporting arrangements for incidents, concerns and outcomes of restorative conversations. • Number of associated policies shared to facilitate the evaluation • Meeting held between the Headteacher of the Camu i'r Copa Referral Unit, Inclusion Manager and the officer who completes evaluation work to explain the implementation arrangements of the policy and the current training plan. • Final steps are completed in the evaluation work before the report is submitted. • After this, an action plan will be drawn up, and the implementation will respond to the findings. • Scrutiny of the restrictive practice / early intervention policy has been added to the quality visits of the Safeguarding and Well-being Team since the end of February 2026 - Every school that has received a visit so far has adopted the lead policy of the Education Department • The policy adoption / review date will be a part of the annual safeguarding questionnaire to Schools (Circulated annually in October) • The Regional Safeguarding Group is developing an additional clause in the Regional policy to give guidance to schools on filming physical restraint by adults - this is not recommended in accordance with GDPR regulations and relevant legislation. The clause is in the process of being verified by the legal department of the lead County.
4. Challenges faced:	• Drawing up and implementing improvements following the external consultation, subject to the company's completion timetable • Current training data includes the schools of Anglesey and other agencies - There will be a need to develop and adapt the method of monitoring the need and numbers of staff who need/have been trained.
5. Next steps / key milestones:	• Establish an action plan following the evaluation **- March 2026** • Establish and implement monitoring and compliance with policy procedure **- March 2026** • Review the training strategy and plan - **To be confirmed following the evaluation feedback**

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- Strengthen the reporting and monitoring of school reports data arrangements - **To be confirmed following the evaluation feedback**

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<tr><td>6. Risks / Resources:</td><td>

Risks:

- The process of commissioning and completing the work to evaluate the policy and arrangements take longer than expected
- Ongoing compliance of schools

Resources:

- Resources and a system will be required to record 53.5 - collaborating with the IT Department to establish a system/Power App to keep data

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<tr><td>7. Communication Considerations:</td><td>-</td></tr>
<tr><td>8. Timelines:</td><td>

<table>
<tr><th>Number</th><th>Priority</th><th>What?</th><th>Timetable</th></tr>
<tr><td>53</td><td>2</td><td>Welsh Government to publish Guidance on filming restrictive practices incidents</td><td>To be confirmed by WG</td></tr>
<tr><td>53.1</td><td>“</td><td>Establish a sub-group - investigation</td><td>December - Completed</td></tr>
<tr><td>53.2</td><td>“</td><td>Review the Policy</td><td>January 2026</td></tr>
<tr><td>53.3</td><td>“</td><td>Adopt the policy</td><td>February and annually</td></tr>
<tr><td>53.4</td><td>“</td><td>Provide training</td><td>February 2026</td></tr>
<tr><td>53.5</td><td>“</td><td>Monitoring</td><td>March 2026 and annually</td></tr>
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<tr><td colspan="2">Measures (Impact)</td></tr>
<tr><td>% of school staff completing training on restrictive practices</td><td>Update:

Over 300 staff in 85 Gwynedd schools have received training over the past 3 years. This includes refresher training. The training programme is being managed and monitored by the inclusion team.

Currently, training is being held based on need, applications or recommendations by the inclusion service. It is expected that this procedure will be refined following the findings of the evaluation. Further work needs to be completed in order to collect the data more effectively.</td><td>Timetable:

Refine the collection arrangements following the evaluation by the external company</td></tr>
<tr><td>% of schools complying with the restrictive practice model policy.</td><td>Update:

Scrutiny of the restrictive practice / early intervention policy has been added to the quality visits of the Safeguarding and Well-being Team since the end of February 2026 - Every school that</td><td>Timetable:

Data being collected through the annual safeguarding</td></tr>
</table>

	has received a visit so far has adopted the lead policy of the Education Department Every school that has responded to the annual safeguarding questionnaire (October 2025), confirming that they have adopted the lead policy of the Education Department.	questionnaire / visits of the Safeguarding and Well-being Team
Quality of Safeguarding – Policy compliance, level of training, reporting and evaluation processes are carried out during the annual visits.	**Update:** During the new cycle of Safeguarding quality visits, the 29 schools that have received a visit confirm that they have adopted and that they comply with the Education Department's lead policy (100%). The adaptations, following the external evaluation, that will be implemented in the reporting procedure will become an additional part of the quality check visits	**Timetable:** This aspect is being added to Quality of Safeguarding visits from the beginning of February 2026.
Reporting on the following two measures in performance challenge meetings: **- Number of reports of use of restrictive practices by schools.** **- % of reports that have received the child's voice as part of the report**	**Update:** These actions are subject to the recommendations deriving from the external evaluation.	**Timetable:** Awaiting the results of the external company's evaluation.
Outputs to date		
No restrictive practices infographic at present.		

THEME 6 - CRISIS PLANNING AND CRISIS RESPONSE *Reporting Officer: Catrin Love*	
1. Theme Aim:	• Ensure that a clear, strategic and co-ordinated plan is in place in a crisis situation
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	A consultative process has been held with specific schools that were involved with events on the day of the arrest at the school, in order to gain a better understanding. A draft Crisis Plan is in place which has incorporated all recommendations in the CPR report. Draft submitted to a small cohort of School Headteachers (mix of small and larger schools and Secondary schools), with several observations received. A draft of a collaboration agreement with the Police has been completed following discussions. It establishes a flexible framework for working together, which may at times include secondements, as well as an open-door approach and collaboration with victim contact teams.
4. Challenges faced:	The needs and ability of schools are different, subject to their size. First draft version identifying 7 key roles in schools in a crisis but, in practice, there are only 7 members of staff in total in a small school. Headteachers feel that there are too many documents and procedures relating to crisis in schools, with a request made to reconcile documents and incorporate them into a single document, e.g. fire / lockdown / safeguarding / crisis procedures. Need to adapt the original proposal in terms of communicating the Plan with the schools, Headteachers do not feel that a short presentation in a Business Meeting is sufficient.
5. Next steps / key milestones:	Re-introduce the Crisis Plan to the same cohort of School Headteachers, with their original comments incorporated within it. **April 2026** Agree on the communication and training method of every school **May 2026** Share collaboration agreements with the Police for comments, with the intention of adopting it formally. **April 2026**
6. Risks / Resources:	**Risks** A suggestion that national guidance are to follow in this field which may change the content.

	Resources Budget for an additional resource has been approved and in the process of advertising a post.
7. Communication Considerations:	Need to communicate with school Governors Need to include broader sites than schools alone, e.g. leisure centres, residential homes, etc.
8. Timelines:	

Number	Priority	What?	Timetable
54	2	Review the strategic serious incidents plan	Consultation period *31/3/26*. Training Programme *Summer Term 2026*
56	5	Plan in force which sets out steps to obtain swift support during a traumatic event	June 2026
55	5	Official protocol to share information	Completed
57	2	Arrange a secondment for a social worker to work with the Police (in accordance with the need)	Completed

Grey = Completed or unable to implement as we are waiting for a national / regional change

Measures (Impact)		
Number of schools / staff / Governors in each school who have received Emergency / Crisis Plan training.	**Timetable:** Training to be scheduled	**Update:** Reporting on this continues to be premature as there is a need to update and consult on the Plan before putting appropriate training in place.
Number of satisfactory emergency plans on the Council's sites	**Timetable:** A programme of annual inspections to commence from September 2026.	**Update:** Reporting on this continues to be premature as there is a need to offer appropriate training and for it to be in place before establishing a monitoring programme.
Outputs to date		



There is an **agreement to collaborate with the Police in an emergency.** This may involve a social worker being seconded to work with the Police for a period of time.

Theme 7 - Ysgol Friars ***Reporting Officer: Margaret Davies***	
1. Theme Aim:	• Supporting Ysgol Friars
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	**Review the Governing Body's ability to implement the recommendations that will result from the CPR, realistically assessing what steps are beyond its capacity.** • Governance arrangements for wellbeing and safeguarding continue to strengthen. Governors demonstrate confidence in evaluating the wellbeing and safeguarding report, and a structured programme of support and challenge meetings between the Designated Safeguarding Person (DSP) and the Safeguarding Governor takes place each term. There is clear evidence of a developing data pack, shaped in response to governor feedback—for example, termly attendance comparisons—which is improving the quality of strategic oversight. • The termly report to GB provides governors with data in relation to safeguarding referrals, child protection and looked after children • The school has established a wellbeing sub-committee that meets regularly to share information on high level data, patterns and actions/ responses school is taking on concerns • The governing body scrutinises the safeguarding policies prior to ratification at full GB meeting. These are ratified annually. • The school is working closely with local authority named safeguarding officers and an external specialist. The local authority is supporting the Governors as they develop their critical friend role. • Safeguarding SER is now completed annually and presented to full Governing Body • The governing body have been briefed on the potential recommendations form the Child Practice Review and will be working closely with school leaders to ensure that all

	recommendations pertinent to school have been completed in a timely manner • The Authority's Safeguarding Officer continues to attend the governing body and Wellbeing and Safeguarding sub-committee to provide constructive support and challenge, and ensure regular feedback to the Authority regarding progress against the recommendations, and strengthen the working relationship between the school and the Authority. • The Safeguarding Lead meets with the Head/Designated Safeguarding Lead every three weeks and attends Governing Body meetings. **Strengthen training and support for governors in the areas of safeguarding, strategic accountability, and performance monitoring.** • All governors have completed the NSPCC training, • A special meeting of the Governing Body was held on 1 December to focus on Safeguarding as follows: o Self-evaluation form for Safeguarding and Child Protection – Estyn o Local Authority Audit o Comfortable Environment Protocol: Pre and Post Bereavement Support Protocol for Ysgol Friars Pupils o Safeguarding Training - Staff and Governors o Programme Board - Child Practice Review Outcome o Role and responsibilities of the Well-being and Safeguarding Sub-Committee **Support the interim Headteacher, Deputy and the two new Assistant Headteachers as they develop as a strong management team.** • The SIA visited during the CPR publication and in preparation for the Estyn inspection. SIA continues to visit as needed during the year to discuss improvements to the school • 'Safe space' - half termly sessions have been arranged for all members of the leadership team by 'trauma informed schools'. • There is monthly supervision of the Designated Person by an independent consultant to support pressure on DSP at this time. • Cross-School collaboration – the school is continuing to work the A55 alliance which focus on literacy skills, and also with Ysgol Syr Hugh Owen, Ysgol Brynrefail and Ysgol Dyffryn Ogwen in relation to the Gwynedd. A formal agreement has been developed between four schools and the first focus is inclusion.

	Support the recruitment and transition to a permanent Headteacher during 2026, reassuring staff and parents that robust arrangements are in place Cyngor Gwynedd • Permanent Headteacher appointed for 1 September 2026 start. **Strengthen middle leadership and ensure that school management processes are operational and transparent.** • Link Governors have been appointed and 'School Guidance for Supportive Visits by Governors' has been adopted by the Governing Body. Meetings have taken place with the faculties and are ongoing. General overview record form following a supportive visit to the school by a member of the Governing Body is sent to the Headteacher and Head of Faculty. • A first round of quality assurance has been completed, and a report of whole school-findings has been presented to the Governing Body. Whole school areas for further improvement have been included in the Schools Development Plan. • The Governing Body has adopted the PDR Policy. There has been a pause in national leadership development programmes this year, but they will be starting in September. Th PL needs of staff currently being collated following their initial PDR meetings. **Pupil Voice** • Leaders and governors place a high value on pupil voice, and this commitment is increasingly evident in the school's developing structures and processes. A designated governor now attends school council meetings regularly, providing an effective link between pupils and the governing body and ensuring that learners' perspectives inform strategic discussions. Head pupils meet routinely with the headteacher to raise important issues, and this dialogue is beginning to shape aspects of school development in a meaningful way. As a result, pupils feel that their views are listened to and that they can influence change within the school. However, leaders recognise that pupil voice is stronger at whole-school level than within tutor groups and year groups, where opportunities for consultation and participation remain inconsistent. Strengthening these layers of pupil voice, alongside establishing purposeful sub-committees to support the wide-ranging work of the school council, is therefore a clear next step. Initial training planned with the Children's Commissioner for Wales is a timely and positive development that is expected to further enhance pupils' confidence, advocacy skills, and the overall impact of pupil voice across the school community.

	Review and strengthen counselling and emotional support arrangements, ensuring sustainable and high quality provision for children and young people. Wellbeing centre • A 'Wellbeing centre report' was presented to Governing body in March 2026. There are currently 4 school based counsellors and a total of 53 students have been referred in this period (01/09/25-31/01/26) (KS3-31 students, KS4-10 students, KS5-12 students). Meetings with the school counselling team, DSP and Safeguarding Officer happen on a half termly basis. Initial meetings focused on the referral process, improving communication of appointments, improving communication between school-based counsellors and safeguarding team. Additional support sessions from the school-based counsellors have been agreed where there have been possible 'trigger' days. So far these have been on the: - Release of the CPR report - GCSE Maths results day - Don't steal my future workshop day (RASASC) The rooms in the wellbeing centre are used regularly by a number of additional support services: The School Nursing Service is based in the Centre and offers support and advice to children, young people and their families or carers to help ensure that they reach their full potential during their school aged years and beyond. Confidential advice and support can be offered for a wide range of issues. Be' Di'r Sgôr - The Gwynedd and Anglesey Young People's Drug and Alcohol Abuse Service. The service is available to any young person up to the age of 25 who is or has been affected by drugs or alcohol, directly or through someone else. They work confidentially with young people to offer one to one support and advice, drop-in sessions in the community, education and prevention resources, and Guidance for families and professionals. Two members of the team have set up a weekly clinic at Ysgol Friars. This work includes: • Holding targeted one to one or group sessions with pupils • Offering advice and support sessions to staff, if it is useful CAMHS Hub - Every month, there is a meeting of the CAMHS hub. This is early intervention prevention and promotion services. The purpose of the hub is: • To provide advice, guidance and support to the multidisciplinary school environment. • To upskill those working around the child within the school setting. • To identify mental health difficulties, refer and intervene early within the school environment.

	• To increase awareness and knowledge of child mental health, and how to influence and foster resilience. • To enable the education system to positively influence mental health <u>Multi-agency work- Supporting attendance</u> - The wellbeing centre is also being used to support students in returning to school following lengthy periods of absence. Agencies who are supporting students with long term absences have started to schedule sessions in the wellbeing centre to bridge the gap between home and school. This is currently taking place with two student in Year 9 who have not attending school this academic year. The wellbeing centre is also used for meetings with social workers, support workers, police interviews and parent meetings. **Support staff to build a culture of safety, trust and respect, providing additional training where necessary.** Since 2023, the school reviewed its training model for safeguarding and child protection. In line with Gwynedd County Council, the school is compliant with the Group A, B and C training. We will continue to review this training model based on feedback from staff and local authority officers. • In May, all Senior Leaders have completed the NSPCC Group C Designated persons training. New members of the senior leadership team have completed the training in September 2025 • In addition, the safeguarding officer has also completed their Group C training • In addition, the designated safeguarding person has attended Group C training facilitated by Gwynedd County Council • In September 2025, the senior leadership team have commissioned an independent trainer to facilitate Group B training to all staff during INSET day. This was a comprehensive training package that meets requirements of Group B training. • The school have also commissioned the independent trainer to work closely with our new designated safeguarding person to support, challenge and improve our safeguarding and child protection arrangements. This is an ongoing support Service for our DSP and safeguarding team on a monthly basis. • In addition, all staff have completed the online Group A training, Prevent and Violence against Women training which are online training modules • The school maintains records and ensures that all staff are appropriately trained child protection and safeguarding, prevent and sexual violence • All staff are aware of different levels aware of children's needs and aware on how to respond to their needs in different situations.

	• The school has moved towards a designated safeguarding team that can respond in an appropriate and timely manner to ensure that support is available at the time of need and referrals are made in a timely manner. • As of June 2025, all new staff are provided with safeguarding training as part of their induction. This is facilitated by our designated safeguarding person. • The local authority designated safeguarding lead meets with the school safeguarding team monthly to discuss trends and support. Training for safeguarding and child protection is a priority at Ysgol Friars. The school is compliant with the local authority policy in providing Group A and Group B training. Designated and deputy designated persons are trained to Group C. This team approach ensures that there are robust arrangements in place to provide guidance to staff and liaises with Gwynedd County Council to ensure that we are up-to-date and compliant. **To carry out regular safeguarding audits and provide ongoing assurance to the Authority and the Programme Board.** • Estyn's safeguarding self-evaluation and Gwynedd audit presented to governors. • A school audit is in place and feeds into the action plan. • LA safeguarding visit completed • Termly reports are presented to governors in relation to child protection / safeguarding and staff roles. **Communication and Transparency** • Parental communication remains an area for development. Plans for the creation of dedicated focus groups next term provide a clear route forward and offer the potential for more meaningful parental engagement in safeguarding and wellbeing conversations.
4. Challenges faced:	**Continue to clerk the Governing Body until sustainable arrangements are in place.** • The school has advertised three time for the role of the Clerk to the Governing Body but have been unsuccessful in appointing. The school will re-advertise again in the coming weeks following the publication of the Estyn Report. In the meantime, the current clerk continues to work closely with the Project Lead. **Strengthen training and support for governors in the areas of safeguarding, strategic accountability, and performance monitoring.** • Waiting to hear how compulsory training will change nationally before detailing further.

5. Next steps / key milestones:	• To further embed pupil voice by working closely with the children's commissioner's team • To ensure that recommendations in our Estyn report are incorporated into whole school planning • To further develop our graduated response to social emotional and challenging behaviour
6. Risks / Resources:	**Ensure that the role of the temporary additional Safeguarding Officer is effectively integrated, with a clear framework in terms of accountability and oversight.** • Finance and staffing committee to consider the future following receipt of next year's budget.
7. Communication Considerations	**Communication and Transparency** • Parental communication remains an area for development.
8. Timelines:	

Our Bravery Brought Justice - Cyngor Gwynedd's Response Plan

Progress Report

15.07.2026

THEME 1 - VOICE OF THE CHILD AND SUPPORTING VICTIMS ***Reporting Officer: Gwern ap Rhisiart***	
1. Theme Aim:	• Ensure that children are listened to, and that they are believed and taken seriously. • Give a voice to children and young people in processes that have been planned to keep them safe. • Do everything within our ability to support the victims and survivors.
2. Guidance sought from the Board:	We ask the Board to: • Challenge and scrutinise the progress • Offer any further guidance on the next steps
3. Progress to date:	**The Voice of the Child Strategy** A Voice of the Child Strategy has now been fully drawn up in draft form, with the following specific appendices developed to support the strategy as a whole: • The Voice of the Child in Children Services • The Voice of the Learner in Education • The Voice of Children and Young People Forums • The Voice of the Child Strategic Integration and Governance The strategy and appendices set a clearer procedure on how the voice of children and young people is heard, recorded and used to steer decisions and integrated into the Council's governance arrangements. (copy shared with Board for information) A full day has been arranged for 16 July to go through the whole strategy with the Children and Young People's Forum. This will give them an appropriate opportunity to consider the strategy and appendices in detail, to discuss the content and consider the proposed arrangements before proceeding to the next steps. The Forum's feedback will be an important part of the process of refining the strategy before its final approval and embedment across relevant services. We have advertised twice and have interviewed twice for the Engagement Officer post. Unfortunately, we failed to appoint and we have now advertised for the third time. We will use the Council's communication team to promote the role through our social media websites. **Recording** There has been no significant change in terms of recording arrangements since the previous report, but positive progress has been made in ensuring that all schools now have access to an electronic system to record relevant matters. Therefore, every school now has the ability to record changes in behaviour, concerns or relevant information digitally, either on Bromcom or current systems such as MyConcern.

	It is important to note that the majority of schools still use MyConcern, but all schools have now got access to a suitable electronic system. This gives a more consistent basis for recording work and reduces the risk of relying on paper arrangements or inconsistent processes. **Trauma-informed and Child Friendly** The Trauma-informed e-modules are now live on the learning portal, providing the basic knowledge for all staff and councillors. Work is also underway to arrange training sessions for Cabinet Members, Department Heads and Assistant Department Heads, while the Cabinet Member for Children completes a Diploma in trauma-informed practice. Progress is also continuing on the work of Children's Rights across the Council, which includes collaborating with the Highways Service to develop a more child-friendly method of engagement when planning playing fields. There is a need to prepare and support every department to incorporate children's rights in their day-to-day work and develop a stronger corporate awareness of these principles - there is an e-module training (via the Welsh Government's hub) and it is intended to arrange sessions on children's rights for managers and teams in the autumn. **Contact Outside School** Quality checking visits continue to check that contact numbers and appropriate information are available for children to use if they wish to contact external agencies or ask for support outside school. This is a part of the continuous monitoring cycle of the Safeguarding and Well-being Team. Since the last meeting, no example has arisen where the information available to learners has been found to be inadequate or inappropriate.
4. Challenges faced:	One of the main challenges in taking this work forward is the increasing demand on the Children and Young People's Forum. While Forum members are fully capable of considering, challenging and giving opinions on important areas, it is necessary to recognise that they also have their own priorities and pressures, including school commitments, exams and other activities. It is clear that an increasing number of areas of work wish to have input from the Forum, and this is something that will need to be carefully managed. It is not appropriate to continually pull young people out of lessons, and bringing together young people from across Gwynedd to one setting is also a significant practical challenge. Another challenge that needs to be recognised is the concern that the priorities of the Youth Forum could be pushed aside due to the Department's agenda and the requirements of the Response Plan. While this work requires clear and purposeful input from children and young people, it is also important that this does not mean that their priorities are lost or downgraded. The balance that needs to be struck is that the Forum can meaningfully contribute to the priorities of the Response Plan, but also remain a space where young people can raise the issues that matter most to them. A date has now been scheduled for a meeting with the Forum on 16 July, when there will be an opportunity to go through the complete strategy and associated appendices. This will give the young people appropriate time to consider the content in a meaningful way. It also needs to be recognised that the end of the school year period brings a natural change in the membership of the Forum, as some young people leave education or move on to a new era.

	In addition, the Department's ability to devote the necessary time and capacity to this work remains a challenge, given the many strategic and practical priorities currently in place. However, work continues to progress, and officers will consider a more structured annual programme with the Forum to ensure that their input is carefully planned and used effectively. Moving forward, it will be necessary to ensure that the Forum's work programme gives sufficient space to the young people's own priorities, whilst also ensuring that their voice contributes directly to the improvement work that is part of the Response Plan. This will help maintain the credibility of the Forum, reduce pressure on members, and ensure that the arrangements remain meaningful and fair for the young people involved. With this in mind, the completion of work on the strategy will be timed following the session with the Forum on 16 July, so that the feedback from the young people can be appropriately incorporated before moving on to the next stages. Another challenge will be recruiting for the Engagement Officer post. We are now starting the process for the third time. This is a reflection on a lack of suitable people out there to do the work.
5. Next steps / key milestones:	• Hold a full session with the Children and Young People's Forum on 16 July to discuss the Voice of the Child Strategy and associated appendices in their entirety, giving the young people an adequate opportunity to consider the content and offer meaningful feedback. • Incorporate the Forum's feedback into the final strategy and appendices, ensuring that young people's views are clearly reflected before proceeding to formal approval. • Complete and refine the specific appendices for: o The Voice of the Child in Children Services; o The Voice of the Learner in Education; o The Voice of Children and Young People Forums; o The Voice of the Child Strategic Integration and Governance. • Develop an annual work programme with the Youth Forum, to ensure an appropriate balance between the young people's own priorities and the need to receive their input on the priorities of the Recovery Plan. • Consider practical and sustainable arrangements for engaging with young people from across Gwynedd, including travel challenges, meeting timing, and natural changes to Forum membership at the end of the school year. • Continue to strengthen corporate arrangements for the child's voice, ensuring that the strategy influences relevant decision-making processes, governance arrangements and service plans. • Confirm the recording arrangements across schools, noting that all schools now have access to an electronic system, while continuing to monitor the consistent and effective use of systems such as MyConcern and Bromcom. • Continue the monitoring cycle through quality check visits, including checking that appropriate information is available to learners about how to contact external agencies or get support outside of school. • Appointment of Engagement Officer.

6. Risks / Resources:	The main risks are the availability and capacity of the Children and Young People Forum, especially considering exam pressures, travel distances and the natural change in the Forum's membership at the end of a school year. There is also a risk that the priorities of the Youth Forum are pushed aside by the requirements of the Response Plan, along with the challenge of ensuring sufficient capacity within the Department to move the work forward.
7. Communication Considerations	A clear communication plan will be required when publishing the strategy, ensuring that children and young people see where their input has influenced the work. An accessible and child-friendly version will be required, along with clear messages for schools, governors, services and partners. It will also be important to manage expectations and clearly show how the voice of children and young people leads to action.
8. Timelines:	

Number	Priority	What?	Timetable
1	1	The Voice of the Child Strategy	July 2026
2	1	Systems / measures / reporting - the voice of the child	To be confirmed
4	1	System for recording a change in behaviour	September 2027
6	1	Contact outside school (reporting concerns)	To be confirmed
8	1	Support for victims	Ongoing
9	1	Compensation claims	Ongoing
10	1	Working on the corporate culture: Trauma-informed and The Right Way (Children's Rights)	Long-term work programme
7	3	**Welsh Government** to implement changes to the National Curriculum	WG noted September 2026
5	4	Social Worker to speak with every child	Completed - monitoring

Gray = Delay until a national / regional change is implemented

Green = Completed (monitoring)

Measures (Impact)

Regular opportunities for victims / survivors to provide feedback to Cyngor Gwynedd about the quality and sufficiency of the support	**Update:** Continue meetings with the advocates of victims, with continuous discussions about the level of support available, or required, this includes the needs of the family as well as the individual. Four out of five of the victims are in contact with either ISVAs or social services. Conversations are now taking place on an individual level with the ISVA's to tailor bespoke support packages. In addition, one-to-one contact with one of the victims takes place, either on a face-to-face basis or on Teams based on the wishes of the individual; again, in order to discuss needs on an individual and family level. One of the largest challenges is identifying specialist services / interventions for victims in a therapeutic field in the area. There is an agreement to map the availability of therapeutic services locally / across the region.	**Timetable:** Board Meeting July 2026
Confidence and experience of safeguarding in schools	**Update:** The Youth Forum developed a questionnaire to gather the views of young people about their confidence and the experience of safeguarding within schools, with 1,291 responses across the county. The responses showed that over 80% of pupils noted that they were able to speak with someone at the school if support is needed, while 14% said that they could not and 6% did not respond. Also, 75% noted that they knew where to go for support, 6% were uncertain, 4% did not know and 15% did not respond. <u>Scrutiny and Safeguarding Committee Report</u> The report shows that there is a solid foundation of confidence and safeguarding experience in Gwynedd schools, with staff and governors taking their responsibilities seriously, but that consistency of training, clarity of reporting pathways, and everyone's confidence to act immediately when there is any concern need to be strengthened.	**Timetable:** Annual Review (March) Reported to the Board in April 2026. July 2026 Update: Scrutiny Committee Report
Health and Well-being of Gwynedd Schools (School Life)	**Update:** The Report on the results of the *Survey on Health in Schools Research Network (SHRN): Improve the health and welfare of learners* for **Secondary Schools** has not yet been published by Public Health Wales. After receiving the results, they will be analysed by the department's data officers.	**Timetable:** October 2026 Board

Percentage of case conferences where the voice/views of the child (5+ years old) were heard	**Update:** Percentage of case conferences where the child's voice/opinion was heard (aged 5+) **- 96%**	**Timetable:** Data for April – June 2026
Percentage of section 5 referrals where a social worker has made a proactive effort to visit and listen to the voice of the child (5+yrs)	**Update:** Percentage of section 5 referrals where a social care worker has made a proactive effort to visit and listen to the child's voice (aged 5+) **- 90%**	**Timetable:** Data for January – June 2026

Outputs to date



A **social worker makes a proactive effort to hear the voice of every child** subject to a Safeguarding Referral (Section 5)



All schools display **information about an independent person** that pupils can talk to if they have safeguarding concerns.



A **special role has been appointed to help develop the Gwynedd Youth Forum.**



The Council works together with partners in order to offer **ongoing support to the victims.**



All schools have access to an electronic data management system so that changes in a child's behavior can be recorded.

THEME 2 - MANAGING ALLEGATIONS AND CONCERNS ABOUT ADULTS WORKING WITH CHILDREN

Reporting Officer: Dylan Owen / Sharron Williams Carter

1. Theme Aim:	• Protect children by ensuring that concerns are taken seriously and acted upon quickly. • Ensure that Section 5 arrangements support a consistent and robust multi-agency response to allegations and concerns about adults working with children.
2. Guidance sought from the Board:	We ask the Board to; • Challenge and scrutinise the progress • Offer any further guidance on the next steps.
3. Progress to date:	**WCCIS form changes** • WCCIS forms to receive referrals were changed to ensure that broader, historical and associated information is checked. • WCCIS forms to decide on the actions of a referral were changed to ensure that a multi-officer and multi-agency discussion is held where appropriate. **Referral Form** • It was ensured that the referral form and referral methods were clear on our corporate website and on the intranet. • A request was made to trial the new national referral form. *(See the Briefing Paper that explains the changes in detail)* **Multi-agency Discussion** • It was ensured that multi-officer and multi-agency conversations and discussions are held to agree on actions following the receipt of referrals. • Discussions were held with partners to ensure regular and consistent collaboration and co-production systems. It was agreed to implement a direct contact system to discuss referrals on a consistent and regular basis and this is in place with applications made to agencies to nominate a link for section 5 meetings. This will develop the relationship and expertise in the field and ensure consistency when following processes and making decisions. See attached paper; *(See the Briefing Paper that explains the changes in detail)* **Recording Safeguarding Concerns** • Additional training on recording safeguarding matters was prepared for the social services workforce (adults and children) as part of the presenting and training system on Beam notes (previously Magic Notes), which will be implemented at the beginning of July. **Quality Assurance Framework** • The new Quality Assurance Framework was developed for the Children's Department in its entirety and it has now been implemented; • Additional funding was secured for the admissions team for a DOS/Quality Assurance post. These jobs were advertised and there were recent appointments with start dates in the jobs soon; **Recruitment** • As a result of appointing a head of Children's Department for a year, there was a domino effect and now several posts have been filled across the Department at all levels of the organisation;

	• Discussions were held with the Training Unit and the University on the Department's ability to recruit adequate social workers in light of the increased demand and additional funding. It was agreed that the Department would create additional trainee posts working with the Training Unit to ensure support for the prospective trainee; • It was agreed to fund and create a workforce planning job with internal funding (not new funding) to collaborate with the Human Resources Department to develop a plan and implement it; **Collaboration with the Education Department** • First joint meetings were held between school headteachers and senior managers of the Council's Children's Department; • Management Team (Education and Children Departments) meetings were held on a joint basis for some months and the Assistant Head responsible for the education welfare service will regularly join the Children's Management Team; **Responding to requests from the Education Scrutiny Committee** • At the request of the Education Scrutiny Committee, a Section 5 inspection was carried out looking at multiple referrals for individuals back to 2020, considering whether those issues were appropriately implemented and if those issues needed to be revisited. That inspection will be reported to the Strategic Safeguarding Panel in early July; • At the request of the Education Scrutiny Committee, an inspection was carried out on arrangements to consider transferable risks from Human Resources and Discipline matters of the education workforce to a Section 5 referral. That inspection will be reported to the Strategic Safeguarding Panel in early July.
4. Challenges faced:	• There was uneasiness in parts of the Children's Department that could mitigate the risk appetite due to the resentful atmosphere seen publicly on social media in general, but that situation seemed to gradually improve; • Similarly, the new management appointments meant that many new officers were gaining their first experiences of managing and leading on higher levels; • Our use of Beam was challenged by the Police and the Health Board, with both organisations stating that they would not be involved in meetings if Beam was used in them. Clearer guidance is expected on this.
5. Next steps / key milestones:	• National communication was received on the new operating systems that will be implemented for Section 5 matters. There will be a need to work to ensure that the Council systems correspond and meet the need of the new statutory guidance; • Using Beam, it is intended to enable the recording of strategy discussions (Section 5) automatically, with the need to check accuracy only by the LADO. This enables the development of a consistent and quality systematic recording system; • It is noted that the Quality Assurance Framework and Section 5 operating systems are coloured grey to show their completion in the table on the next page, but it will be necessary to check that these issues remain operational and effective over time. It is intended to revisit to consider that in 6 months (14 January 2027) with the Children's Department management team to check and provide further assurance of the lasting effects.

6.	**Risks / Resources:**	• While work is underway on workforce planning and creating apprenticeship jobs, there are recognised recruitment challenges that can lead to some positive growth. • There is concern about the intentions of a television production company that has expressed an interest in the story surrounding Friars School and the *Our Courage* Brought Justice report. The Council is seeking to establish further details about this.
7.	**Communication Considerations**	• With the press narrative on other historical cases suggesting shortcomings in the Council's safeguarding methods, a plan will be required to give public assurance, especially through the work of the Response Board, external inspectors and collaboration with the Government on providing assurance of effective services. • The possible intentions of the television production company could reignite public attention and create challenges for the Council, as well as affect workforce confidence in its safeguarding work.

8. Timelines:

Number	Priority	What?	Timetable
18	1	Ensure that the Section 5 referral form will be easy to find and easy to use.	To be confirmed
25	1	Quality of Strategy Discussion recording (Part 5)	September-2026
14	3	**Welsh Government** to develop a Low-level Concerns Policy	Awaiting implementation by WG
11	3	**Welsh Government** to note that the Voice of the Child needs to be heard following the Section 5 referral	Awaiting a copy from WG
12	3	**Regional Safeguarding Board** to scrutinise arrangements for dealing with Welsh Government allegations	Awaiting confirmation from the RSB
20	3	**Welsh Government** to review the Section 5 procedures	Awaiting a copy from WG
21	3	**Welsh Government** to publish the 10-Year Strategy on preventing the sexual abuse of children	Published
13	4	Collaborate with schools on any safeguarding issues that arise following the ESTYN inspections	Ongoing
15	4	Safeguarding (Section 5) decisions being made on a multi-agency basis, and not by the LADO alone	Arrangements being implemented and refined
16	4	Consider historical safeguarding information on a child's records	Completed
17	4	Section 5 and Quality Assurance Framework implementation arrangements	Framework completed
19	4	A transparent and open culture of dealing with referrals	Ongoing
22	4	Establish a Schools Safeguarding and Well-being Service	Continuous Review
23	4	Improve the relationship between the children's teams and schools	Ongoing
24	4	Strengthen collaboration / Communication between the Children and Education Departments	Ongoing

Gray = Delay until a national / regional change is implemented

Green = Completed (monitoring)

Measures (Impact)

Staff confidence and experiences of Section 5 referrals and dealing with safeguarding concerns	**Update:** We are considering whether something can be done as part of the internal investigation of the awareness of the safeguarding workforce (internal audit). We are delaying before conducting an internal audit on the workforce's awareness in order to give time for the materials produced by the Corporate Safeguarding Promoter to take root. The application is being submitted to the Strategic Safeguarding Panel in July for consideration.	**Timetable:** Awaiting the decision of the Strategic Safeguarding Panel. To be reported by the Board meeting in October 2026.
Attendance of the Chair of Governors or deputy at a Section 5 strategy meeting if there is an allegation about a member of a school's workforce.	**Update:** This is regularly monitored as part of the Section 5 Strategy meetings. There are challenges in terms of reporting on the data through the current system (WCCIS), and there is currently a need to undertake manual administrative work to count the information. Further work is ongoing to examine ways of simplifying the process and facilitating the work of data reporting in future.	**Timetable:** October 2026 Board.
Estyn inspection reports: numbers who comply with safeguarding culture	**Update:** 18/19 schools comply with safeguarding culture according to ESTYN findings - one school needs to follow Safeguarding recruitment arrangements more accurately	**Timetable:** Reported quarterly

Outputs to date



Managers from the Children's and Education Departments meet regularly to strengthen collaboration.



No **safeguarding decisions are made by one employee** alone.



Historical information and records are checked each time a Safeguarding Referral is made (Section 5).



The **form for referring allegations of abuse** is easier to find on the Council's website and on the Schools' "hub" website.



"Magic Notes" is being piloted to facilitate the recording of safeguarding meetings (Section 5).



The **Quality Assurance Framework has been completed** to help ensure the Children's Department works effectively and consistently.



We have **appointed a Quality Assurance Manager** to ensure that the correct procedures are followed in the Children's Department.

THEME 3 - TRAINING AND POLICIES

Reporting Officer: Ian Jones

1. Theme Aim:	• Ensure that staff are trained to "think the unthinkable" and understand that "it could happen here".
2. Guidance sought from the Board:	We ask the Board to; • Challenge and scrutinise the progress • Offer any further guidance on the next steps.
3. Progress to date:	**Safeguarding Training** • The percentage of Council staff who have completed the mandatory Safeguarding training - **76.6%** • The collective training for workers (via video) who do not have access to the Council's digital system has commenced. The feedback has been very positive with a positive response in terms of the form of the training and the discussion among staff has been very good. 67 workers have received the training in this format so far. • The new intranet site is also up and running in terms of promoting and offering guidance and if you have access to the site, here is the link for your convenience: Safeguarding - It's everyone's responsibility. • A video has also been produced to promote that safeguarding is the responsibility of everyone in the workforce. A copy of the video can be viewed as an attachment. • The work of identifying cohorts of staff who require the specialist training on Safeguarding continues and is being monitored by the Strategic Safeguarding Panel. **Review of the Safeguarding Policy** • The Cabinet adopted a revised Safeguarding Policy at its meeting on 7 July, following a comprehensive review undertaken between January and June 2026: Safeguarding Policy (June 2026). • The Policy was strengthened by making the process for raising safeguarding concerns more prominent at the beginning of the document, clarifying roles, responsibilities and accountability at all levels, and introducing clearer safeguarding responsibilities when commissioning services. • New governance measures were introduced to strengthen oversight, including monitoring safeguarding training completion rates through the Performance Challenge process, establishing safeguarding as a standing agenda item for the Corporate Management Team and departmental management teams, and continuing the annual reporting arrangements to the Care Scrutiny Committee, Cabinet and Full Council. **Grooming Training** • Following several questions raised at the Board meeting in April, a briefing note has been prepared to explain the scope of the grooming training and to provide a clearer timetable for delivery. *(See the Briefing Paper that explains the changes in detail)* **Whistle-blowing** • The new Whistle-blowing Policy has now been adopted by the Council and a further amendment was approved by the Full Council on 2 July. This

	was done in order to extend the reportable complaints to include complaints about sexual harassment in light of a legislation change. • The new E-module in terms of the policy has now been developed and it is anticipated that we will release it to all Council staff before the end of July. In addition, approximately 120 Council managers have received a presentation on the new policy as part of the recent managers' network meetings. • As a result of the collaboration with the Protect organisation, specialist training on whistle-blowing will be introduced in October this year and it is anticipated that this will lead to further similar sessions in future. • For information alone, the Whistle-blowing Policy for Members was also adopted by the Full Council at its meeting on 2 July.
4. Challenges faced:	The Safeguarding Promotion Officer had to be absent from work recently due to surgery, therefore, there was a slippage of a few weeks in terms of presenting the video to others. This is expected to change soon so that the momentum can continue.
5. Next steps / key milestones:	1. Continue to hold collective training sessions on safeguarding for staff who do not have access to the Council's digital systems. 2. Complete and introduce a new E-module on the Whistle-blowing Policy for all Council staff. 3. Identify alternative ways in terms of presenting the Whistle-blowing training for those staff who do not have access to the Council's digital systems.
4. Risks / Resources:	
5. Communication Considerations:	

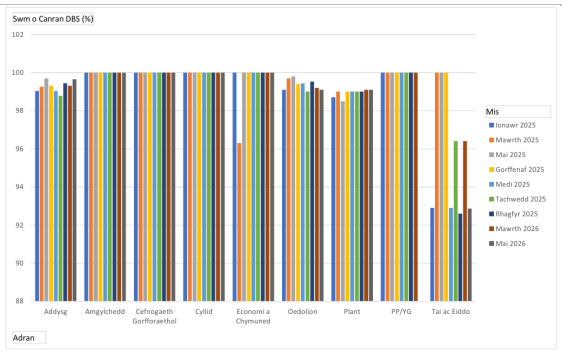
6. Timelines:

Number	Priority	What?	Timetable
32	1	Whistle-blowing Policy	Completed
35	1	Training on keeping safeguarding records	September 2026
30	1	Grooming Training	September 2026
38	1	Safeguarding Training - higher levels and training	To be confirmed
34	2	Supervision of Designated Safeguarding Persons by social workers	To be confirmed
29	3	**Welsh Government** to Commission a Training Resource	To be confirmed by WG
31	3	Assurance for the **Regional Safeguarding Board** of the grooming training that will be held	To be confirmed
33	3	**Regional Safeguarding Boards** have assurances that the LADO has received training	To be confirmed by the RSB
36	4	Departmental safeguarding/VAWDASV training level	Completed - ongoing monitoring
37	4	Review the schools safeguarding training package	Ongoing
40	4	Review the Corporate Safeguarding Policy every two years	Ongoing
41	4	Review the Safeguarding Policy (Schools) every year	Ongoing
42	4	Internal audit: The workforce's awareness of safeguarding	Completed
43	4	Monitor DBS compliance	Ongoing
44	4	Visits to monitor safeguarding arrangements in schools (Safeguarding and Welfare Team)	Ongoing
45	4	Safeguarding Scrutiny Investigation	Completed

Gray = Delay until a national / regional change is implemented

Green = Completed (monitoring)

Measures (Impact)

DBS rates for staff	 **Update:** Compliance rates remain high across the departments, with every department higher than 90%. The main reasons for any DBS that has not been renewed include maternity leave, long-term sickness leave and waiting for the renewal process to be completed.	**Timetable:** This is a measure that is reported regularly to the Corporate Performance Challenge meeting. The figures per department are also scrutinised through the Safeguarding Operational Group.
Completing mandatory safeguarding training	**Update**: **76.6%** of all Council staff have now completed the Safeguarding training. 67 workers have received the training in video form so far.	**Timetable:** This data is scrutinised at the Safeguarding Operational Group. The data is now also included in the performance challenge of every Department.
Number and percentage of school quality check visits	**Update:** Since January 2026, until the end of May 2026, 52 schools (55%) have received a quality monitoring visit. 13 other visits have been arranged for the summer term. This means that 65 schools (70%) will have received a monitoring visit in a term in two school terms from the calendar year. The remaining 29 schools will receive a visit in the 14 school weeks between September and December. The Service is on track to visit every school at least once in a calendar year. As well as the monitoring visits, the service holds additional support visits in response to requests or need.	**Timetable:** This is a measure that is reported regularly to the Education Performance Challenge arrangements.

Compliance with school safeguarding policies	**Update:** The Education Department provides a model policy for schools annually. The annual Safeguarding survey confirms that every school has adopted the model safeguarding policy. In addition, annual quality visits verify that the policy has been adopted and that it has not been changed.	**Timetable:** This is a measure that is reported regularly to the Education Performance Challenge arrangements.
% of staff completed training on sex offenders and grooming	**Update:** As a result of the delay to secure bilingual materials, the data will now be collected from September 2026 onwards.	**Timetable:** The intention is to start reporting on this data at the Board's meeting in October 2026.
Staff and members' confidence in the Council's Whistleblowing arrangements	**Update:** Further work is needed between April and July in order to raise awareness of the in-house arrangements.	**Timetable:** Aiming to start reporting on this measure to the Board in September 2026.

Outputs to date



The Council has added **information about "grooming" to the safeguarding training** that is presented to all schools.



We are now looking at **how many staff have completed Safeguarding training as part of the performance monitoring arrangements** of each Department.



The Cabinet has adopted a **new Whistleblowing Policy** for Council staff.



Appointed a **Corporate Safeguarding Champion** to raise awareness of safeguarding across the Council.



A new **Education Safeguarding and Wellbeing Team** was established in 2024.



The **Education Safeguarding and Welfare Team** visits each school once a year to check that the correct rules are being followed.



The **capacity of the Education Safeguarding and Wellbeing Team was increased** - 4 members of staff now work for the team.



A **video has been produced to deliver safeguarding training** to frontline staff.



The Council has adopted a revised **Corporate Safeguarding Policy**.



The Scrutiny Investigation into safeguarding in schools has been completed. We will look at implementing its recommendations.

THEME 4 - GOVERNANCE ***Reporting Officer: Alison Halliday***	
1. Theme Aim:	• Ensure that school governors understand their roles and responsibilities to keep children safe. • Ensure that systems are in place which measure the wider health and culture of schools.
2. Guidance sought from the Board:	We ask the Board to; – Challenge and scrutinise the progress – Offer any further guidance on the next steps
3. Progress to date:	**Governance Support Officer** The Governance Support Officer has now commenced in her post and has familiarised with her new duties successfully. The officer has attended several meetings with similar officers on a regional and national basis, and has also created a questionnaire to gather the opinions of governing bodies about their confidence when carrying out their role as a critical friend and further training needs. **Questionnaire for Gwynedd School Governors** A questionnaire to measure the impact of training on the culture and confidence of members to act as a critical friend has been distributed. To date, we have received 23 responses, which is equivalent to 26% of our governing bodies. Early findings offer a useful insight into the running of bodies and has been the basis of creating a draft training programme to meet needs and empower our governing bodies from September 2026 onwards. **Safeguarding Training for Governors** Mandatory Safeguarding training for Chairs and Designated Safeguarding Governors who failed to attend during the year is held on **7 July.** **Training for Clerks** Training was presented to clerks at the end of April 2026. 23 clerks attended the training which represents 46% of our governing bodies. Positive feedback was received from 19 clerks. We will hold the training again at the beginning of September 2026. We intend to establish a Clerks Forum to meet every term and regularly share good practice. **Governance Review - Welsh Government** The Education Department has offered comments formally to the review. A Welsh Government representative will attend the Gwynedd Governors Forum on 8 July to gather opinions and input on the governance challenges of smaller and rural schools.
4. Challenges faced:	• Dependence - awaiting further guidance from the Welsh Government following its review of governance arrangements within schools. • Lack of representation from every governing body on the clerking training. • The professional clerk post had been re-advertised due to a lack of interest.

5. Next steps / key milestones:

- Appoint a professional clerk to add capacity to the Governance Support Department and to ensure that we meet the demand for clerks from amongst our schools. **By September 2026.**
- Analyse the data from the Governors Survey to report on the confidence of our Governing Bodies when carrying out their role as a Critical Friend at our meeting in **September 2026.** Use the findings to steer our training programme for Governors for 2026-27.
- Draw up a comprehensive Training programme for Governing Bodies that ensures that new Chairs and Vice-chairs complete mandatory training within statutory deadlines, namely 6 months from commencing in their role.
- Establish a Clerks Forum to ensure that regular training is offered to clerks and an opportunity to regularly share good practice. **September 2026 onwards**
- Establish a Chairs Forum to share regular updates about specific aspects e.g. policies.

6. Risks / Resources:

Risk

- Adapt the Authority's arrangements in terms of excessive governance before receiving national guidance following the review.
- Failure to appoint to the role of professional clerk and, as a result, failure to meet the needs and requirements of schools for a clerk from September onwards.
- Overload our governors with training. It must be ensured that our training programme has been rationalised over time.

7. Communication Considerations:

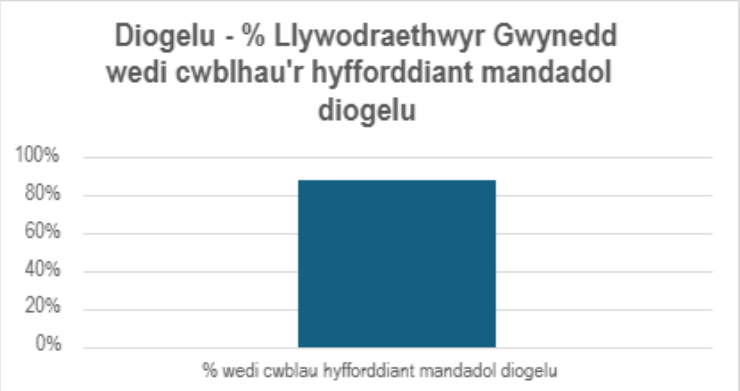
- Any change in our expectations will need to be communicated clearly and unambiguously so that the Chair and governors understand that there is a deadline to complete any mandatory training.

8. Timelines:

Number	Priority	What?	Timetable
46	2	**Welsh Government** to highlight the responsibilities of Governors	To be confirmed by WG
47	2	Governors dashboard on the health and well-being of schools	to be confirmed by WG
48	2	Governors to keep accurate records of safeguarding decisions	May 2026
49	2	Highlight the role of Governors in an investigation and suspension procedure	June 2026 / Ongoing
52	3	Compare the Governance arrangements of YF and other schools	To be confirmed
50	4	Learn lessons when dealing with complaints in the future	Ongoing - a case similar to ICC 2019 has not happened
51	4	Training and Support for Governors	Awaiting the findings of the WG review

Gray = Delay until a national / regional change is implemented

Measures (Impact)

% of school governing bodies reporting that all members have completed mandatory training		**Timetable:** **Reported Annually -** This information is collected during the Autumn Term by means of the Annual Safeguarding Questionnaire.
The Governing Body's confidence in their ability to be a Critical Friend of the school.	**Update:** To be introduced in September 2026.	**Timetable:** Information being collected before the end of the summer term in order to be able to report to the Board at the beginning of the new term (**September 2026**).

Outputs to date



A **new Governor's Handbook** has been created and shared with all Gwynedd School Governors.



A **new Officer has been appointed** to support School Governors.



A **training program for clerks** is available to all School Governing bodies.

THEME 5 - RESTRICTIVE PRACTICES *Reporting Officer: Llion Williams*	
1. Theme Aim:	• Evaluate the early intervention training policy and structure and update guidance to schools about filming physical intervention.
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	**An external company has been commissioned to:** • Evaluate the current policy against national guidelines • Analyse the strengths and weaknesses of the policy. • Recommend practical improvement steps which ensure full compliance and integrate restorative approaches and conversations. • Recommend clear implementation arrangements with roles, accountability and restorative approach embedded in daily practice. • Evaluate the training plan for staff in policy requirements and restorative conversations. • Establish clear reporting arrangements for incidents, concerns and outcomes of restorative conversations. **The findings of the external evaluation noted:** The review confirms that the Authority has a sound policy basis, based on the principles of human rights, prevention and a pupil-focused approach. The current model policy corresponds appropriately with the Reducing Restrictive Practices Framework (Wales, 2022), and effectively reflects the statutory duties noted in relevant legislation. However, although the policy basis is strong, the review reaches a consistent conclusion, namely: • that the lack of operational system development, monitoring and evaluation limits the effectiveness of the existing arrangements. • This identifies the need to shift the strategic focus from further policy development to strengthening the system of implementation and accountability that underpins its operation. **Legislative Framework and Policy** Current arrangements include several substantial strengths, including: • clear commitment to human rights principles, dignity and well-being of pupils • strong emphasis on prevention, de-escalation and early intervention • firm understanding of the legal framework regarding the use of reasonable force The reviews have noted several key gaps that hinder effectiveness: • **Governance**; Roles, responsibilities and accountability mechanisms are not clearly defined across the system. • **Using Data;** Although data is gathered, it is not analysed or used systematically to steer strategic decisions. • **Consistency of Practice;** There is variation between schools in terms of interpreting and implementing the policy. • **Training**; There is no authority-wide framework to ensure continued competence or to monitor training. • **Quality of Recording;** There is a lack of clarity in some records regarding the rationale and risk of harm that justifies the use of force.

	Action: The evidence shows that the matters highlighted mainly involve the implementation of systems rather than shortcomings in the policy itself. Practically, this means that the strategic challenge includes: • shifting from a policy-focused approach to an implementation-focused approach • converting theoretical principles into regular and measurable practice • ensuring that every school operates within general and consistent expectations The strategic response seeks to establish an integrated system of implementation that enables the Education Department to monitor, challenge and improve practice in a systematic manner. **Action Areas**: • **Governance and Supervision** A clear Governance structure will be established that defines roles and responsibilities on a School, Authority and Strategic level. • **Using Data** A central data system has been developed to enable the Education Department to collect and analyse information from each School in a consistent manner to be able to identify patterns and trends, identify inconsistencies between Schools and target training and support and any further preventive work. A working group has been established which includes representation from the Safeguarding, Health and Safety and Inclusion Team to analyse and evaluate the reports on a monthly basis. In addition to the early intervention data, cross-referencing will occur with Health and Safety reports and school exclusions. • **Amending the Policy** The current policy will be updated to strengthen operational elements, including: ○ clarity on Governance and monitoring pathways ○ specific requirements for logic and risk recording ○ clear guidance on thresholds for intervention specific guidance on recording (including prohibiting the use of personal devices) • **Workforce Training and Development** An Education Department training strategy will be established, based on a three-level model: ○ awareness level for each staff member ○ practice level for key staff ○ specialist level for leaders and trainers An action plan has been drawn up by the working group with clear actions, outcomes, completion timetable and responsibilities with the principle of implementing in three steps: **Short Term:** amending policy, establishing Governance structures **Medium Term:** developing a data system and implementing training **Long Term:** evaluating impact and ensuring consistency across the Authority
4. Challenges faced:	• A slippage in the timetable to complete the external evaluation has led to the extension of the implementation timetable. • The need to report on incidents via the HS11 system and to the Education Department is a risk that one report is submitted instead of two. Reporting

	requirements and method for the Education Department has been mitigated to respond to this.
5. Next steps / key milestones:	• Establish an action plan following the evaluation **- March 2026** • Establish and implement monitoring and compliance with policy procedure **- March 2026** • Review the training strategy and plan - **Operational by September 2026.** • Strengthen the reporting and monitoring of school reports data arrangements - **June 2026**
6. Risks / Resources:	• Schools' continuous compliance - Monitoring system established to respond to this
7. Communication Considerations:	-

8. Timelines:

Number	Priority	What?	Timetable
53	2	Welsh Government to publish Guidance on filming restrictive practices incidents	To be confirmed by WG
53.1	"	Establish a sub-group - investigation	December - Completed
53.2	"	Review the policy	January 2026
53.3	"	Adopt the policy	February 2026 and annually
53.4	"	Provide training	September 2026 and continuously
53.5	"	Monitor	September 2026 and monthly

Gray = Delay until a national / regional change is implemented

Green = Completed (monitoring)

Measures (Impact)

% of school staff completing training on restrictive practices	**Update:** Over 300 staff in 85 Gwynedd schools have received training over the past 3 years. This includes refresher training. The training programme is being managed and monitored by the inclusion team. Currently, training is being held on the grounds of need, applications or recommendations by the inclusion service. It is expected that this procedure will be refined following the findings of the evaluation. Further work needs to be completed in order to collect the data more effectively. The new training strategy will be operational from September 2026 onwards. In addition, it will be included in the annual safeguarding training and Safeguarding Designated Person (Group C) training.	**Timetable:** Refine the collection arrangements following the evaluation by the external company September 2026

% of schools complying with the restrictive practice model policy.	**Update:** Every school that has responded to the annual safeguarding questionnaire (October 2025) confirm that they have adopted the lead policy of the Education Department. During the new cycle of Safeguarding quality visits, the 62 schools (66% of Gwynedd schools have received a visit so far) confirm that they have adopted and that they comply with the Education Department's lead policy (100%). The Safeguarding Quality Visits verify that the school has adopted the Education Department's model policy and a discussion is held about implementation and compliance. It will be possible to report on this data when the new reporting method is implemented in September 2026	**Timetable:** Data being collected through the annual safeguarding questionnaire / visits of the Safeguarding and Welfare Team and the reporting system.
Reporting on the following two measures in performance challenge meetings: **- Number of reports of use of restrictive practices by schools.** **- % of reports that have received the child's voice as part of the report**	**Update:** As part of the response strategy, a system has been established for the Safeguarding, Health and Safety Team and the Inclusion Team to evaluate reports on a monthly basis. This data will be reported to the Assistant Head of Additional Learning Needs and Inclusion and then discussed at the Education Management Team meetings.	**Timetable:** Operational from September 2026 onwards

Outputs to date



The standard **Restrictive Practices Policy** has been adopted by all schools in Gwynedd.



An **independent review of restrictive practices** has been completed, with some recommendations identified

THEME 6 - CRISIS PLANNING AND CRISIS RESPONSE

Reporting Officer: Catrin Love

1. Theme Aim:	• Ensure that a clear, strategic and co-ordinated plan is in place in an emergency
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	A final (operational) Crisis Plan is in place. This follows a consultation with a group of School Headteachers and Trade Unions to include Education Unions. All comments have been incorporated. The Plan is ready to be shared and communicated with schools and governors with a plan in place to do so at the beginning of September. This is in order to reach new Headteachers/new Chairs of Governors at the start of the new term rather than at the end of this term when there is a natural turnover. Work is being undertaken to review our strategic arrangements to correspond with this to ensure that all elements have been included within the Strategic Emergency Plan that already exists.
4. Challenges faced:	
5. Next steps / key milestones:	1. Present the Plan to schools in September and then consult with school Headteachers on the exact level of support they will need. 2. As a minimum, this is likely to include a series of workshops with school leaders. 3. Engage with chairs of Governors (via the Chairs forum) to present the Plan and ensure that all bodies are aware of the Plan's importance. 4. Ensure that arrangements fit into wider monitoring arrangements in moving forward e.g. annual safeguarding questionnaire along with health and safety site checks etc.
6. Risks / Resources:	Additional resource approved and arrangements underway for appointment to temporary post
7. Communication Considerations:	
8. Timelines:	

Number	Priority	What?	Timetable
54	2	Review the strategic serious incidents plan	Consultation period *31/3/26*. Training Programme *Summer Term 2026*
57	2	Arrange a secondment for a social worker to work with the Police (in accordance with the need)	September 2026
55	5	Official protocol to share information	Completed
56	5	Plan in force which sets out steps to obtain swift support during a traumatic event	Completed

Gray = Delay until a national / regional change is implemented

Green = Completed (monitoring)

Measures (Impact)		
Number of schools / staff / Governors in each school who have received Emergency / Crisis Plan training.	**Timetable:** Training to be scheduled Training expected in September 2026	**Update:** Reporting on this continues to be premature as there is a need to update and consult on the Plan before putting appropriate training in place.
Number of satisfactory emergency plans on the Council's sites	**Timetable:** A programme of annual inspections to commence from September 2026.	**Update:** Reporting on this continues to be premature as there is a need to offer appropriate training and for it to be in place before establishing a monitoring programme.
Outputs to date		
 There is an **agreement to collaborate with the Police in an emergency.** This may involve a social worker being seconded to work with the Police for a period of time.		

Our Bravery Brought Justice - Cyngor Gwynedd's Response Plan

Progress Report

15.07.2026

Theme 7 - Ysgol Friars ***Reporting Officer: Margaret Davies***	
1. Theme Aim:	• Supporting Ysgol Friars
2. Guidance sought from the Board:	We ask the Board to; - Challenge and scrutinise the progress - Offer any further guidance on the next steps.
3. Progress to date:	**Review the Governing Body's ability to implement the recommendations that will result from the CPR, realistically assessing what steps are beyond its capacity.** • Governance arrangements for wellbeing and safeguarding continue to strengthen. Governors demonstrate confidence in evaluating the wellbeing and safeguarding report, and a structured programme of support and challenge meetings between the Designated Safeguarding Person (DSP) and the Safeguarding Governor takes place each term. There is clear evidence of a developing data pack, shaped in response to governor feedback—for example, termly attendance comparisons—which is improving the quality of strategic oversight. • The termly report to GB continues to provide governors with data in relation to safeguarding referrals, child protection and looked after children • The school has established a wellbeing sub-committee that meets regularly to share information on high level data, patterns and actions/ responses school is taking on concerns • The governing body scrutinises the safeguarding policies prior to ratification at full GB meeting. These are ratified annually. • The school is working closely with local authority named safeguarding officers and an external specialist. The local authority is supporting the Governors as they develop their critical friend role. • Safeguarding SER is now completed annually and presented to full Governing Body • The governing body have been briefed on the potential recommendations form the Child Practice Review and will be working closely with school leaders to ensure that all recommendations pertinent to school have been completed in a timely manner

	• The Authority's Safeguarding Officer continues to attend the governing body and Wellbeing and Safeguarding sub-committee to provide constructive support and challenge, and ensure regular feedback to the Authority regarding progress against the recommendations, and strengthen the working relationship between the school and the Authority. • The Safeguarding Lead meets with the Head/Designated Safeguarding Lead every three weeks and attends Governing Body meetings. **Strengthen training and support for governors in the areas of safeguarding, strategic accountability, and performance monitoring.** • All governors have completed the NSPCC training, • A special meeting of the Governing Body was held on 1 December to focus on Safeguarding as follows: o Self-evaluation form for Safeguarding and Child Protection – Estyn o Local Authority Audit o Comfortable Environment Protocol: Pre and Post Bereavement Support Protocol for Ysgol Friars Pupils o Safeguarding Training - Staff and Governors o Programme Board - Child Practice Review Outcome o Role and responsibilities of the Well-being and Safeguarding Sub-Committee • The termly report to GB continues to provide governors with data in relation to safeguarding referrals, child protection and looked after children **Support the interim Headteacher, Deputy and the two new Assistant Headteachers as they develop as a strong management team.** • The SIA visited during the CPR publication and in preparation for the Estyn inspection. SIA continues to visit as needed during the year to discuss improvements to the school. • 'Safe space' - half termly sessions have been arranged for all members of the leadership team by 'trauma informed schools'. • There is monthly supervision of the Designated Person by an independent consultant to support pressure on DSP at this time. • Cross-School collaboration – the school is continuing to work the A55 alliance which focus on literacy skills, and also with Ysgol Syr Hugh Owen, Ysgol Brynrefail and Ysgol Dyffryn Ogwen in relation to the Gwynedd. A formal agreement has been developed between four schools and the first focus is inclusion.

	Support the recruitment and transition to a permanent Headteacher during 2026, reassuring staff and parents that robust arrangements are in place Cyngor Gwynedd • Permanent Headteacher appointed for 1 September 2026 start. **Strengthen middle leadership and ensure that school management processes are operational and transparent.** • Link Governors have been appointed and 'School Guidance for Supportive Visits by Governors' has been adopted by the Governing Body. Meetings have taken place with the faculties and are ongoing. General overview record form following a supportive visit to the school by a member of the Governing Body is sent to the Headteacher and Head of Faculty. • A first round of quality assurance has been completed, and a report of whole school-findings has been presented to the Governing Body. Whole school areas for further improvement have been included in the Schools Development Plan. • The Governing Body has adopted the PDR Policy. There has been a pause in national leadership development programmes this year, but they will be starting in September. Th PL needs of staff currently being collated following their initial PDR meetings. **Pupil Voice** • Leaders and governors place a high value on pupil voice, and this commitment is increasingly evident in the school's developing structures and processes. A designated governor now attends school council meetings regularly, providing an effective link between pupils and the governing body and ensuring that learners' perspectives inform strategic discussions. Head pupils meet routinely with the headteacher to raise important issues, and this dialogue is beginning to shape aspects of school development in a meaningful way. As a result, pupils feel that their views are listened to and that they can influence change within the school. However, leaders recognise that pupil voice is stronger at whole-school level than within tutor groups and year groups, where opportunities for consultation and participation remain inconsistent. Strengthening these layers of pupil voice, alongside establishing purposeful sub-committees to support the wide-ranging work of the school council, is therefore a clear next step. Initial training planned with the Children's Commissioner for Wales is a timely and positive development that is expected to further enhance pupils' confidence, advocacy skills, and the overall impact of pupil voice across the school community.

	Review and strengthen counselling and emotional support arrangements, ensuring sustainable and high quality provision for children and young people. Wellbeing centre The School Based Counselling (SBC) team is based in the Wellbeing centre and offers: - An opportunity to speak to an independent person - Help to deal with emotional problems - Help to develop self-awareness - Help to understand and deal with negative emotions - A source of personal empowerment and resourcefulness There are currently 5 school-based counsellors, and a total of 60 students have been referred during the period 31.01.26 – 06.07.26. - KS3-40 students - KS4-12 students - KS5- 8 students During the exam period there have been drop in sessions available after morning exam sessions for students who require additional support. **Meetings with the school based counselling team** The Schools Safeguarding officer is the link between the service and school. A phone has been installed in the wellbeing centre so that absences can be communicated and there will be a check in with students to determine reason of absence by the Safeguarding officer. Actions since last report: • Self-referral process • GCSE and AS/A level key dates for counsellor to be on site. • Exam student check in sessions for students after exams. • Continued dialogue about the services that can be offered apart from 1-2-1 sessions. • DSP to continue to promote the Counselling Service during year group morning assembly. • Feedback from SBC Team meeting shared. The rooms in the wellbeing centre are used regularly by a number of additional support services as follows: The School Nursing Service is based in the Centre and offers support and advice to children, young people and their families or carers to help ensure that they reach their full potential during their school aged years and beyond. Confidential advice and support can be offered for a wide range of issues. Be' Di'r Sgôr - The Gwynedd and Anglesey Young People's Drug and Alcohol Abuse Service. The service is available to any young person up to the age of 25 who is or has been affected by drugs or alcohol, directly or through someone else. They work

	confidentially with young people to offer one to one support and advice, drop-in sessions in the community, education and prevention resources, and Guidance for families and professionals. Two members of the team have set up a weekly clinic at Ysgol Friars. This work includes: • Holding targeted one to one or group sessions with pupils • Offering advice and support sessions to staff, if it is useful **Development of CAMHS Hub** This has developed into fortnightly meetings focusing on a multi-agency approach to supporting young people. This is early intervention prevention and promotion services to identify mental health difficulties, refer and intervene early within the school environment. The attendees to the hub can be any of the following: • Pastoral staff • ALNCO • Heads of year • Family engagement workers • Educational welfare officers • School nursing • Youth service School counselling service are also now invited to join these meetings. Action for Children have attended all CAMHS hub meetings and this has led to several referrals to support some of our young carers at Ysgol Friars. The development of the CAMHS hub has led to further conversations about supporting mental health within the pastoral team. CAMHS early intervention team have offered MHFA (Mental Health First Aid) training for all of the pastoral team and this has taken place during July. <u>Multi-agency work- Supporting attendance</u> - The wellbeing centre is also being used to support students in returning to school following lengthy periods of absence. Agencies who are supporting students with long term absences have started to schedule sessions in the wellbeing centre to bridge the gap between home and school. This is currently taking place with two student in Year 9 who have not attending school this academic year. The wellbeing centre is also used for meetings with social workers, support workers, police interviews and parent meetings. New services using the wellbeing centre: **Intuitive Thinking** The aim is to provide credible skills which enable people to become truly independent. The service “empower people through education to take back control of their lives”, using a unique

	approach to developing knowledge and thinking tools. They see people's lived experience as an asset, a place where people draw experience, knowledge, strength and skills and properly redirected become highly resourceful problem solving tools. They work effectively across sectors including criminal justice, drugs and alcohol, employment, domestic abuse and homelessness. **Communication and interaction team** The team provides specialist advisory support and training for children and adults with speech, language, and social communication difficulties. The wellbeing centre is also used for meetings with social workers, support workers, police interviews and parent meetings. **Support staff to build a culture of safety, trust and respect, providing additional training where necessary.** Strengthening safeguarding and child protection processes at Ysgol Friars continues to be a priority, ensuring all adults understand and fulfil their responsibilities, and that pupils feel safe, supported and confident their voices are heard. Since 2023, the school reviewed its training model for safeguarding and child protection. In line with Gwynedd Council, the school is compliant with the Group A, B and C training. Specialist safeguarding training completed: - Group C compliant Safeguarding Training - Gwynedd DSP Training - HSB (Harmful Sexualised Behaviours) - Brook training delivered by Tim Emrallt - Adult at Risk Safeguarding Training (Introduction) - BCUHB WEST Child & Adolescent Mental Health (CAMH) School In-Reach Service - Youth Mental Health First Aid training - NSPCC training course Masterclass: Tackling misogyny We will continue to review this training model based on feedback from staff and local authority officers. The school have also commissioned an independent trainer to work closely with our designated safeguarding person to support, challenge and improve our safeguarding and child protection arrangements. This is an ongoing support Service for our DSP and safeguarding team on a monthly basis. The school maintains records and ensures that all staff are appropriately trained child protection and safeguarding, prevent and sexual violence. All staff are aware of different levels aware of

	children's needs and aware on how to respond to their needs in different situations. The school has moved towards a designated safeguarding team that can respond in an appropriate and timely manner to ensure that support is available at the time of need and referrals are made in a timely manner. As of June 2025, all new staff are provided with safeguarding training as part of their induction. This is facilitated by our designated safeguarding person. The local authority designated safeguarding lead meets with the school safeguarding team monthly to discuss trends and support. Training for safeguarding and child protection is a priority at Ysgol Friars. The school is compliant with the local authority policy in providing Group A and Group B training. Designated and deputy designated persons are trained to Group C. This team approach ensures that there are robust arrangements in place to provide guidance to staff and liaises with Gwynedd County Council to ensure that we are up-to-date and compliant. **To carry out regular safeguarding audits and provide ongoing assurance to the Authority and the Programme Board.** • Estyn's safeguarding self-evaluation and Gwynedd audit presented to governors. • A school audit is in place and feeds into the action plan. • LA safeguarding visit completed • Termly reports are presented to governors in relation to child protection / safeguarding and staff roles. **Communication and Transparency** • Parental communication remains an area for development. Plans for the creation of dedicated focus groups next term provide a clear route forward and offer the potential for more meaningful parental engagement in safeguarding and wellbeing conversations.
4. Challenges faced:	**Continue to clerk the Governing Body until sustainable arrangements are in place.** • The school has advertised numerous times for the role of the Clerk to the Governing Body but have been unsuccessful in appointing. Moving forward, the school has committed to the Local Authority's SLA for the provision of a Clerk to Governors service. **Strengthen training and support for governors in the areas of safeguarding, strategic accountability, and performance monitoring.**

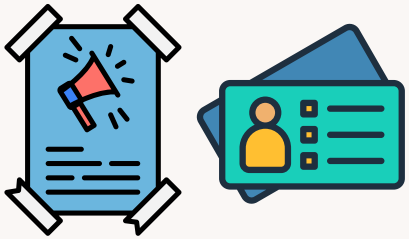
	• Waiting to hear how compulsory training will change nationally before detailing further in line with the findings of Welsh Government Review of School Governing Bodies.
5. Next steps / key milestones:	• To further embed pupil voice by working closely with the children's commissioner's team • To ensure that recommendations in our Estyn report are incorporated into whole school planning • To further develop our graduated response to social emotional and challenging behaviour
6. Risks / Resources:	Ensure that the role of the temporary additional Safeguarding Officer is effectively integrated, with a clear framework in terms of accountability and oversight.
7. Communication Considerations	**Communication and Transparency** • Parental communication remains an area for development.
8. Timelines:	

What has changed so far following the ***Our Bravery Brought Justice*** report?
September 2026

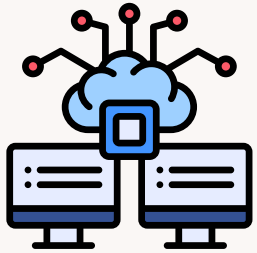
Voice of the Child



A **social worker makes a proactive effort to hear the voice of every child** subject to a Safeguarding Referral (Section 5)



All schools display **information about an independent person** that pupils can talk to if they have safeguarding concerns.



All schools have access to an electronic data management system so that changes in a child's behavior can be recorded.



The Council works together with partners in order to offer **ongoing support to the victims.**



The Council has developed a **Children's Voice Strategy.**



The Council now has a programme of work in place to **embed children's rights** across the Council.



A **special role has been appointed to help develop the Gwynedd Youth Forum.**



The Council has an **extra member of staff to listen to more children and young people,** including children in care and disabled children.

Part 5 Safeguarding Arrangements (Concerns about Practitioners and Those in a Position of Trust)



No **safeguarding decisions are made by one employee** alone.



Historical information and records are checked each time a Safeguarding Referral is made (Section 5).



The **form for referring allegations of abuse** is easier to find on the Council's website and on the Schools' "hub" website.



The **Council, the Police and other services are now working better together** to keep children and young people safe.



"Magic Notes" is being piloted to facilitate the recording of safeguarding meetings (Section 5).



The **Quality Assurance Framework has been completed** to help ensure the Children's Department works effectively and consistently.



We have **appointed a Quality Assurance Manager** to ensure that the correct procedures are followed in the Children's Department.



Managers from the Children's and Education Departments meet regularly to strengthen collaboration.

Corporate Arrangements, Policy and Training



We are now looking at **how many staff have completed Safeguarding training as part of the performance monitoring arrangements** of each Department.



Appointed a **Corporate Safeguarding Champion** to raise awareness of safeguarding across the Council.



A **video has been produced to deliver safeguarding training** to frontline staff.



The Council has adopted a revised **Corporate Safeguarding Policy.**



The Council has worked with the NSPCC to create **specific training on recognising the signs of grooming.**



The Council has adopted a **new Whistleblowing Guide** for Gwynedd Councillors.



The Cabinet has adopted a **new Whistleblowing Policy** for Council staff.



The Council has introduced **training on the Whistleblowing Policy** for all Gwynedd staff and Councillors.

What has changed so far following the ***Our Bravery Brought Justice*** report?
September 2026

School Safeguarding and Wellbeing



A new **Education Safeguarding and Wellbeing Team** was established in 2024.



The **Education Safeguarding and Welfare Team** visits each school once a year to check that the correct rules are being followed.



The **capacity of the Education Safeguarding and Wellbeing Team was increased in March 2026** - 4 members of staff now work for the team.



The Scrutiny Investigation into safeguarding in schools has been completed. We will look at implementing its recommendations.

Stabilising the School



There is a **new Headteacher and Leadership Team** at Ysgol Friars.

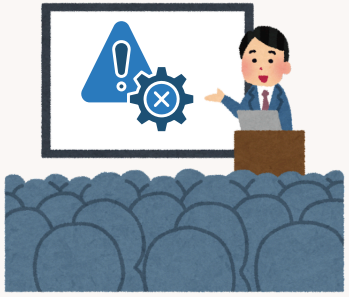
Crisis Plan



There is an **agreement to collaborate with the Police in an emergency.** This may involve a social worker being seconded to work with the Police for a period of time.



A **new School Emergency Plan** is now in place to help schools know what to do in an emergency.



The Council is providing an **Emergency Plan training workshop** for every school.

What has changed so far following the ***Our Bravery Brought Justice*** report?
September 2026

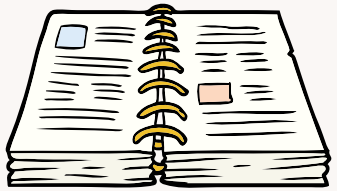
School Governance



A **new Officer has been appointed** to support School Governors.



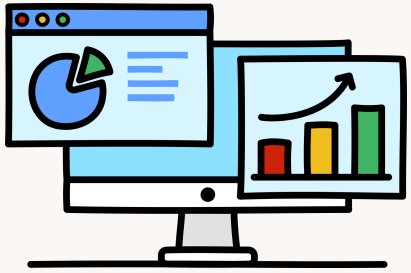
Chairs and Governors with responsibility for safeguarding **receive additional training** to support them in their role.



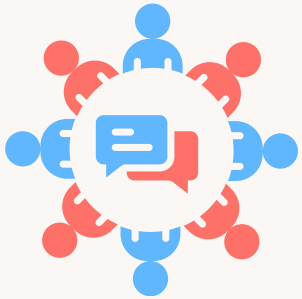
A **new Governor's Handbook** has been created and shared with all Gwynedd School Governors.



A **Professional Clerk** is now in place to support School Governors.



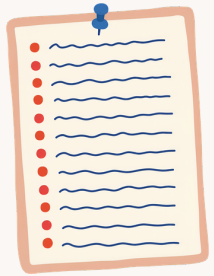
The Council is piloting GovernorHub to support School Governors by providing them with clear information about the **health and wellbeing** of their school.



Clerks' and Chairs' Forums have been established to share good practice and strengthen the support available.



Since September 2026, a **stronger training programme** has been in place for School Governors.



Each Governing Body now receives a **clear list of the important things** they should discuss regularly.

What has changed so far following the ***Our Bravery Brought Justice*** report?
September 2026

Arferion Cyfyngol



The standard **Restrictive Practices Policy** has been adopted by all schools in Gwynedd.



An **independent review of restrictive practices** has been completed, with some recommendations identified



A group of officers from across the Council meets to **review and monitor cases where restrictive practices are used.**

QUARTERLY REPORT TO CABINET: RESPONSE PLAN PROGRAMME BOARD

PROFESSOR SALLY HOLLAND: CHAIR OF THE RESPONSE BOARD

DATE: 10th March 2026

Introduction

Since my last report to Cabinet in November 2025, the Response Plan Programme Board ("the Board") has continued to meet and oversee progress in response to the Child Practice Review ('Our Bravery Brought Justice' report) and the wider Response Plan.

This report summarises key Board activity, developments, and oversight work since the last quarterly update.

Current Position

Strategic Phases of Work

Cyngor Gwynedd has undertaken the response work in two overlapping phases, and the Board's discussions, scrutiny and advice has reflected this.

a. *Immediate Response to the Crimes and 'Our Bravery Brought Justice' Report Publication*–

   The initial response plan and actions were primarily ameliorative including support for victims and survivors, supporting and stabilizing Ysgol Friars and improving policies, procedures and uptake of training.
   The Board supported and scrutinized Cyngor Gwynedd through the period surrounding the CPR 'Our Bravery Brought Justice' report's publication, with a focus on ensuring appropriate support for the victims and survivors of the crimes, and on assisting the Council in preparing for the publication and response planning.

b. *System-Wide Response and Monitoring* –
   The CPR ('Our Bravery Brought Justice') report was published on 4 November, 2025 and this led to the biggest change to the Response Plan since its adoption. There has been a shift in emphasis towards a whole-system approach to ensure that measures to prevent harm are in place alongside suitable responses when harm may have occurred.

   The Response Plan has been revamped to reflect the key recommendations and learning identified in the Our Bravery Brought Justice report including streamlining priorities and ensuring existing plans are fully integrated into the Response Plan.

   The seven key themes are;

1. Voice of the Child and Supporting Victims
2. Managing Allegations and Concerns About Adults Working with Children

3. Training and Policies
4. School Governance
5. Restrictive Practices
6. Crisis Planning and Crisis Response
7. Supporting Ysgol Friars

A detailed work plan is circulated to members prior to the Response Board meetings and an overview report is also now included for each of the 7 themes with a 'theme leader' identified to strengthen accountability. Overview reports include updates on key milestones achieved since the previous meeting and priorities moving forwards including any dependencies, risks and resource issues.

Child-Centred Focus and Victim Engagement
A continued priority has been advancing child-centred approaches within the Response Plan activities. The Board has supported Cyngor Gwynedd in its efforts to further embed child-centred practice, andin my role as Chair I have worked with Jan Pickles who led the CPR review and SARC (Sexual Assault Referral Centre) to explore ways to communicate with victims and seek their views on progress in a manner that is sensitive, meaningful, and respectful.

Children's Rights and Participation
The Board has also engaged with efforts to strengthen children's rights and participation across the local authority. A children's rights training day was held on 2 February, bringing together young people, Cabinet members, directors, heads of department and other staff. The event focused on how children's rights can be integrated into Council policy. In addition to ensuring that everyone present had a shared understanding of children's rights, and local authority's duties to uphold them, the session included discussion about using Children's Rights Impact Assessments and the development of a participation strategy. I am grateful to officers from the Children's Commissioner for Wales office for working with me to plan and lead the session.

I was encouraged by the draft children's participation strategy that was shared at the last Board meeting, and I look forward to seeing it implemented in Cyngor Gwynedd.

Board members welcomed the energy and commitment shown by all participants at the training day to drive forward these endeavours. Further work will be required to ensure that this approach is embedded into the processes and culture of Cyngor Gwynedd. Examples of how this might be done include;

- Development and implementation of the Voice of the Child Strategy
- Further development of the Youth Forum and their involvement in policy and service-development in Cyngor Gwynedd

- Involving the youth forum with the work of the response board, e.g. attending Board meetings to share the work they are doing; consideration for how Gwynedd might involve them and be accountable.
- Work on the principles (5 Principles of the Right Way Approach) that underpin a preventative and foundational approach to safeguarding to create the conditions for children in Gwynedd to thrive.

Scrutiny and Assurance

Welsh Government

The Welsh Government has established a Ministerial Assurance Board following the publication of 'Our Bravery Brought Justice'. The Response Board does not have formal governance links with the Ministerial Board, but as Chair I attended the January meeting of the Board to update Ministers on the continuing work of the Response Board.

Joint safeguarding inspection by Estyn and Care Inspectorate Wales

This report was published in January 2026 and was shared with the Board. The recommendations from that report are included in the response plan, and therefore Cyngor Gwynedd's progress in meeting these will be available for scrutiny and advice by the Board.

Evolving Role of the Board
In my view, during the last few months the Board's role has continued to mature in terms of scrutiny. While continuing to provide advice and support to Cyngor Gwynedd, the Board has increasingly exercised a robust scrutiny function. The Chair notes that internal members and elected members of the Board are taking a stronger lead in scrutiny activity, complementing the valuable contribution of external Board members.

Triangulating Insight and Engagement
To strengthen understanding of progress beyond formal Board meetings, the Chair has implemented structured triangulation activities, including:

- Quarterly bilateral meetings with external Board members and individual Cabinet members to review progress and agree key priorities.
- Engagement with key informants outside the Board, including representatives from SARC, RASASC (Rape and Sexual Abuse Support Centre), and Ysgol Friars leadership (including the Headteacher / Chair of Governors), to ensure diverse perspectives on system changes.

These activities enhance assurance about progress and support the Chair's oversight role.

Measuring Impact
Work to develop and refine rights-based impact measures continues. The Board emphasises the importance of tracking meaningful indicators of progress, including training completion rates, qualitative conversations with young people, parents, and staff, routine surveys and

other outcome measures. At the most recent Board a new set of outcome measures was presented to align with the new work programme.

Transparency and Governance
In line with the Board's commitment to transparency and accountability, Board minutes and papers will be published routinely.

Next Steps

As the Board moves into the next quarter, it will:

- Continue to review and advise on the implementation of the Response Plan and relevant priorities arising from the CPR.
- Support further embedding of safeguarding improvements across services.
- Maintain robust scrutiny of progress through enhanced triangulation and engagement.
- Continue work with partners to embed rights, participation, and impact measurement in a sustainable way.

The Board continues to review how long it should continue as a separate entity. This has also been discussed with the Welsh Government Ministerial Assurance Board. Current plans are for the Board to continue until the summer of 2026, with a further review at that point.

Closing Remarks

In closing, I would like to acknowledge the commitment shown by Board members during what has been a complex and sensitive period of work. Attendance and participation continues at a high level. The Board recognises that strengthening safeguarding arrangements and embedding a child-centred, rights-based approach across a whole system takes time, sustained leadership, and requires careful scrutiny. I am encouraged by much of the progress being made and the willingness to learn and adapt. The Programme is ambitious and will continue to demand senior staff time and other resources to be successful. The Board will continue to provide constructive support and robust oversight to Cabinet as this work progresses, with a continued focus on impact, transparency, and the lived experiences of children and young people.

Professor Sally Holland

Chair of the Response Plan Programme Board

23/02/26

QUARTERLY REPORT TO CABINET:
RESPONSE PLAN PROGRAMME BOARD

PROFESSOR SALLY HOLLAND: CHAIR OF THE RESPONSE BOARD

DATE: 7th July 2026

Introduction

Since my last report to Cabinet in March 2026, the Response Plan Programme Board has continued to oversee the Council's response to the recommendations arising from the Child Practice Review, *Our Bravery Brought Justice*, and the wider Response Plan.

This report summarises the key developments and progress made during the last quarter.

Current Position

Work continues across all areas of the Response Plan against the seven key themes:

1. Voice of the Child and Supporting Victims
2. Managing Allegations and Concerns About Adults Working with Children
3. Training and Policies
4. School Governance
5. Restrictive Practices
6. Crisis Planning and Crisis Response
7. Supporting Ysgol Friars

Detailed progress reports are presented to the Board by the theme leads, highlighting achievements, priorities, risks and challenges, dependencies and resource implications. Board members have welcomed the improved reporting arrangements, noting that they provide greater clarity regarding progress, measures and outcomes.

This quarter's developments have included:

Estyn Inspection of Ysgol Friars

The recent Estyn inspection outcome for Ysgol Friars, has been shared with the Board. It was encouraging to note the recognition of the progress made since the appointment of Headteacher Margaret Davies in April 2025. Whilst the report identified areas requiring further attention, improvements were noted in safeguarding arrangements, leadership and school governance. This report provides an important external view to supplement the internal reports about the school's progress that the Board has previously received.

Voice of the Child

The Voice of the Child Strategy has been developed and updated following feedback from Board members. Supporting appendices are currently being finalised, with engagement planned with the Children and Young People's Forum, Education Strategic Groups and the Gwynedd Governors Forum following the GCSE examination period.

I have sought assurance that the voices of children and young people are being captured from a sufficiently broad range of groups and experiences. In particular, I was keen to understand how the Council engages with young carers, disabled children, care-experienced children, homeless young people and other groups whose voices may not always be routinely heard. I was encouraged to learn that Cyngor Gwynedd is recruiting a dedicated Engagement and Participation Officer to help strengthen this work.

This work marks an important step in Gwynedd's ambition to become a Child-friendly County, following a framework set out by UNICEF. This proactive and longer-term approach marks a transition from responding to immediate gaps, following the Our Bravery Brought Justice process, towards a long-term, preventative approach.

Safeguarding Awareness and Training

Further work has been undertaken to strengthen safeguarding awareness across the workforce. A new safeguarding awareness video has been developed to improve accessibility, particularly for staff who do not routinely access Council systems. Whilst the Board welcome these developments, the focus must now be on impact. It is important that these initiatives lead not only to improved completion rates but also to a greater understanding of safeguarding responsibilities and how concerns should be recognised and reported in practice. Additionally, staff must feel confident that their concerns will be taken seriously.

Crisis Planning

Progress continues on the development of crisis planning arrangements for schools. I have been encouraged by the engagement with headteachers throughout this process, who have provided appropriate challenge and constructive suggestions for improvements. This has helped to ensure that arrangements are informed by operational experience and are practical for schools to implement. As this work progresses, it will be important to ensure that plans are well understood, tested and embedded.

Public Accountability and Transparency

I welcome the development of a public-facing website, a child and family-friendly summary document, and supporting infographics outlining both the progress made to date and the

areas where further work remains ongoing. These resources should help improve transparency and understanding amongst residents, stakeholders and survivors.

I am also pleased that the Board's Terms of Reference have been revised and that Board papers are now published following each meeting. This is an important step in strengthening openness and public accountability.

Prioritisation of Activity

The Board has reviewed a revised prioritisation framework for the Response Plan. Given the scale of activity underway, the introduction of a clearer approach to prioritisation is welcomed. Whilst all actions remain important, the framework should help ensure that attention, capacity and resources remain focused on those areas presenting the greatest risk and requiring the most urgent action.

In March, a budget of approximately £600k was approved to support the workstreams under the Programme Board. I welcome this allocation, which provides a clear resource commitment to support delivery and help progress the programme at pace. The focus now will be on ensuring that the funding is used effectively to support the priorities across all work areas.

Scrutiny and Assurance

Outcome Measures

Work continues to develop and refine impact measures. The Board has reiterated the importance of focusing on meaningful indicators of progress, including qualitative feedback from children and young people. While a significant amount of work has been undertaken to develop policies, frameworks and procedures, the Board continues to emphasise the need to move beyond a compliance approach. The adoption of policy should be seen as the starting point rather than the end point. The key priority now is to understand the real impact of these changes on workforce practice, organisational culture and, most importantly, the safety and wellbeing of children. Some outcome measures are beginning to be presented to the Board, and the Board members are keen to see more of these in the coming months.

Quality Assurance Framework

The Quality Assurance Framework for children' services has been completed and presented to the Board. I am encouraged to see this important piece of work now in place. It sets out the vision, values and expectations for quality assurance activity across the service, including responsibilities, learning arrangements, supervision requirements and mechanisms for continuous improvement.

The focus now needs to shift to ensuring it is effectively communicated across the workforce and embedded in day-to-day practice, so that the intended improvements are realised in practice rather than remaining at a procedural level.

Welsh Government Assurance Group

As previously noted, the Welsh Government has established a separate Ministerial Assurance Board following the publication of *Our Bravery Brought Justice*. Following the Senedd election, there is currently some uncertainty regarding timelines and future engagement, as new Ministers establish their priorities and working arrangements. At this stage, the longer-term position of this group remains unclear, although further clarity is expected to emerge as the new administration becomes established.

Welsh Government representatives in the Board have provided updates on the ongoing national reviews of safeguarding governance and of school governing bodies. The findings of these are expected to have implications for all local authorities and regional safeguarding boards.

Next Steps

As the Board moves into the next quarter, it will:

- Continue to review and advise on the implementation of the Response Plan and relevant priorities arising from the CPR.
- Continue work on impact measurement, ensuring this is developed in a proportionate and sustainable way.
- Keep under review the Board's ongoing role and lifespan as a separate entity, including how this aligns with wider Council governance and scrutiny arrangements. This was discussed with the Welsh Government Ministerial Assurance Board prior to the election. Future arrangements will now need to be considered with the new Government.

Closing Remarks

In closing, I would like to acknowledge the commitment shown by Board members during what has been a period of continued development and growing maturity in the Board's arrangements. There has been significant work to strengthen reporting, and I would also commend the contribution of theme leads for their ongoing work in developing and delivering the programme areas. External members and elected members have continued to provide constructive scrutiny, challenge and supportive advice throughout.

As the Board moves into its next phase, there will need to be a stronger focus on measuring impact and ensuring that changes are properly embedded in practice. As part of this, it will also be important to continue to consider the Board's longer-term role, ensuring arrangements remain proportionate and aligned with wider governance structures. In addition, the implications of the recent Senedd election will need to be kept under review as future governance and oversight arrangements develop under the new administration.

As a final remark, I wish to acknowledge the recent reporting of child abuse at Canolfan Brynffynnon up to its closure in 2014, together with the prolonged employment issues which followed. The Response Board does not have a role to investigate past events, but instead to focus on current and future safeguarding. Nonetheless, I acknowledge the continued impact of serious past safeguarding failings on the confidence of Gwynedd's children, parents, staff and wider population regarding the Cyngor's ability to safeguard children in education. This makes it even more necessary for the Cyngor to take clear and transparent steps to regain that confidence and to demonstrate not only policy changes but also changes in everyday practice and culture.

Professor Sally Holland
Chair of the Response Plan Programme Board

Progress on the Our Bravery Brought Justice recommendations August 2026

a) Recommendation to Cyngor Gwynedd

Ref / no	The recommendation of the report	Has the Council achieved what was required of us?	Any other matters or relevant barriers
Listen to the voice of the child			
7.	**LA1 should consult with pupils to identify the best way to enable them to access an individual/service outside school to report concerns. Contact details should be prominently displayed in all schools.**	Yes. The Council has implemented the recommendation by consulting with children and young people about their experience and their confidence in safeguarding arrangements. The Council has strengthened the visibility of safeguarding information in schools, ensuring that contact details and appropriate ways to raise concerns are shown clearly and are accessible for pupils.	

b) Recommendations for every organisation / every Local Authority

Ref / no	The recommendation of the report	Has the Council achieved what was required of us?	Any other matters or relevant barriers
Listen to the voice of the child			
1.	**All organisations working with children must ensure that their policies in relation to listening to the voice of the child are revised, implemented in full and reflect what has been learned from this Review.**	Yes. The Council has reviewed and strengthened its arrangements to ensure that the voice of the child steers decisions through the work of the Youth Forum and ensure the participation of children and young people across services. The Voice of the Child Strategy has been developed over the last year, and the Cabinet will be required to formally adopt it in the autumn. In terms of safeguarding, a social worker makes a proactive effort to listen to the voice of every child who is subject to a Part 5 safeguarding referral (see **recommendation number 6**)	-
2.	**Organisations must be able to show evidence to their professional Board and Regulators that they have a process in place for listening to children and that it**	Yes. The Council has embedded arrangements to listen to the voice of children and young people through formal participation structures, regular engagement through the	-

	is embedded and operational in the organisation.	Youth Forum, and governance arrangements that ensure that children's perspectives are considered when making decisions and are reported through the relevant accountability structures.	
3.	**That all agencies ensure that their staff are trained to detect and record a change in a child's behaviour that may indicate that adults are grooming them and/or that they are being abused.**	Yes. As a specific training pack on the subject did not already exist, the NSPCC was commissioned to develop a comprehensive training pack. The pack will be presented in two parts: firstly, a webinar to all Council staff to raise awareness of grooming; and secondly, more specialist sessions tailored to specific groups, including social workers and schools' designated safeguarding individuals. The training has started to be used, and the provision will be introduced to all Council staff over the coming months. This pack will also be available for other authorities to use or purchase, ensuring that the investment contributes to improving practice on a wider level.	An 'off the shelf' training pack did not exist, although we contacted several companies and organisations. Consequently, the NSPCC was commissioned to develop a comprehensive training pack. This has led to some delay in developing the pack. However, to ensure that school staff receive the necessary training in the meantime, we adapted the existing safeguarding training to address the main requirements and the key messages about grooming.

4.	**In schools, these changes must be recorded on an electronic data management system.**	Yes. Every school in Gwynedd now records on an electronic data management system.	-
5.	**When a referral is made under Section 5 of the Safeguarding Procedures for Wales, all safeguarding information on the child's record on the data management system must be taken into account when assessing risk and vulnerability.**	Yes. The internal recording form has been adapted so that it is a requirement for every agency present at Part 5 meetings to provide and record relevant background information and history.	-
6.	**When a referral is made under Wales Safeguarding Procedures Section 5 and is third party, the child who is subject of the referral must be spoken to by children's social care, even where they have not made a disclosure themselves.**	Yes. Cyngor Gwynedd has introduced these arrangements.	There were some challenges in implementing this procedure, including occasions where a parent refuses to give consent to speak to the child, and other occasions where the child themselves refuses to engage. In these cases, the child was only named as a witness or a potential witness, instead of an individual that the allegation related to directly. Should the allegation relate to abuse against the child itself, the Council would ensure that the voice and experience of that child were heard as part of the process.

9.	**Local Authorities should show evidence of how they support and advocate for victims of trauma, on a case-by-case basis, where their ability to access education has been limited due to their experiences. This would include ensuring that victims have access to further and higher education, and the funding needed to do so, when the requirements for grades and attendance have not been met due to the trauma they have been through.**	Yes. Cyngor Gwynedd has declared and offered support to any one impacted, offering a support pack to the school community's direct and indirect victims. The Council has also committed to facilitate access to the education of trauma victims when it is restricted due to their experiences and have done so in this specific case.	
Managing allegations and concerns about adults working with children - multi-agency response			
18.	**That all members of staff, volunteers (including administrative and facilities officers) and school Governors receive training on sex offenders' modus operandi and their methods of grooming using the Finklehor model.**	In progress. The "Finklehor model" and methods of grooming from sex offenders have been included in the new training that has been developed by the NSPCC. It will be available to all Council staff (including Governors and Elected Members). This will be provided to all staff over the coming months (see explanation of **recommendation 3**)	An 'off the shelf' training pack did not exist, although we contacted several companies and organisations. Consequently, the NSPCC was commissioned to develop a comprehensive training pack. This has led to some delay in developing the pack. However, to ensure that school staff receive the necessary training in the meantime, we adapted the existing safeguarding training to address the main requirements and the key messages about grooming.

c) Recommendations for the Regional Safeguarding Board

Ref / no	The recommendation of the report	Has the Council achieved what was required of us?	Any other matters or relevant barriers
Managing allegations and concerns about adults working with children - multi-agency response			
13.	**Safeguarding Boards are assured that their area's LADO officers receive regular training and supervision.**	Yes. The Safeguarding Board holds professional networks that focus on the Part 5 practice and procedures. Council officers attend and contribute to these to support ongoing improvements in practice and processes.	
14.	**Safeguarding Boards receive and scrutinise Local Authority reports on managing allegations at least once a year, and that reporting of the allegations becomes part of the regulatory requirements of Estyn and CIW.**	Yes. In accordance with the demand, the Council provides quarterly updates to the Regional Safeguarding Board, which includes information about activity, outcomes and trends that arise about Part 5 matters.	The Council will work with the Safeguarding Board, Estyn and CIW to respond to any further reporting requirements that could arise in the future.
The need for training - think the 'worst possible' and understand that 'it could happen here'			

19.	**That assurances are given to Safeguarding Boards that this training [sex offenders and their methods of grooming modus operandi] is delivered to Local Authority Education, Children and Human Resources Services officers, who lead on managing concerns or responding to concerns about adults working with children.**	In progress. The "Finklehor model" and methods of grooming from sex offenders have been included in the new training that has been developed by the NSPCC. It will be available to all Council staff (including Governors and Elected Members) This will be provided to all staff, including the officers of Education, Children and Human Resources Services, over the coming months (see explanation of **recommendation 3**)	An 'off the shelf' training pack did not exist, although we contacted several companies and organisations. Consequently, the NSPCC was commissioned to develop a comprehensive training pack. This has led to some delay in developing the pack. However, to ensure that school staff receive the necessary training in the meantime, we adapted the existing safeguarding training to address the main requirements and the key messages about grooming.
20.	**That the Safeguarding Board is reassured that Local Authorities have clear Whistleblowing policies, and that attention is drawn to them and that all staff can use them safely.**	Yes. Cyngor Gwynedd has adopted a whistleblowing policy in February 2026 and a comprehensive programme to promote amongst managers, team leaders and all staff.	The Council will continue to work with the Safeguarding Board to respond to any requirements about assurance or further reports that could arise in the future.

Ch) Recommendations to the Welsh Government

Ref / no	The recommendation of the report	Has the Council achieved what was required of us?	Any other matters or relevant barriers
Listen to the voice of the child			
8.	**That the Welsh Government develops the curriculum to ensure pupils have the knowledge to understand grooming behaviour by adults and know how to report this safely to an adult.**	No.	We cannot act until the curriculum has been adapted.
Managing allegations and concerns about adults working with children - multi-agency response			
10.	**That the Welsh Government ensures that the review of Section 5 procedures is informed by this Review and takes into account what has been learnt from it.**	Yes. Cyngor Gwynedd has introduced new procedures, but as a result of inconsistencies with OBBJ recommendations, the Council goes beyond what is set out in these procedures.	There are inconsistencies between the new Part 5 procedures and the OBBJ recommendations, and Cyngor Gwynedd has raised the issue with the Welsh Government.
11.	**The revised procedures state that the voice of the child must be heard, even if the child has not made any disclosure.**	Yes. Cyngor Gwynedd has introduced these arrangements.	

12.	**That decisions about the threshold for using the procedures are required to be made in a multi-agency meeting and not by the LADO alone, and that previous concerns, complaints and allegations be taken into account.**	Yes. Robust arrangements have been established with the Police to support the process, and multi-agency meetings are being held. Decisions are not made solely by one officer. The Council has invested in an additional Designated Officer for Safeguarding (DOS) to strengthen those arrangements.	Although Cyngor Gwynedd has amended its arrangements in accordance with OBBJ recommendations, the new national procedures for Part 5 do not reflect or fully address those changes. The new Guidelines state: *"the Local Authority's Designated Officer/Designated Officer for Safeguarding is responsible for receiving, responding to, making decisions and monitoring every report in relation to allegations against practitioners/individuals in a position of trust."* This is a cause for concern to the Council, because the procedures do not acknowledge or reflect the operational model that has been established locally following the OBBJ recommendations.
15.	**That the Welsh Government considers requiring schools to develop an 'Adult Conduct of Concern Policy' (known as the 'Low-level Concerns Policy' in England), and consider providing guidance on safe working practices.**	No For this to be effective, a national arrangement is required as OBBJ states.	We are awaiting guidance from the Welsh Government. Cyngor Gwynedd has consistently raised this issue through the Ministerial Assurance Group.

16.	**The new Strategy (child abuse prevention 10-year strategy) is proven against the findings of this review and that any lessons learned are incorporated into the new strategy.**	Yes. The strategy has been published and there is a Group of internal officers ensuring that the strategy's objectives are being implemented.	The new strategy has been published.
The need for training - think the 'worst possible' and understand that 'it could happen here'			
17.	**That Welsh Government commissions a training resource based on the findings of this Review, for use by all schools in Wales. It should be adaptable so that other agencies working with children can use it.**	No.	We are waiting for the Welsh Government to share the training.
School Governance in Wales			
21.	**That the Welsh Government commences a review of governance arrangements in schools across Wales, that clearly outline the responsibilities of Governors to change from focusing primarily on financial management and outcomes to a situation where safeguarding, health and well-being are accepted as the appropriate foundation to learn and thrive.**	Yes. The Council has taken many steps to strengthen the support available to schools' governing bodies. An additional Governors' Support Officer has been appointed, as well as a Professional Clerk, to provide more support, guidance and an appropriate challenge to governors in carrying out their responsibilities.	Cyngor Gwynedd raises the need for a review of school governance arrangements regularly with the Welsh Government. The review is underway. The Welsh Government is expected to publish the result of the review in the autumn.

		The Council has raised its concerns regarding the existing procedures with the Welsh Government and has called for a review of the arrangements, drawing attention to the challenges and the shortcomings noted during their implementation. In addition, a questionnaire has been distributed to each governing body to establish a baseline of their development needs and to note the fields where more support or training is required. The results of this work will steer a comprehensive training programme which will be introduced from September 2026 onwards.	
22.	**That the Welsh Government commences a review of governance arrangements in schools across Wales, which supports the development and implementation of an easy-to-understand dashboard which provides simple information about the health and wider culture of the school.**	Yes. The Council has set a clear expectation that every governing body follows a standing agenda as a basic requirement. This ensures that key matters, including safeguarding, health and well-being, are considered regularly and consistently, providing the minimum level of assurance and supervision across every school.	Cyngor Gwynedd raises the need for a review of school governance arrangements regularly with the Welsh Government. The Welsh Government is expected to publish the result of the review in the autumn.

		This guidance will be submitted annually as a point of order from now on. The Council has started to pilot a *Governor Hub* dashboard with 10 schools from September onwards. (An easy-to-understand dashboard to keep all the documentation and training of Governing Bodies in one accessible central place).	
23.	**That the Welsh Government commences a review of governance arrangements in schools across Wales, asking the Governors to keep correct records about decisions made in relation to safeguarding matters and report on them to the Local Authority, especially when the decision made does not follow the Local Authority's guidelines.**	Yes. Work has been done to improve the support and resources available to clerks, acknowledging their key role in ensuring that decisions and discussions are recorded correctly and comprehensively. The Council has appointed a central officer to act as a clerk in many schools when that support is required for specific schools. A programme of bespoke training has been introduced to clerks to strengthen their understanding of their role and responsibilities. A Clerks Forum will be established early in September to share good practices and provide ongoing support to every clerk.	Cyngor Gwynedd raises the need for a review of school governance arrangements regularly with the Welsh Government. The Welsh Government is expected to publish the result of the review in the autumn.

24.	**That the Welsh Government undertakes a review of governance arrangements in schools across Wales, which ensures that the Designated Safeguarding Persons and their deputies are subject to external supervision by qualified Social Workers from the relevant local authority.**	In progress. Funding has been allocated to strengthen the provision of support and supervision for Designated Safeguarding Individuals and their deputies. Currently, discussions are ongoing about the most suitable model to achieve this, considering options such as commissioning external provision.	Cyngor Gwynedd raises the need for a review of school governance arrangements regularly with the Welsh Government. The Welsh Government is expected to publish the result of the review in the autumn.
Restrictive Practices			
25.	**That the Welsh Government publishes an appendix to the 2022 Framework guidance for reducing restrictive practices involving adults filming events and provides guidance on the retention period of such videos.**	Yes, but awaiting guidance from the Welsh Government. It is a requirement for every school to adopt the relevant Regional Policy, and the Schools Safeguarding and Well-being Team are conducting regular checks and monitoring to ensure that these arrangements are implemented appropriately. In addition, the Council has commissioned an external review of the use of restrictive practices across schools, including reviewing policies, procedures and the training provided. The findings of this review will steer an action plan to further strengthen arrangements.	The Council is awaiting any further guidance or revisions from the Welsh Government.

Emergency Management			
26.	**That the Welsh Government ensures that each Local Authority has a strategic serious incidents plan which sets out the procedures to be followed in order to respond in an immediate and collective multi-agency manner.** **a. That the plan includes arrangements for caring for the victim, protecting evidence and managing the alleged offender** **b. That the plan includes an official protocol for sharing information with other Local Authorities that may be affected** **c. That a strategic plan is in place to have easy-to-access on-site support for children and adults in institutions where there has been a significant traumatic incident** **d. In a serious incident such as this, consider moving a social worker to work on secondment with the Police investigations team to ensure that the evidence and information are considered from a safeguarding as well as a criminal perspective**	Yes. An Emergency Response Plan has been developed in collaboration with schools to ensure a quick and coordinated response to serious incidents. In addition, the Council has extended its collaboration with regional partners through WASPI arrangements to strengthen information sharing protocols and ensure regular discussions with the Police and other partners. Positive discussions have also been held with the Police about the arrangements of working together in exceptional circumstances, including secondments or appropriate staffing arrangements if required.	

d) Recommendations for the Safeguarding Partners

Ref / no	The recommendation of the report	Has the Council achieved what was required of us?	Any other matters or relevant barriers
Recommendations for the Safeguarding Partners			
27.	**That the Betsi Cadwaladr University Health Board** **a. Considers sharing anonymous CAMHS information with Local Authorities to note places with a high demand and thematic concerns** **b. Gives assurances to the Regional Child Safeguarding Board that professional health workers seek safeguarding advice when a child comes to an appointment with a third party, without parental consent**	The recommendation does not ask for any actions from the Council at this time.	These are recommendations that have been specifically referred to the Betsi Cadwaladr University Health Board. No actions have currently been requested by the Local Authority, but we would continue to monitor any developments or responses arising from these recommendations.

MEETING	**Governnace and Audit Committee**
DATE	**29 September 2026**
TITLE	**Final Accounts for the year ended 31 March 2026 and relevant Audit**
PURPOSE	**To submit –** • **Statement of Accounts post Audit;** • **Cyngor Gwynedd's Annual Governance Statement for 2025/26;** • **Audit Wales' 'ISA260' Report;** • **Letter of Representation (Appendix 4).**
RECOMMENDATION	**To consider and approve the information before authorising the Chairman to certify the letter of representation and statement of responsibilities for the statement of accounts**
AUTHOR	**Dewi Aeron Morgan, Head of Finance**

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1. ACCOUNTS FOR 2025/26

The Council succeeded in completing the Statement of Accounts for 2025/26 and it was released to Audit Wales on 30 June 2026. The Statement of Accounts for 2025/26 (subject to audit) were presented to the Governance and Audit Committee on 9 July 2026, where they were scrutinised accordingly.

The final accounts following audit are presented to the Governance and Audit Committee on 29 September 2026.

2. AUDIT BY AUDIT WALES ON BEHALF OF THE AUDITOR GENERAL FOR WALES

It was noted in the July meeting that these accounts were subject to audit by Audit Wales, and the 'ISA 260' report is presented here by the Auditor General for Wales, detailing their main findings.

3. POST-AUDIT FINANCIAL STATEMENTS AND ANNUAL GOVERNANCE STATEMENT FOR 2025/26

The final version (post-audit) of the Statement of Accounts and Annual Governance Statement for 2025/26 is presented here. The main amendments since the pre-audit version have been outlined in Appendix 2 of the Audit Wales 'ISA260' report.

4. RECOMMENDATION

The Governance and Audit Committee is asked to consider and approve the –

- Statement of Accounts for 2025/26 (post-audit)
- Cyngor Gwynedd's Annual Governance Statement for 2025/26
- 'ISA260' report by Audit Wales in respect of Cyngor Gwynedd

5. LETTER OF REPRESENTATION

The Accounts and Audit (Wales) Regulations 2014 require the person presiding at the meeting, together with the Head of Finance, to certify the Letter of Representation electronically (Appendix 4 to Audit Wales' report) after the Governance and Audit Committee has approved the above.

6. CERTIFICATION BY THE APPOINTED AUDITOR

The Auditor General for Wales (Catherine Mealing-Jones) will issue the certificate on the accounts after receiving the Letter of Representation duly certified by the person presiding at the meeting and the Head of Finance.

Cyngor Gwynedd

STATEMENT OF ACCOUNTS 2025/26

Finance Department
www.gwynedd.llyw.cymru

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NARRATIVE REPORT

Introduction

Cyngor Gwynedd's accounts for the year 2025/26 are presented here on pages 9 to 87.

The Statement of Accounts consist of:

- **Expenditure and Funding Analysis** – Whilst this is not a statutory statement, it shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices.

- **Comprehensive Income and Expenditure Statement** - This is the Council's main revenue account. This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

- **Movement in Reserves Statement** - This statement shows the movement in year on the different reserves held by the Council, analysed into 'usable reserves' and 'unusable reserves'. The taxation position is reflected in the Movement in Reserves Statement.

- **Balance Sheet** - Sets out the financial position of the Council on 31 March 2026.

- **Cash Flow Statement** - This statement summarises the flow of cash to and from the Council during 2025/26 for revenue and capital purposes.

- **The Welsh Church Fund and FMG Morgan Trust Fund Accounts.**

These accounts have been prepared on a going concern basis and are supported by this Narrative Report, the Accounting Policies and various notes to the accounts.

Cyngor Gwynedd's Vision and Priorities

Cyngor Gwynedd's vision and priorities are included in the Cyngor Gwynedd Plan for the period 2023 – 2028. The purpose of the Plan is to set out the Council's vision and priorities for the period between April 2023 and the end of March 2028. The Plan explains why we are focusing our energy and resources in certain areas.

The Plan includes a series of projects for the next five years under seven priority areas:

- Tomorrow's Gwynedd - Giving our children and young people the best possible start in life,
- A Prosperous Gwynedd - Strengthening the economy and supporting the people of Gwynedd to earn a decent salary,
- A Homely Gwynedd - Supporting the people of Gwynedd to live in suitable and affordable homes in their communities,
- A Caring Gwynedd - Supporting the residents of Gwynedd to live full and safe lives in our communities,
- A Welsh Gwynedd - Ensuring that we give residents every possible opportunity to use the Welsh language in the community,
- A Green Gwynedd - Protecting the county's natural beauty, and responding positively to the climate change crisis,
- An Efficient Gwynedd - Putting the residents of Gwynedd first and treating them fairly and ensuring that the Council performs effectively and efficiently.

The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies in Wales to improve economic, social, environmental and cultural well-being. We have reviewed our well-being objectives as part of the process of forming the Cyngor Gwynedd Plan for 2023-28.

The Cyngor Gwynedd Plan 2023 – 2028 is available at The-Council-Plan-2023-28.pdf (llyw.cymru)

Financial Strategy

The Council's Financial Strategy and 2025/26 Budget adopted by the Council at its meeting on 6 March 2025 sets out the foundation to achieve the priorities areas, whilst also trying to meet the continuous increase in demand for our services. The Financial Strategy is unavoidably dependent upon these priorities. The strategy is available at: https://www.gwynedd.llyw.cymru/en/Council/Strategies-and-policies/Finance/Financial-strategy.aspx

In 2025/26 there was an increase in Cyngor Gwynedd's grant from the Welsh Government of 3.8%, which corresponds to an increase worth £9.1m in external funding. However, it was predicted that the Council's expenditure would need to be increased by £25.8m to "stand still" due to the demand on services as well as inflationary pressure remaining high. And so, it was necessary to introduce savings and cuts, and raise the level of Council Tax in order to set a balanced budget.

In setting the budget, we have tried to minimise the impact of the savings and cuts on the residents of Gwynedd. Therefore, the financial situation will continue to pose a significant challenge to us in planning our services for the future. We will therefore continue with the task of ensuring that we achieve those efficiency savings and cuts already approved and ensure that we plan for the future to minimise any further cuts to services.

Performance Measuring

The Council's Performance Management Framework is a cycle which supports the planning, management and reporting on the performance of our services to ensure the best for the people of Gwynedd today and tomorrow. The Cyngor Gwynedd Annual Performance Report describes our success in achieving our improvement priorities and also provides information on the performance of Council departments and how they assist the people of Gwynedd.

In addition to the annual report, departmental challenging and supporting the performance meetings are held every other month, concentrating on the progress of the Cyngor Gwynedd Plan projects, performance of services (day-to-day work) and responding to the main risks on the Corporate Risk Register. The departments also report directly to the Scrutiny Committees on their performance in June and October. More information can be found here: https://www.gwynedd.llyw.cymru/en/Council/Performance-and-spending/Council-performance/Performance-Measuring.aspx

Financial Performance 2025/26

- Pressure on Council services was apparent, with overspending of £6.6m at year end, mainly in adult and children care, and the service dealing with waste. Receipt of grant and an underspend on corporate budgets helped to alleviate some of the financial situation, however £3.2m was transferred from the Financial Strategy Fund to balance the situation of financial deficit in the departments. The financial out-turn position for 2025/26 was reported to Cabinet at its meeting on 19 May 2026. Members of the Cabinet approved the net services overspend of £160k for the year.

- A Departmental shortfall of £6.5m was forecasted in the last budget revenue review, undertaken at the end of November 2025. Since then, the overspend position in the areas of children care and waste has increased, with improvements in the adults' care. The favourable position of many corporate budgets has also helped to alleviate the financial position of the Council by the end of the financial year.

- The Council received an additional grant from the Welsh Government, amounting to £603k to assist with wage pressures.

- In accordance with the Statutory Finance Officer's opinion, the Cabinet members approved increasing the Council's General Balances by £6.6m, so that it represents 2.5% of the Council's gross revenue expenditure. The amount was transferred from the Financial Strategy Fund.

- At the end of the 2025/26 financial year, an overspend position is reported by 5 departments due to many factors. Substantial pressure continues in the areas of children and adult care and waste.

- The 2025/26 financial position was taken into consideration in the process of establishing the 2026/27 budget with bids being allocated to some of the overspending areas.

- The Comprehensive Income and Expenditure Statement on page 10 shows the Council's gross revenue expenditure on 'Cost of Services' level as £561m during 2025/26, with the net position as £343m.

TABLE 1 – Budget and Actual Comparison Summary (Net)

The Council's net budget is mainly financed through council tax, general government grants and national non-domestic rates and totals £387m for 2025/26.

Table 1 provides a budgetary performance comparison at a summary level, and which is detailed further in Table 2.

	Budget	Actual	Variance
	£'000	£'000	£'000
Net Expenditure on Operations	386,141	387,215	1,074
Departmental carry forward at year-end	0	(160)	(160)
	386,141	387,055	914
Financed by -			
Council Tax Income	(137,751)	(138,665)	(914)
Share of National Non-Domestic Rate	(43,521)	(43,521)	0
General Government Grants	(204,869)	(204,869)	0
	0	0	0

The Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement on pages 10 and 11 detail the movements for the year.

TABLE 2 – Transposition movement between 'Budget and Actual Comparison Summary (Net)' (Table 1) to the Income and Expenditure format reflecting Departmental Management Structure.

Department	Performance Report (Outturn)	Transposition Adjustment	Net Expenditure Chargeable to the General Fund	Adjustments between Funding and Accounting Basis	Income & Expenditure Statement
	£'000	£'000	£'000	£'000	£'000
Education	120,986	468	**121,454**	4,417	**125,871**
Corporate Services	8,604	73	**8,677**	(607)	**8,070**
Finance	9,129	145	**9,274**	1,256	**10,530**
Economy and Community	6,381	532	**6,913**	2,591	**9,504**
Adults, Health and Well-being	85,032	(92)	**84,940**	(1,344)	**83,596**
Business and Care Commissioning	2,727	6	**2,733**	(190)	**2,543**
Children and Family Support	30,013	88	**30,101**	(841)	**29,260**
Highways, Engineering and YGC *	18,313	(93)	**18,220**	3,174	**21,394**
Environment	18,199	(3,206)	**14,993**	4,232	**19,225**
Housing and Property	10,388	709	**11,097**	3,763	**14,860**
Corporate Management Team and Legal	3,187	7	**3,194**	(131)	**3,063**
Corporate	13,239	756	**13,995**	617	**14,612**
Cost of Services	326,198	(607)	**325,591**	16,937	**342,528**
Other (Contains Centralised and Corporate Adjustment)	60,857	607	**61,464**	(16,937)	**44,527**
Total	387,055	0	**387,055**	0	**387,055**

* This includes adjustments relating to the North and Mid Wales Trunk Road Agency.

Transposition Adjustment - Adjustments in the transposition column relate to the net contribution to and from reserves.

- **Material Items of Income and Expenditure**

  Related items include:

  - The depreciation value of the Council's assets is £23m (Note 15).
  - As a result of Central Government schemes including the Levelling Up Fund, significant grants have been received during 2025/26, which contributed to the significant revenue expenditure funded from capital under statute, which is £19m (Note 34), whilst the associated grant income to fund such expenditure is (£16m) (Note 32).
  - Following a revaluation of part of the Council's land and buildings portfolio (which is now carried out on a rolling programme basis), the net surplus arising from the fixed asset revaluation to the Revaluation Reserve is £12m (Note 23.1).
  - (£11m) on pensions, being the annual remeasurement of the net pension defined benefit liability relating to pensions, in line with Gwynedd Pension Fund's Actuary's assessment (Note 23.5).

- **Other Issues**

  - Economic instability and financial risks continue in the UK and globally, especially considering the situation in the Middle East that has increased energy and fuel prices, and so is pushing up overall

inflation. Whilst inflation levels are still higher than the 2% target at present, the Office for Budget Responsibility (OBR) in its 'Economic and Fiscal Outlook' report dated March 2026 predicts that inflation rates will go down and reach the target by 2027. The Council has taken these circumstances into account in its financial plans, keeping a prudent level of reserves.

- The Council, like all other public bodies, continues to face significant funding challenges, specifically uncertainty about the level of Revenue Support Grant to be received by the Government. There is no certainty of any increase in the grant in the medium term, particularly considering that a new government was elected for Wales in May 2026, with different priorities from the previous government.

Capital Expenditure in 2025/26

Capital expenditure for 2025/26 amounted to £83.8m. The following table gives an analysis of this expenditure and the way it was financed.

TABLE 3 - SUMMARY OF CAPITAL EXPENDITURE AND FINANCING

2024/25 £'000		2025/26 £'000
12,086	Education	13,778
7,516	Environment	7,428
87	Corporate Services	0
1,451	Finance	734
40,298	Economy and Community	20,944
12,386	Housing and Property	22,836
468	Adults, Health and Well-being	3,742
2,402	Children and Family Support	2,945
8,489	Highways, Engineering and YGC	11,365
85,183		**83,772**
	FINANCED BY -	
7,113	Borrowing	12,574
66,547	Grants and Contributions	60,115
43	Capital Receipts	487
11,480	Revenue and Other Funds	10,596
85,183		**83,772**

- Revenue Expenditure Funded from Capital Under Statute of £19.2m is included in the above table. This has been charged to the Income and Expenditure Statement in the year. Total expenditure on Non-current Assets and Assets Held for Sale was £68.1m as shown in Notes 15 and 20.

- The Council's Loan Debt at 31 March 2026 was £74.2m – a decrease of £20.4m (from £94.6m) during the year. Repayments of £20.2m were made in accordance with the terms of individual loans.

Provisions and Reserves

In addition to the unearmarked element of General Balances of £14.5m, the Council had provisions of £9.7m, earmarked reserves of £112.6m and school balances of £7.1m. In total, these amounted to £143.9m. These are detailed in the Balance Sheet, Movement in Reserves Statement and in Note 10 and 22.

The adequacy of the Council's specific reserves and provisions was reviewed by the Head of Finance in closing the accounts this year, in accordance with the approved policy. At its meeting on 19 May 2026, the Cabinet approved increasing the Council's General Balances from £6.6m to £14.5m, transferring the money from the Financial Strategy Fund. The Cabinet also approved setting up a specific fund for Dangerous Buildings Protection, transferring a further £1.5m from the Financial Strategy Fund.

Pension Fund

The Council (as an employer) has a liability from its share of the assets and liabilities of the Gwynedd Pension Fund as recognised on its Balance Sheet at 31 March 2026. This has been calculated by the Fund's Actuary, Hymans Robertson, in compliance with International Accounting Standard 19. Refer to Note 38 for further information.

The net pension liability is a position at one point in time. Market prices can move substantially up or down in the short term, and it is therefore not possible to quantify the long-term effect such movements in market prices will have on the Pension Fund. The accounts are based on the valuation held on 31 March 2022, the accounts for the financial year 2026/27 onwards will be based on the valuation held on 31 March 2025.

Governance

Cyngor Gwynedd is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk. Further information is included within the Annual Governance Statement.

Accounting Policies

The Council's existing accounting policies are amended only insofar as to reflect the guidance in the 2025/26 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

Changes in Accounting Policies and to the Accounts

The Council's existing accounting policies have been amended to reflect only the changes required in accordance with proper accounting practices, following adjustments for the 2025/26 financial year to the Code of Practice on Local Authority Accounting in the United Kingdom.

Further Information

The Statement of Accounts is available on Cyngor Gwynedd's website www.gwynedd.llyw.cymru.

Further information relating to the accounts is available from:

Ffion Madog Evans
Assistant Head of Finance
Accounting and Pensions
01286 679133
Trysorydd@gwynedd.llyw.cymru

Finance Department
Cyngor Gwynedd
Council Offices
Caernarfon
Gwynedd
LL55 1SH

This is part of the Council's policy of providing full information relating to the Council's affairs. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's website at the appropriate time.

Accessibility Statement

We are aware that, owing to the nature and format of the disclosures that are required to be included in this document, not all of the tables are fully compatible with accessibility standards. Should you have any questions regarding this statement of accounts or require any of the tables or disclosures to be provided in a more accessible format please contact Trysorydd@gwynedd.llyw.cymru.

CYNGOR GWYNEDD

STATEMENT OF ACCOUNTS

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

THE COUNCIL'S RESPONSIBILITIES

Cyngor Gwynedd is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In Cyngor Gwynedd, that "Section 151 Officer" is the Head of Finance. It is also the Council's responsibility to manage its affairs to secure economic, efficient and effective use of its resources, to safeguard its assets, and to approve the Statement of Accounts.

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Chair of Audit and Governance Committee **** September 2026**

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THE HEAD OF FINANCE'S RESPONSIBILITIES

The Head of Finance is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* ("the Code").

In preparing the Statement of Accounts, the Head of Finance has selected suitable accounting policies and then applied them consistently; has made judgements and estimates that were reasonable and prudent and complied with the Code.

The Head of Finance has also kept proper accounting records which were up to date, and has taken reasonable steps for the prevention and detection of fraud and other irregularities.

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RESPONSIBLE FINANCIAL OFFICER'S CERTIFICATE

I certify that the Statement of Accounts has been prepared in accordance with the arrangements set out above, and presents a true and fair view of the financial position of Cyngor Gwynedd at 31 March 2026 and the Council's income and expenditure for the year then ended.



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Dewi Aeron Morgan CPFA **** September 2026**
Head of Finance, Cyngor Gwynedd

EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

EXPENDITURE AND FUNDING ANALYSIS

2024/25				2025/26		
Net Expenditure Chargeable to the General Fund	Adjustments between the Accounting Basis and Funding Basis (see Note 8 & 9)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund	Adjustments between the Accounting Basis and Funding Basis (see Note 8 & 9)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£'000	£'000	£'000		£'000	£'000	£'000
111,971	5,849	117,820	Education	121,454	4,417	125,871
8,227	(143)	8,084	Corporate Services	8,677	(607)	8,070
8,440	1,492	9,932	Finance	9,274	1,256	10,530
3,831	2,875	6,706	Economy and Community	6,913	2,591	9,504
77,936	(92)	77,844	Adults, Health and Well-being *	84,940	(1,344)	83,596
3,418	(88)	3,330	Business and Care Commissioning *	2,733	(190)	2,543
27,010	(161)	26,849	Children and Family Support	30,101	(841)	29,260
13,713	4,376	18,089	Highways, Engineering and YGC **	18,220	3,174	21,394
19,161	4,183	23,344	Environment	14,993	4,232	19,225
10,232	5,328	15,560	Housing and Property	11,097	3,763	14,860
2,989	(42)	2,947	Corporate Management Team and Legal	3,194	(131)	3,063
12,635	3,362	15,997	Corporate	13,995	617	14,612
299,563	**26,939**	**326,502**	**Cost of Services**	**325,591**	**16,937**	**342,528**
32,335	(173)	32,162	Other Operating Expenditure	34,904	26	34,930
20,059	(16,682)	3,377	Financing and Investment Income and Expenditure	19,353	(19,419)	(66)
(360,655)	(29,178)	(389,833)	Taxation and Non-specific Grant Income	(387,055)	(41,040)	(428,095)
(8,698)	**(19,094)**	**(27,792)**	**(Surplus)/Deficit on Provision of Services**	**(7,207)**	**(43,496)**	**(50,703)**
(118,297)			Opening General Fund Balance	(126,995)		
(8,698)			(Surplus)/Deficit on General Fund in year	(7,207)		
(126,995)			Closing General Fund Balance	**(134,202)**		

* Adults, Health and Well-being Department figures for 2024/25 are adjusted, following the establishment of the Business and Care Commissioning Service.

** This includes adjustments relating to the North and Mid Wales Trunk Road Agency.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and in the Movement in Reserves Statement.

2024/25					2025/26		
Gross Expenditure	Gross Income	Net Expenditure		Note	Gross Expenditure	Gross Income	Net Expenditure
£'000	£'000	£'000			£'000	£'000	£'000
154,763	(36,943)	117,820	Education		159,597	(33,726)	125,871
9,167	(1,083)	8,084	Corporate Services		8,895	(825)	8,070
13,446	(3,514)	9,932	Finance		14,339	(3,809)	10,530
109,220	(102,514)	6,706	Economy and Community		60,090	(50,586)	9,504
107,119	(29,275)	77,844	Adults, Health and Well-being *		116,361	(32,765)	83,596
7,044	(3,714)	3,330	Business and Care Commissioning *		5,398	(2,855)	2,543
38,410	(11,561)	26,849	Children and Family Support		42,237	(12,977)	29,260
41,856	(23,767)	18,089	Highways, Engineering and YGC **		39,853	(18,459)	21,394
41,702	(18,358)	23,344	Environment		43,089	(23,864)	19,225
28,546	(12,986)	15,560	Housing and Property		27,908	(13,048)	14,860
4,488	(1,541)	2,947	Corporate Management Team and Legal		4,063	(1,000)	3,063
44,237	(28,240)	15,997	Corporate		38,844	(24,232)	14,612
599,998	**(273,496)**	**326,502**	**Cost of Services**		**560,674**	**(218,146)**	**342,528**
32,335	(173)	32,162	Other Operating Expenditure	*11*	34,930	0	34,930
6,250	(2,873)	3,377	Financing and Investment Income and Expenditure	*12*	5,363	(5,429)	(66)
0	(389,833)	(389,833)	Taxation and Non-specific Grant Income	*13*	0	(428,095)	(428,095)
638,583	**(666,375)**	**(27,792)**	**(Surplus)/Deficit on Provision of Services**		**600,967**	**(651,670)**	**(50,703)**
		(40,307)	(Surplus)/Deficit on revaluation of Fixed Assets	*23.1*			(11,982)
		(276)	(Surplus)/Deficit on revaluation of Financial Instruments	*23.3*			(307)
		1,083	Remeasurements of the net pension defined benefit liability/(asset)	*23.5*			11,238
		(39,500)	**Other Comprehensive (Income) and Expenditure**				**(1,051)**
		(67,292)	**Total Comprehensive (Income) and Expenditure**				**(51,754)**

* Adults, Health and Well-being Department figures for 2024/25 are adjusted, following the establishment of the Business and Care Commissioning Service.

** This includes adjustments relating to the North and Mid Wales Trunk Road Agency.

*** Due to the effect of the transfer of the North Wales Economic Ambition Board to the CJC, this figure does not balance with the figure stated in Note 23.5 as an additional adjustment of £111k is required in the CIES which is not part of the actuarial remeasurement reflected in Note 23.5.

MOVEMENT IN RESERVES STATEMENT

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Statement shows how the movements in the year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices, and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

		Additional Information			**Statement of Movement in Reserves**					
	Note	*Unearmarked General Fund Balance*	*Earmarked General Fund Reserves*	*Total Reserves held by Schools*	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	**Total Usable Reserves**	**Unusable Reserves**	**Total Council Reserves**
		£'000	*£'000*	*£'000*	£'000	£'000	£'000	**£'000**	**£'000**	**£'000**
Balance 31 March 2024 carried forward		*(7,912)*	*(101,843)*	*(8,542)*	(118,297)	(2,320)	(7,739)	**(128,356)**	**(397,052)**	**(525,408)**
Movement in reserves during 2024/25										
Total Comprehensive Income and Expenditure		*(27,792)*	*0*	*0*	(27,792)	0	0	**(27,792)**	**(39,500)**	**(67,292)**
Adjustments between accounting basis and funding basis under regulations		*19,094*	*0*	*0*	19,094	(286)	(320)	**18,488**	**(18,488)**	**0**
(Increase)/Decrease in 2024/25		*(8,698)*	*0*	*0*	(8,698)	(286)	(320)	**(9,304)**	**(57,988)**	**(67,292)**
Transfers to/from Earmarked Reserves		*8,698*	*(8,958)*	*260*	0	0	0	**0**	**0**	**0**
(Increase)/Decrease in 2024/25 (showing transfers to Earmarked Reserves)		*0*	*(8,958)*	*260*	(8,698)	(286)	(320)	(9,304)	(57,988)	(67,292)
Balance 31 March 2025 carried forward		*(7,912)*	*(110,801)*	*(8,282)*	(126,995)	(2,606)	(8,059)	**(137,660)**	**(455,040)**	**(592,700)**
Movement in reserves during 2025/26										
Adjustments to the opening balance		*0*	*0*	*0*	0	0	0	0	**(112)**	**(112)**
Total Comprehensive Income and Expenditure		*(50,703)*	*0*	*0*	(50,703)	0	0	**(50,703)**	**(1,051)**	**(51,754)**
Adjustments between accounting basis and funding basis under regulations	*9*	*43,496*	*0*	*0*	43,496	50	3,281	**46,827**	**(46,827)**	**0**
(Increase)/Decrease in 2025/26		*(7,207)*	*0*	*0*	(7,207)	50	3,281	**(3,876)**	**(47,990)**	**(51,866)**
Transfers to/from Earmarked Reserves	*10*	*607*	*(1,784)*	*1,177*	0	0	0	**0**	**0**	**0**
(Increase)/Decrease in 2025/26 (showing transfers to Earmarked Reserves)		*(6,600)*	*(1,784)*	*1,177*	(7,207)	50	3,281	(3,876)	(47,990)	(51,866)
Balance 31 March 2026 carried forward		*(14,512)*	*(112,585)*	*(7,105)*	(134,202)	(2,556)	(4,778)	**(141,536)**	**(503,030)**	**(644,566)**

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves is usable reserves, i.e. those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2025		***Note***	**31 March 2026**
£'000			**£'000**
661,220	Property, Plant and Equipment	*15*	716,777
60	Heritage Assets		60
165	Investment Property	*16*	165
2,086	Surplus Assets	*15*	2,062
17	Long-Term Investments	*17*	17
6,861	Long-Term Debtors	*17&18*	8,301
670,409	**Long-Term Assets**		**727,382**
86,873	Short-Term Investments	*17*	47,279
217	Assets Held for Sale	*20*	217
1,469	Inventories		1,744
116,480	Short-Term Debtors	*18*	114,142
66,022	Cash and Cash Equivalents	*19*	48,726
271,061	**Current Assets**		**212,108**
(23,994)	Bank Overdraft	*19*	(9,566)
(4,441)	Short-Term Borrowing	*17*	(4,858)
(185,635)	Short-Term Creditors	*21*	(160,465)
(342)	Short-Term Provisions	*22*	(398)
(8,759)	Capital and Revenue Grants Receipts in Advance	*32*	(12,668)
(223,171)	**Current Liabilities**		**(187,955)**
(4,060)	Long-Term Creditors	*21*	(5,011)
(8,607)	Long-Term Provisions	*22*	(9,319)
(90,138)	Long-Term Borrowing	*17*	(69,387)
(15,224)	Pension Liability	*38*	(16,977)
(4,655)	Lease Liabilities	*35&41*	(5,789)
(2,915)	Capital and Revenue Grants Receipts in Advance	*32*	(486)
(125,599)	**Long-Term Liabilities**		**(106,969)**
592,700	**Net Assets**		**644,566**
(137,660)	Usable Reserves		(141,536)
(455,040)	Unusable Reserves	*23*	(503,030)
(592,700)	**Total Reserves**		**(644,566)**

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from Financing Activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

2024/25 **£'000**		***Note***	**2025/26** **£'000**
(27,792)	Net (Surplus)/Deficit on Provision of Services		(50,703)
(25,458)	Adjustments to net surplus or deficit on the provision of services for non-cash movements	*24a*	(5,116)
468	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	*24b*	292
(52,782)	Net Cash Flows from Operating Activities		(55,527)
45,137	Investing Activities	*25*	39,326
965	Financing Activities	*26a*	19,069
(6,680)	Net (increase)/decrease in cash and cash equivalents		2,868
(35,348)	Cash and cash equivalents at the beginning of the reporting period		(42,028)
(42,028)	**Cash and cash equivalents at the end of the reporting period**	*19*	**(39,160)**

NOTES TO THE ACCOUNTS

NOTE 1 – ACCOUNTING POLICIES

1.1 General Principles

The Statement of Accounts summarises the Council's transactions for the 2025/26 financial year and its position at the year-end of 31 March 2026. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 (as amended), in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2025/26* supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The accounts have been prepared on a going concern basis.

In relation to a policy regarding capitalisation of expenditure, our practice is to operate on the basis of the nature of expenditure rather than a prescribed level of expenditure.

1.2 Accruals of Expenditure and Income

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue in Financing and Investment Income and Expenditure for the income that might not be collected.

1.3 Cash and Cash Equivalents

Where the Council has short-term investments readily convertible into known amounts of cash and subject to insignificant risk of changes in value, these are classified as cash equivalents and included in Cash and Cash Equivalents on the Balance Sheet. The investments included in this definition are short-term deposits with financial institutions which are immediately available at the Balance Sheet date.

1.4 Contingent Assets / Contingent Liabilities

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent assets and liabilities are not recognised in the Balance Sheet, but disclosed in the Contingent Liabilities and Contingent Assets notes in the accounts.

NOTE 1 – ACCOUNTING POLICIES (continued)

1.5 Corporate

The Corporate heading includes items relating to corporate policy-making and member activities, and costs that relate to the general running of the Council.

1.6 Employee Benefits

1.6.1 Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end that employees can carry forward into the next financial year. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement to the accumulated absences account so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

1.6.2 Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept redundancy voluntarily and are charged on an accruals basis to the appropriate service or, where applicable, to the Corporate Services line in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the Pension Fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end.

1.6.3 Post-Employment Benefits

Employees of the Council are members of two separate pension schemes:

- The Teachers' Pension Scheme, administered by the Capita Teachers' Pensions on behalf of the UK Government's Department for Education.
- The Local Government Pension Scheme, administered by the Gwynedd Pension Fund at Cyngor Gwynedd.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees when they worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payment of benefits is recognised in the Balance Sheet. The Education and Children and Family Support lines in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to the Teachers' Pension Scheme in the year.

1.6.4 The Local Government Pension Scheme

All other staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme. The pension costs charged to the Council's accounts in respect of this group of employees are determined by the fund administrators and represent a fixed proportion of employees' contributions to this funded pension scheme.

The Local Government Scheme is accounted for as a defined benefit scheme.

The liabilities of the Gwynedd Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions such as mortality rates, employee turnover rates, etc., and projected earnings for current employees.

NOTE 1 – ACCOUNTING POLICIES (continued)

Liabilities are discounted to their value at current prices, using a discount rate of 6.30% calculated as a weighted average of 'spot yields' on AA rated corporate bonds.

The assets of the Gwynedd Pension Fund attributable to the Council are included in the Balance Sheet at their fair value as determined by the Fund's Actuary.

The change in the net pensions liability is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.

- Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Corporate costs.

- Net interest on the net defined pension benefit liability/(asset), i.e. the net interest expense for the Council – the change during the period in the net defined benefit liability/(asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period – taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments.

Remeasurements comprising:

- The return on plan assets – excluding amounts included in net interest on the net pension defined benefit liability/(asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or that the actuary has updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

- Asset ceiling adjustment – reduces to the calculated asset ceiling if this is lower than the asset position. The asset ceiling calculation is relative to funded obligations. Any unfunded obligations are added to the net position once the asset ceiling adjustment has been applied.

- Contributions paid to the Gwynedd Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the Council Fund balance to be charged with the amount payable by the Council to the Pension Fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end. The balance that arises on the Pensions Reserve thereby measures the impact to the Council Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

International Accounting Standard (IAS) 19 governs how the long-term liabilities which exist in relation to pension costs should be reported. Local councils in England and Wales are required to produce their financial statements in accordance with IAS19.

1.6.5 Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

1.7 Events After the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events; and
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

1.8 Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change, and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless not material or stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

1.9 Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the CIES is the amount payable for the year according to the loan agreement.

Where premiums and discounts have been charged to the CIES, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the CIES to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. The Council holds financial assets measured at:

- amortised cost, and

- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI). A separate accounting policy is required where an authority holds financial instruments at fair value through other comprehensive income.

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised costs, either on a 12 month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables held by the Council. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations.

Financial Assets Measured at Fair Value Through Other Comprehensive Income

Financial assets that are measured at FVOCI are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in other comprehensive income.

Financial Assets Measured at Fair Value through Profit and Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in the Surplus or Deficit on the Provision of Services.

Fair Value Measurements of Financial Assets

Fair value of an asset is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurements of the Council's financial assets are based on the following techniques:

- Instruments with quoted market prices – the market price.
- Other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

The measurement of our assets held at FVOCI is unit bid price at the measurement date.

1.10 Government Grants and Other Contributions

Grants and contributions relating to capital and revenue expenditure are accounted for on an accruals basis, and recognised immediately in the relevant service line in the Comprehensive Income and Expenditure Statement as income, except to the extent that the grant or contribution has a condition that the Council has not satisfied.

Grants and contributions funding capital expenditure that have been credited to the Comprehensive Income and Expenditure Statement are not proper income charges due to the capital control regime requirements to finance capital expenditure as part of the Capital Financing Requirement. Therefore, the Council accounts for these amounts as follows:

- Where a capital grant or contribution has been received, and conditions remain outstanding at the Balance Sheet date, the grant is recognised as a Capital Grant Receipt in Advance on the Balance Sheet. Once the condition has been met, the grant or contribution is transferred to the Comprehensive Income and Expenditure Statement.
- Where a capital grant or contribution has been recognised as income in the Comprehensive Income and Expenditure Statement, and the expenditure to be financed from that grant or contribution has been incurred at the Balance Sheet date, the grant or contribution is transferred from the General Fund to the Capital Adjustment Account, reflecting the application of capital resources to finance expenditure. This transfer is reported in the Movement in Reserves Statement.

1.11 Heritage Assets

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held by the Council principally for their contribution to knowledge or culture. The Council has identified the following categories of heritage assets:

- Pictures and Paintings
- Civic Regalia
- Library Collections/Archives
- Museums and Art Gallery Collections
- Historic Buildings and Scheduled Monuments
- Parks and Local Nature Reserves

The Council used an external valuer (Bonhams) to provide estimated valuations of its civic regalia and paintings and pictures. For consistency, the Council has applied the same de minimis levels for valuation purposes to heritage assets as its other long-term assets – see policy 1.17.

The Council considers that heritage assets held by the Council will have indeterminate life and high residual value; hence, the Council does not consider it appropriate to charge depreciation for the assets. Heritage assets recognised in the accounts will be assessed annually for any impairment – see policy 1.17.

1.12 Inventories and Long-Term Contracts

Stocks and work in progress should be shown in the Balance Sheet at the lower of cost and net realisable value, in accordance with the provisions of the Code of Practice. Due to the practicalities of the Council's main stock systems, the majority of stock is shown in the accounts at average cost. The difference from the basis of valuation is not material.

Long-term contracts are accounted for on the basis of charging the surplus or deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

1.13 Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. These properties are valued on a fair value basis. Values are based on specific techniques, and the inputs to

these measurement techniques are categorised in accordance with three levels. All the Council's inputs are level 3 (unobservable inputs for the asset). This is due to the level of adjustment required to all evidence due to the uniqueness of the assets, and the dearth of relevant market transactions.

1.14 Leases

The Council classifies contracts as leases based on their substance – analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all of the economic benefits or service potential from that asset and to direct its use.

The Council as Lessee:

Leases are initially recognised as Right of Use Assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date). The Council initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include; fixed payments; variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date; the exercise price under a purchase option that the Council is reasonably certain to exercise; lease payments in an optional renewal period if the Council is reasonably certain to exercise an extension option; penalties for early termination of a lease, unless the Council is reasonably certain not to terminate early. Any changes will result in a subsequent remeasurement of the lease liability and corresponding right of use asset.

Lease payments include an interest charge (reported in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement) and a charge for the principle which reduces the lease liability. The related asset is treated in accordance with the policies applied generally to such assets and is subject to depreciation charges as appropriate. The asset is depreciated straight line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value. As permitted by the code; any leases for low value items, deemed by the Council to be below £10,000, or for a term shorter than 12 months are excluded.

The Council as Lessor:

Where the Council grants a finance lease over a property, the relevant asset is written out of the Balance Sheet as a disposal, to be included in the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Rental income from property granted under an operating lease is recognised on a straight-line basis in the Comprehensive Income and Expenditure Statement, and the asset is retained in the Balance Sheet.

1.15 Surplus Assets

The Council classifies Surplus Assets separately on the Balance Sheet. These assets are shown at their fair value based on market value. Values are based on specific techniques, and the inputs to these measurement techniques are categorised in accordance with three levels. All the Council's inputs are level 3 (unobservable inputs for the asset). This is due to the level of adjustment required to all evidence due to the uniqueness of the assets, and the dearth of relevant market transactions.

1.16 Overheads and Support Services

Some overheads and support services costs are apportioned to the appropriate services in accordance with the Council's arrangements for accountability and financial performance.

1.17 Long-Term Assets

The Council's assets as recorded on the Property Services database are revalued at least every five years. Since the 2015/16 financial year, the Council has established a rolling programme for re-valuing different categories of these assets annually, with valuation usually effective on 31 March each year. This is in accordance with the Code and the Statements of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors.

NOTE 1 – ACCOUNTING POLICIES (continued)

Land and Buildings are shown at fair value, this includes Existing Use Value (EUV) for many items or Depreciated Replacement Cost (DRC) for specialised properties.

In addition, from 1 April 2025 the Code has now included the requirement to apply annual indexation in between the five year full revaluation. For assets, where the Council is unable to obtain appropriate indices, they continue to be revalued every five years, but with an additional desktop revaluation in the third year of the cycle. The Council's Estates Manager (M.R.I.C.S.) reviews the appropriate indices to be used.

Investment Properties are shown at fair value.

Vehicles, Plant, Furniture and Equipment are shown at depreciated historical cost.

Infrastructure and community assets are shown at depreciated historical cost.

Material Assets in the course of construction are included at historical cost until such time as they are completed, when they are valued in accordance with the accounting policies and transferred to the appropriate category of asset.

A de minimis limit for valuation purposes of £20,000 is used for the Council's operational Land and Buildings and £5,000 for single items of Vehicles, Plant, Furniture and Equipment.

Expenditure in year on new and existing assets is added annually.

Impairment and Depreciation

Impairment
An impairment is the consumption of economic benefit that is specific to an asset. In line with International Accounting Standard 36 the Council reviews its assets each year in order to recognise any impairment or reduction in value due to the consumption of economic benefits. In addition, the residual values and useful lives of assets are reviewed annually and adjusted where appropriate.

Where impairment losses are identified, they are accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve for an asset or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Depreciation
The main element of IAS 16 is that buildings must be depreciated if they are not valued each year. In addition, each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. A de minimis threshold, below which assets are disregarded for componentisation purposes, needs to be established, which is based on potential material impacts on the financial statements. For the 2025/26 financial year this has been set at 1% of the total value of the buildings at the beginning of the year. The apportionment to be considered for the non-land element of assets above the de minimis threshold is:
a) plant and equipment and engineering services, and
b) structure

The majority of the Council's buildings (over 75%) are valued using the DRC (Depreciated Replacement Cost) method, which is developed on a component approach, and the identification of the components is reflected in the details of the calculations. However, identified within the above are buildings which include material items of plant and equipment which are deemed to have shorter useful lives, e.g. boilers and heating equipment within swimming pools and leisure centres. These components are recognised by adjusting the useful life of the building to take account of the shorter life components.

For the remaining buildings, based on a review of the nature and type of buildings which the Council owns, these are deemed to have no significant items of plant and equipment or engineering services that need to be componentised separately.

Depreciation is generally charged on the Balance Sheet value of assets to write them off as follows:

(i) Vehicles, Plant, Furniture and Equipment are depreciated over their estimated useful life (3–15 years, or more with supporting evidence)
(ii) Infrastructure is depreciated over 40 years
(iii) Revenue Expenditure funded from Capital under Statute is written down in the period in which it arises
(iv) Land is not depreciated
(v) Buildings are depreciated over their estimated remaining useful life (5–80 years)
(vi) Investment Properties, Assets under Construction and Assets Held for Sale are not depreciated

Depreciation is not charged in the year of acquisition.

Minimum Revenue Provision
The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2018 places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Welsh Ministers and local authorities are required to "have regard" to such Guidance under section 21(1B) of the Local Government Act 2003.

The four MRP options available are:
- Option 1: Regulatory Method
- Option 2: Capital Financing Requirement Method
- Option 3: Asset Life Method
- Option 4: Depreciation Method

NB This does not preclude other prudent methods.

MRP in 2025/26: Options 1 and 2 may be used only for supported (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government) Non-HRA capital expenditure funded from borrowing. Methods of making prudent provision for unsupported Non-HRA capital expenditure include Options 3 and 4 (which may also be used for supported Non-HRA capital expenditure if the Council chooses).

The MRP Statement was submitted to Council before the start of the 2025/26 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Council at that time.

The Council applied Option 3 in respect of supported capital expenditure funded from borrowing assessing that a prudent measure would be over 50 years, and also Option 3 in respect of unsupported capital expenditure funded from borrowing.

MRP in respect of leases and Private Finance Initiative schemes brought on Balance Sheet under the IFRS-based Accounting Code of Practice matches the annual principal repayment for the associated deferred liability.

The Council reviews this policy annually in light of the Asset Management Plan.

In accordance with the Code of Practice, revenue financing of capital expenditure on Council Fund Services is appropriated to the Capital Adjustment Account.

1.18 Council Tax and National Non-Domestic Rates

Council Tax and National Non-Domestic Rates income for the year is treated as accrued income, and is included within the Taxation and Non-Specific Grant Income line in the Comprehensive Income and Expenditure Statement.

Cyngor Gwynedd is a Council Tax and Non-Domestic Rates billing Authority. It collects Council Tax on behalf of itself and other authorities, and collects Non-Domestic Rates as an agent on behalf of the Welsh Government.

1.19 Provisions

Provisions are made where an event has taken place on or before the Balance Sheet date:
- that gives the Council a present obligation
- that probably requires settlement by a transfer of economic benefits or service potential, and
- where a reliable estimate can be made of the amount of the obligation.

If it is not clear whether an event has taken place on or before the Balance Sheet date, it is deemed to give rise to a present obligation if, taking account of all available evidence, it is more likely than not that a present obligation exists at the Balance Sheet date. The present obligation can be legal or constructive.

Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

1.20 Reserves (and Balances)

In accordance with the requirements of the Local Government Act 1992, the Council maintains a –

- General Fund which represents the general reserves ("balances") of the Council, namely a working balance to help cushion the impact of uneven cash flows and as a contingency to cushion the impact of unexpected events or emergencies.

- Number of capital and revenue specific reserves earmarked for specific purposes, namely, money accumulated to meet anticipated commitments. The Council undertakes a continuous review of the adequacy and use of specific reserves.

- The Council takes a risk-based approach to maintaining an adequate level of balances and reserves to meet future spending needs. When considering the annual budget and medium-term financial strategy, the Council will set out its intention regarding the level of general balances and reserves, in the context of all relevant risks. Refer to the approval of the full policy in respect of reserves by the Council Cabinet on 23 June 2015.

- Certain reserves, namely "unusable reserves", are kept for the technical purpose of managing the accounting processes for non-current assets, financial instruments and employee benefits. These do not represent the usable resources of the Council.

1.21 Revenue Expenditure Funded from Capital Under Statute

Legislation allows some expenditure to be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as an asset. The purpose of this is to enable it to be funded from capital resources rather than be charged to the General Fund and impact on that year's Council Tax. This type of expenditure is valued at historical cost and written down over a year.

1.22 Value Added Tax

Only in a situation when VAT is irrecoverable will VAT be included or charged as 'irrecoverable VAT' in capital and revenue expenditure.

1.23 Debtors and Creditors

The Council's accounts are maintained on an accruals basis in accordance with the Code of Accounting Practice. The accounts reflect actual expenditure and income relating to the year in question irrespective of whether the payments or receipts have actually been paid or received in the year.

An exception to this principle relates to electricity and similar quarterly payments which are charged at the date of meter reading rather than being apportioned between financial years, and certain annual payments such as insurance. This policy is consistently applied each year and therefore does not have a material effect on the year's accounts.

1.24 Allocation of Interest and Receivable Dividends

The Council invests surplus funds for periods varying from overnight to 13 months (with the exception of investments in pooled funds) and the interest is credited to the General Fund, Gwynedd Pension Fund, Welsh Church Fund and other trust funds and joint committees based on the level of their daily balances and the rate of interest earned. The dividends from the pooled funds are paid into the General Fund.

1.25 Borrowing Costs

The Council does not capitalise borrowing costs attributable to the acquisition, construction or production of a qualifying asset as permitted by the Code.

Interest payable on external loans is included in the accounts in the period to which it relates on a basis which reflects the overall economic effect of the borrowings.

1.26 Interest in Companies and Other Entities

The Council reviews its interests in subsidiaries, associates and joint ventures annually to determine whether group accounts are required. On the basis of materiality, the Council has not prepared Consolidated Group Accounts for the year ending 31 March 2026.

Cwmni Byw'n Iach is a wholly owned subsidiary that, based on quantitative measures alone, is considered material to the Council in 2025/26. However, following an assessment of both the qualitative and quantitative impacts of consolidation, including the elimination of intra-group balances and transactions. The Council has concluded that the preparation of group accounts would not result in a materially different presentation of the group's financial position, financial performance, cash flows, or reserves.

The following joint committees are not considered material and have been consolidated into the Council's financial statement:-

- GwE (Operations ceased on 31 May 2025)
- North Wales Residual Waste Treatment Project

From 1 April 2025 there has been a change to the status of the North Wales Economic Ambition Board as it has been incorporated as part of the North Wales Corporate Joint Committee, therefore does not have to be included as a joint committee within the financial statements of the Council for 2025/26.

1.27 Current Assets Held for Sale

In order for an asset to be recognised as Held for Sale, the asset must be available for immediate sale in its present condition, the sale must be highly probable, the asset must be actively marketed and the sale completed within one year from the date of classification. The asset is recognised at fair value (market value) less costs to sell on reclassification. Values are based on specific techniques, and the inputs to these measurement techniques are categorised in accordance with three levels. All the Council's inputs are level 3 (unobservable inputs for the asset). This is due to the level of adjustment required to all evidence due to the uniqueness of the assets, and the dearth of relevant market transactions.

1.28 Disposal of Assets

When an asset is disposed of, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

1.29 Capital Receipts

When the Council sells an asset, legislation prescribes the use of the proceeds received.

All capital receipts that belong to the Council's Fund are 100% usable and it is no longer necessary to set aside a percentage of the receipt. The receipts are held in the Usable Capital Receipts Reserve until such time as they are used to finance capital expenditure.

1.30 Service Concession Arrangements

Service Concession Arrangements, otherwise known as Private Finance Initiative (PFI) schemes, are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor for the duration of the contract but where the assets transfer to the Council at the end of the period without any additional cost. The Council controls the service that is provided and is able to control who else is able to use the facility. The cost of using the facility is agreed with the Company before setting the agreement through a competitive dialogue process.

1.31 Joint Operations

Joint operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangements. The activities undertaken by the Council in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation

NOTE 1 – ACCOUNTING POLICIES (continued)

to its interest in a joint operation, the Council as a joint operator recognises its share of assets, liabilities, revenue and expenses.

1.32 Schools

The *Code of Practice on Local Authority Accounting in the United Kingdom* confirms that the balance of control for local authority maintained schools (i.e. those categories of school identified in the School Standards and Framework Act 1998, as amended) lies with the local authority. The Code also stipulates that those schools' assets, liabilities, reserves and cash flows are recognised in the local authority accounts (and not the Group Accounts). Therefore schools' transactions, cash flows and balances are recognised in each of the financial statements of the Council as if they were the transactions, cash flows and balances of the Council.

1.33 Fair Value Measurement of Non-Financial Assets

The Council's accounting policy for fair value measurement of financial asset is set out in note 1.9. The Council also measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset takes place either:

a. in the principal market for the asset, or
b. in the absence of a principal market, in the most advantageous market for the asset.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly; or
- Level 3 – unobservable inputs for the asset.

1.34 Other Policies

Cyngor Gwynedd has policies in respect of the following, but they are not considered material for the 2025/26 financial year:

- Intangible Assets
- Foreign Currency Conversion.

NOTE 2 – CHANGE IN ACCOUNTING POLICY

The Council's existing accounting policies are amended only insofar as to reflect the guidance in the 2025/26 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

NOTE 3 – PRIOR PERIOD ADJUSTMENTS

There is no prior period adjustment applicable to the 2025/26 accounts.

NOTE 4 – ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires the expected impact of any accounting standards that have been issued but not yet adopted to be disclosed. This applies to the following new or amended standards within the 2026/27 Code:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage Assets) issued in March 2024.
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024.
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024.
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024.

The Code requires implementation from 1 April 2026 and therefore there is no impact on the 2025/26 Statement of Accounts. It is not anticipated that the other items above will have a significant impact on the information provided in the 2026/27 financial statements.

NOTE 5 – CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in Note 1, the Council has had to make judgements, estimates and assumptions relating to complex transactions, those involving uncertainty about future events and also the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The judgements, estimates and associated assumptions applied are based on current proper practices, historical experience, and other factors that include historical and current assumptions and projections, and actual future projections, professional assessments, current trends, and local factors that are considered to be relevant.

In recent years there has been some uncertainty about future levels of funding from Welsh Government relating to revenue and capital grants. This issue forms an important part of the Council's continually revised financial strategy, and where all known and forecasted factors are given due consideration. Economic instability and financial risks continue in the UK and globally, especially considering the situation in the Middle East that has increased energy and fuel prices, and therefore is pushing up overall inflation. Whilst inflation levels are still higher than the 2% target at present. However, the Council has determined that this uncertainty is not sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and significantly reduce levels of service provision.

All available and related information is sourced and applied in assessing and determining the position, which is particularly critical when considering such matters as the revaluation, depreciation and impairment of assets, actuarial valuation of Pension Fund assets and commitments, earmarked reserves, provisions and contingent liability. However, because these issues cannot be determined with certainty, actual results may subsequently differ from those estimates. The estimates and underlying assumptions are continually reviewed.

NOTE 6 – ASSUMPTIONS MADE ABOUT FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because certain balances cannot be determined with certainty, actual results could be different from the assumptions and estimates.

The following items in the Council's Balance Sheet at 31 March 2026 may be considered to be a significant risk (in terms of certainty in estimation of value), with the possibility of material adjustment in the forthcoming financial year:

Item	Uncertainties	Effect if actual results differ from assumptions
Property, Plant and Equipment	Assets are depreciated over their useful life in accordance with standard accounting and associated practices. The current economic climate brings with it uncertainties for councils in their ability to sustain the necessary spending on repair and maintenance. This obviously would have implications on asset life. Land and buildings are revalued at least every five years, and since 2015/16 a rolling programme of revaluation has been introduced. Also, assets not formally revalued in the current year are subject to indexation. Judgements often need to be reached as part of the revaluation and impairment assessment process. This brings with it uncertainties, and assumptions have to be made and responded to accordingly.	Any difference between the depreciation applied and actual deterioration to assets will be naturally reflected in future spending patterns. Where necessary, any resultant long-term implications will be incorporated into our financial strategy. Information relating to Property, Plant and Equipment is included in Note 15.
Provisions	There are provisions included within these accounts, the basis of which have been individually assessed from the latest information available, as detailed in Note 22, and include provisions for Waste Sites. The accuracy of the provisions cannot be confirmed until such matters are concluded.	If the provisions are inadequate, the additional costs will be funded from revenue or reserves.
Pension Liability	Estimating the net liability to pay pensions depends on a number of complex judgments relating to the discount rate used, the rate at which wages are expected to increase, changes in retirement ages, mortality rates and expected returns on Pension Fund assets. A firm of consulting actuaries are involved in giving expert advice to the Council about the assumptions to be used. In the past Brexit and Covid had negative effects on the UK economy and pension asset values. Economic instability and financial risks continue in the UK and globally, especially considering the situation in the Middle East that has increased energy and fuel prices, and so is pushing up overall inflation. Whilst inflation levels are still higher than target and interest rates are relatively high but are stable, the market is cautious but stabilizing. However, a pandemic or other global crisis could have a detrimental effect on asset returns, as well as an increase in interest rates to curb the rise of inflation.	The effects on the net pension liability of changes in individual assumptions are set out in Notes 37 and 38.
Impairment Loss Allowance	There is a level of doubtful debt impairment built into the accounts that is based on a specific policy. A specific impairment level policy in respect of doubtful debts is contained within the accounts. The impairment level is reviewed regularly in order to respond to any changes in the economic climate and necessary action taken as appropriate within the accounts to respond accordingly. At 31 March 2026, the Council had a net debtors balance of £122m (Note	If the impairment loss allowance is inadequate, the additional funding will come from revenue or reserves.

	18a), and this balance is net of the doubtful debts impairment of £8m.	

NOTE 7 – MATERIAL ITEMS OF INCOME AND EXPENSE

Related items include:

- The depreciation value of the Council's assets is £23m (Note 15).
- As a result of Central Government schemes including the Levelling Up Fund, significant grants have been received during 2025/26, which contributed to the significant revenue expenditure funded from capital under statute, which is £19m (Note 34), whilst the associated grant income to fund such expenditure is (£16m) (Note 32).
- Following a revaluation of part of the Council's land and buildings portfolio (which is now carried out on a rolling programme basis), the net surplus arising from the fixed asset revaluation to the Revaluation Reserve is £12m (Note 23.1).
- (£11m) on pensions, being the annual remeasurement of the net pension defined benefit liability relating to pensions, in line with Gwynedd Pension Fund's Actuary's assessment (Note 23.5).

NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

2025/26	ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS					
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes (i)	Net change for the Pensions Adjustments (ii)	Other Differences (iii)	Total Statutory Adjustments	Other (Non-statutory) Adjustments (iv)	Total Adjustments
	£'000	£'000	£'000	£'000	£'000	£'000
Education	7,618	(3,201)	0	**4,417**	0	**4,417**
Corporate Services	21	(628)	0	**(607)**	0	**(607)**
Finance	1,607	(351)	0	**1,256**	0	**1,256**
Economy and Community	2,962	(371)	0	**2,591**	0	**2,591**
Adults, Health and Well-being	549	(1,815)	0	**(1,266)**	(78)	**(1,344)**
Business and Care Commissioning	0	(190)	0	**(190)**	0	**(190)**
Children and Family Support	105	(946)	0	**(841)**	0	**(841)**
Highways, Engineering and YGC *	4,979	(1,805)	0	**3,174**	0	**3,174**
Environment	5,072	(840)	0	**4,232**	0	**4,232**
Housing and Property	4,183	(420)	0	**3,763**	0	**3,763**
Corporate Management Team and Legal	12	(143)	0	**(131)**	0	**(131)**
Corporate	0	729	(308)	**421**	196	**617**
Cost of Services	**27,108**	**(9,981)**	**(308)**	**16,819**	**118**	**16,937**
Other Operating Expenditure	26	0	0	**26**	0	**26**
Financing and Investment Income and Expenditure	(17,585)	607	(2,323)	**(19,301)**	(118)	**(19,419)**
Taxation and non-specific grant income	(41,040)	0	0	**(41,040)**	0	**(41,040)**
(Surplus)/Deficit on Provision of Services	**(31,491)**	**(9,374)**	**(2,631)**	**(43,496)**	**0**	**(43,496)**

* This includes adjustments relating to the North and Mid Wales Trunk Road Agency.

NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS (continued)

2024/25	ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS					
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes (i) £'000	Net change for the Pensions Adjustments (ii) £'000	Other Differences (iii) £'000	Total Statutory Adjustments £'000	Other (Non-statutory) Adjustments (iv) £'000	Total Adjustments £'000
Education	7,688	(1,839)	0	**5,849**	0	**5,849**
Corporate Services	28	(171)	0	**(143)**	0	**(143)**
Finance	1,704	(212)	0	**1,492**	0	**1,492**
Economy and Community	3,032	(157)	0	**2,875**	0	**2,875**
Adults, Health and Well-being *	474	(488)	0	**(14)**	(78)	**(92)**
Business and Care Commissioning *	0	(88)	0	**(88)**	0	**(88)**
Children and Family Support	83	(244)	0	**(161)**	0	**(161)**
Highways, Engineering and YGC **	4,937	(561)	0	**4,376**	0	**4,376**
Environment	4,445	(262)	0	**4,183**	0	**4,183**
Housing and Property	5,478	(150)	0	**5,328**	0	**5,328**
Corporate Management Team and Legal	8	(50)	0	**(42)**	0	**(42)**
Corporate	0	361	2,865	**3,226**	136	**3,362**
Cost of Services	**27,877**	**(3,861)**	**2,865**	**26,881**	**58**	**26,939**
Other Operating Expenditure	(173)	0	0	**(173)**	0	**(173)**
Financing and Investment Income and Expenditure	(17,171)	754	(207)	**(16,624)**	(58)	**(16,682)**
Taxation and non-specific grant income	(29,178)	0	0	**(29,178)**	0	**(29,178)**
(Surplus)/Deficit on Provision of Services	**(18,645)**	**(3,107)**	**2,658**	**(19,094)**	**0**	**(19,094)**

* Adults, Health and Well-being Department figures for 2024/25 are adjusted, following the establishment of the Business and Care Commissioning Service.

** This includes adjustments relating to the North and Mid Wales Trunk Road Agency.

(i) Adjustments for Capital Purposes

- For **Services**, this column adds in depreciation, impairment and revaluation gains and losses.
- **Other Operating Expenditure** – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- **Financing and Investment Income and Expenditure** – the statutory charges for capital financing, i.e. revenue provision for the financing of capital investment and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- **Taxation and Non-specific Grant Income** – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-specific Grant Income line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS (continued)

(ii) Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* for pension-related expenditure and income:

- For **Services,** this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.
- For **Financing and Investment Income and Expenditure,** the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

(iii) Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For **Services**, this represents an adjustment for accumulated absences earned but not taken during the year.
- For **Financing and Investment Income and Expenditure,** the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

(iv) Other (Non-statutory) Adjustments

- **Services** - the impairment loss allowance on Trade Debtors is deducted and transferred to financing and investment income and expenditure.
- **Financing and Investment Income and Expenditure** – adjusted to include the transfer of the impairment loss allowance on Trade Debtors from services.

NOTE 9 – ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

2025/26 ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS	Usable Reserves General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements				
Pensions costs (transferred to (or from) the Pensions Reserve)	9,374	0	0	(9,374)
Financial instruments (transferred to the Financial Instruments Adjustments Account)	1,993	0	0	(1,993)
Holiday pay (transferred to (or from) the Accumulated Absences Reserve)	493	0	0	(493)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	13,906	0	0	(13,906)
Total Adjustments to Revenue Resources	**25,766**	**0**	**0**	**(25,766)**
Adjustments between Revenue and Capital Resources				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	145	(437)	0	292
Revenue provision for the financing of supported capital investment	3,753	0	0	(3,753)
Revenue provision for the financing of unsupported capital investment	3,236	0	0	(3,236)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	10,596	0	0	(10,596)
Total Adjustments between Revenue and Capital Resources	**17,730**	**(437)**	**0**	**(17,293)**
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure	0	487	0	(487)
Application of capital grants to finance capital expenditure	0	0	3,281	(3,281)
Cash payments in relation to deferred capital receipts	0	0	0	0
Total Adjustments to Capital Resources	**0**	**487**	**3,281**	**(3,768)**
TOTAL ADJUSTMENTS	**43,496**	**50**	**3,281**	**(46,827)**

NOTE 9 – ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS (continued)

2024/25 ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS	Usable Reserves General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements				
Pensions costs (transferred to (or from) the Pensions Reserve)	3,106	0	0	(3,106)
Financial instruments (transferred to the Financial Instruments Adjustments Account)	51	0	0	(51)
Holiday pay (transferred to (or from) the Accumulated Absences Reserve)	(2,571)	0	0	2,571
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	1,475	0	0	(1,475)
Total Adjustments to Revenue Resources	**2,061**	**0**	**0**	**(2,061)**
Adjustments between Revenue and Capital Resources				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(138)	(329)	0	467
Revenue provision for the financing of supported capital investment	3,456	0	0	(3,456)
Revenue provision for the financing of unsupported capital investment	2,235	0	0	(2,235)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	11,480	0	0	(11,480)
Total Adjustments between Revenue and Capital Resources	**17,033**	**(329)**	**0**	**(16,704)**
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure	0	43	0	(43)
Application of capital grants to finance capital expenditure	0	0	(320)	320
Cash payments in relation to deferred capital receipts	0	0	0	0
Total Adjustments to Capital Resources	**0**	**43**	**(320)**	**277**
TOTAL ADJUSTMENTS	**19,094**	**(286)**	**(320)**	**(18,488)**

NOTE 10 – TRANSFERS TO/FROM EARMARKED RESERVES

School Balances
This sum is represented by the element of balances released under the delegation of budgets directly to schools which remained unspent at the end of the financial year, and is a net decrease of £1.2m as compared to the balance on 31 March 2025:

2025/26	Balance 31 March 2025 £'000	Transfers between reserves £'000	Transfers in £'000	Transfers out £'000	Balance 31 March 2026 £'000
School Balances	8,282	0	1,160	(2,337)	7,105
Total	**8,282**	**0**	**1,160**	**(2,337)**	**7,105**

NOTE 10 – TRANSFERS TO/FROM EARMARKED RESERVES (continued)

Earmarked Reserves
The note below sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans, and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2025/26, with a net increase of £1.8m since the position at 31 March 2025.

	2025/26	Balance		Transfers		Balance
		31 March	between reserves	in	out	31 March
Note		2025				2026
		£'000	£'000	£'000	£'000	£'000
10.1	Renewals Reserves	3,970	0	3,885	(5,162)	2,693
10.2	Schools Digital Strategy Renewal Reserve	2,000	0	0	0	2,000
10.3	Capital Reserves	26,805	0	9,867	(664)	36,008
10.4	Insurance Reserves	1,299	0	686	(861)	1,124
10.5	Service Fund	2,605	324	1,057	(598)	3,388
10.6	Convergence Programme Fund	476	0	0	(9)	467
10.7	Redundancy Costs to Realise Savings Reserve	1,813	(38)	0	(70)	1,705
10.8	Central Training	2,063	0	70	(653)	1,480
10.9	Education Services Reserves	4,043	0	602	(2)	4,643
10.10	Economy and Community Reserves	512	0	143	(17)	638
10.11	Highways, Engineering and YGC	4,178	(24)	110	(254)	4,010
10.12	Environment Reserves	1,042	44	4,091	(1,683)	3,494
10.13	Housing and Property Reserves	1,654	0	2,250	(343)	3,561
10.14	Care Reserves	699	0	141	(173)	667
10.15	Business Transformation Funds	831	0	0	0	831
10.16	Invest to Save Fund – Carbon Reduction Plan	564	0	0	(564)	0
10.17	Transformation / Council Plan	11,564	0	1,252	(2,800)	10,016
10.18	Committed Revenue Grant Fund	1,570	(21)	408	(267)	1,690
10.19	Housing Water and Sewerage Service Fund	94	0	0	(81)	13
10.20	Housing Environmental Warranty	480	0	0	0	480
10.21	Information Technology Reserve	921	(302)	372	(201)	790
10.22	Supporting the Financial Strategy Reserve	18,924	(3,589)	7,232	(9,776)	12,791
10.23	Partnering Arrangements	80	0	133	(68)	145
10.24	North Wales Economic Ambition Board	978	0	0	(978)	0
10.25	Council Tax Premium Reserve	17,417	2,089	8,959	(13,378)	15,087
10.26	Digital Strategy Fund	670	38	0	(133)	575
10.27	Shared Prosperity Scheme Fund	2,791	0	1,007	(1,783)	2,015
10.28	Dangerous Buildings Protection Fund	0	1,500	0	0	1,500
10.29	Various Other Reserves	758	(21)	55	(18)	774
	Total	**110,801**	**0**	**42,320**	**(40,536)**	**112,585**

The earmarked reserves closing balance as at 31 March 2026 does not reflect the level of commitments against them. Details are given below of the Council's main specific reserves.

NOTE 10 – TRANSFERS TO/FROM EARMARKED RESERVES (continued)

10.1 The Renewals Reserves are used by the various departments of the Council to replace vehicles and equipment.

10.2 School's Digital Strategy Renewal Reserve in order to finance the renewal of the school's IT equipment.

10.3 The Capital Reserves represents resources already committed to assist in financing the Council's Capital Programme and other requirements.

10.4 Cyngor Gwynedd does not insure all risks with external insurers but instead it has established an internal reserve to meet those uninsured risks. The balance on the Insurance Reserve also includes an element relating to the relevant insurance requirements of the former Gwynedd County Council (pre-1996) and which is administered by Cyngor Gwynedd.

10.5 The Services Fund represents the element of slippages and underspend that service departments have the right to carry forward for use in the subsequent financial year, other relevant specific budgets and one-off budgets that extend over more than one year.

10.6 Convergence Programme Fund – fund was created for additional capital or revenue costs which arise from the requirements to develop plans under the convergence programme.

10.7 Redundancy Costs to Realise Savings Reserve – provision for financing redundancy costs to realise budgetary savings.

10.8 Central Training – relates to the Council's staff training programme, including a contribution towards the cost of funding the Apprenticeship scheme and the 'Cynllun Yfory' Management Scheme.

10.9 Education Service Reserves – includes sums set aside to respond to related financial problems with 'Integration' requirements, changeable demands in 'Out of County – Special Educational Needs', 'Supporting Schools' and the 'Schools Loans Scheme'.

10.10 The Economy and Community Reserves include a number of balances relating to schemes operating on a partnership basis mainly, where the scheme balances must be accounted for separately.

10.11 The Highways, Engineering and Gwynedd Consultancy Reserves include sums set aside to protect situations of uneven income and expenditure of certain areas of work.

10.12 Environment Reserves – include a number of balances relating to Transport, schemes operating mainly on a partnership basis, and where the scheme balances must be accounted for separately, together with specific requirements relating to the Unitary Development Plan, and amounts for uneven expenditure situation.

10.13 Housing and Property Reserves – includes amounts set aside to protect against possible situations of uneven expenditure together with various other reserves for the Council's housing and property needs.

10.14 Care Reserves – includes amounts set aside to protect against possible situations of uneven expenditure due to contract requirements.

10.15 Business Transformation Fund – to achieve "Ffordd Gwynedd" aims and objectives.

10.16 Invest to Save Fund – Carbon Reduction Plan – partly funding the Carbon Reduction Plan programme of works to reduce carbon emissions whilst generating monetary revenue savings for the Council.

10.17 Transformation / Council Plan – for the Council's priorities and to transform internal procedures to be more effective and efficient, and to invest in various schemes to realise permanent financial savings.

NOTE 10 – TRANSFERS TO/FROM EARMARKED RESERVES (continued)

10.18 Committed Revenue Grants Fund – includes revenue grants received and committed for future use.

10.19 Housing Water and Sewerage Services Fund – amounts reserved for requirements relating to sewerage procedures, water piping and sewage treatment work on old council housing estates, which were not adopted by Welsh Water.

10.20 Housing Environmental Warranty – reserved for possible implications as a result of giving environmental warranties to Adra (Tai) Cyfyngedig, in connection with specific and special circumstances that relate to environmental plans on the land of former council housing estates.

10.21 Information Technology Reserve – for responding to the demands in the information technology area, including a renewals fund and to respond to uneven patterns of expenditure.

10.22 Supporting the Financial Strategy Reserve – a fund established to assist and support the Council's financial strategy.

10.23 Partnering Arrangements – includes amounts allocated in relation to various requirements of partnerships and joint working.

10.24 North Wales Economic Ambition Board – for the requirements and commitments of the economic promotion plan relevant to the North Wales Economic Ambition Board (Cyngor Gwynedd's share only).

10.25 Council Tax Premium Reserve – provision from the Council Tax Premium for achieving the Council's priorities which includes the Housing Strategy.

10.26 Digital Strategy Fund – Provision to ensure that the Council's digital needs enable departments to provide an effective and efficient service to the residents of Gwynedd.

10.27 Fund for interest received on the United Kingdom Shared Prosperity Scheme money held in Cyngor Gwynedd's bank account on behalf of the North region.

10.28 Dangerous Buildings Protection Fund – to fund work to safeguard a dangerous building to protect and safeguard the public.

10.29 Various Other Reserves – includes amounts set aside to meet a variety of other commitments.

NOTE 11 – OTHER OPERATING EXPENDITURE

2024/25		2025/26
£'000		£'000
	Precepts	
19,619	North Wales Police & Crime Commissioner	21,154
3,116	Community Councils	3,443
22,735		24,597
	Levies	
8,295	North Wales Fire Authority	8,919
1,059	Eryri National Park Authority	1,112
125	Local Drainage Boards	131
121	North Wales Corporate Joint Committee	145
9,600		10,307
(173)	(Gains)/losses on the disposal and de-recognition of non-current assets	26
32,162	**Total**	**34,930**

NOTE 12 – FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2024/25		2025/26
£'000		£'000
5,554	Interest payable and similar charges	4,875
754	Net interest on the net pension defined benefit liability/(asset)	606
(2,872)	Interest receivable and similar income	(3,141)
0	(Gains)/losses arising from the derecognition of financial assets/liabilities	(2,287)
(58)	Adjustments to provisions	(118)
(1)	Adjustments to the fair value of financial instruments	(1)
3,377	**Total**	**(66)**

NOTE 13 – TAXATION AND NON-SPECIFIC GRANT INCOME

2024/25		*Note*	2025/26
£'000			£'000
(127,339)	Council Tax Income	*13a*	(138,665)
(43,364)	Non-Domestic Rates	*13b*	(43,521)
(189,952)	Non-ring-fenced Government Grants	*32*	(204,869)
(29,178)	Capital Grants and Contributions	*32*	(41,040)
(389,833)	**Total**		**(428,095)**

NOTE 13a - COUNCIL TAX

The Council determines its expenditure requirement for the year and converts it to a Band D Council Tax by dividing this sum by a calculation of the number of properties in each Council Tax band converted into the equivalent number of properties in Band D (The Council Tax Base). The North Wales Police and Crime Commissioner's requirement is then added to this amount to establish the County's Council Tax.

The Council Tax Base for 2025/26 was calculated as follows:

CALCULATION OF THE COUNCIL TAX BASE FOR 2025/26

Valuation Bands	Number of Properties following discounts and premiums	Statutory Multiplier	Equivalent Band D properties
A*	9	5/9	4.86
A	8,177	6/9	5,451.36
B	14,324	7/9	11,140.72
C	12,003	8/9	10,669.43
D	10,602	1	10,602.15
E	8,314	11/9	10,161.20
F	4,323	13/9	6,243.61
G	1,446	15/9	2,409.17
H	261	18/9	522.50
I	90	21/9	209.42
		Total	57,414.42
		Council Tax base after allowing for losses on collection	56,842.05

An analysis of the net income accruing to the Council is given below:

2024/25 £'000		2025/26 £'000
(128,161)	Council Tax raised	(139,586)
822	**Less** Increase in the impairment allowance for non-collection	921
(127,339)		**(138,665)**

NOTE 13b - NATIONAL NON-DOMESTIC RATES

National Non-Domestic Rates ("Business Rates") are managed by the Government but local authorities are responsible for their collection and for paying them to a central pool run by the Welsh Government. They subsequently allocate amounts from the pool to local authorities, on a population basis.

The Government sets the National Non-Domestic rate for the year (56.8p in 2025/26) which is then multiplied by the rateable value of the property. Subject to the effects of transitional arrangements and some other reductions, this is the amount payable by the ratepayer.

At the end of the 2025/26 financial year there were 9,724 properties on the local valuation list in Gwynedd, representing a rateable value of £113,801,825.

An analysis of the net income accruing to the Council from National Non-Domestic Rates is as follows:

2024/25 **£'000**		**2025/26** **£'000**
(45,165)	National Non-domestic Rate raised	(40,799)
480	Cost of Collection allowance	460
472	Provision for Bad Debts	529
87	Interest	75
44,126	Sum paid to the National Pool	39,735
0		0
(43,364)	Receipts from the National Pool	(43,521)
(43,364)	**Net Income from Non-Domestic Rates**	**(43,521)**

NOTE 14 – BUILDING CONTROL INCOME AND EXPENDITURE ACCOUNT

This account shows the expenditure and income which relate to the building regulations checking and supervision function, including consideration of any enforcement action but not the service of notices under the provisions of the Building Act 1984.

The account is expected to break-even over a three-year rolling period, and this requirement is reviewed annually. There was a loss in 2025/26, therefore an accumulated loss over a period of three years is reported.

2025/26	**£'000**
Total charges income received (excluding VAT)	(360)
Total charges expenditure incurred	428
(Surplus)/Deficit for 2025/26	68
(Surplus)/Deficit for 2024/25	48
(Surplus)/Deficit for 2023/24	36
(Surplus)/Deficit for the last three years	**152**

NOTE 15 – PROPERTY, PLANT AND EQUIPMENT

Movements on Property, Plant and Equipment Balances

Movements in 2025/26:

	Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets under Construction	Right of Use Assets	Total Property, Plant and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Value							
Balance at 31.03.25	454,256	52,692	384	2,085	1,098	5,306	515,821
Additions	31,146	9,393	0	88	9,701	2,353	52,681
Sales	(290)	(5,744)	0	0	0	0	(6,034)
Transfers	(3,469)	0	0	(84)	452	3,101	0
Revaluation - to Revaluation Reserve	(2,420)	0	(3)	1	0	(166)	(2,588)
Revaluation - to Services	(799)	0	0	(29)	0	0	(828)
Balance at 31.03.26	**478,424**	**56,341**	**381**	**2,061**	**11,251**	**10,594**	**559,052**
Depreciation							
Balance at 31.03.25	1,989	24,341	6	(1)	0	640	26,975
Depreciation in year	9,078	6,262	7	14	0	832	16,193
Sales	(13)	(5,704)	0	0	0	0	(5,717)
Transfers	(127)	0	0	0	6	121	0
Revaluation	(10,295)	0	(14)	(14)	0	(164)	(10,487)
Balance at 31.03.26	**632**	**24,899**	**(1)**	**(1)**	**6**	**1,429**	**26,964**
Impairment							
Balance at 31.03.25	10,955	20	1	0	0	0	10,976
Impairment in year - to Revaluation Reserve	0	0	0	0	0	0	0
Impairment in year - to Services	0	0	0	0	0	0	0
Sales	0	0	0	0	0	0	0
Transfers	(323)	0	0	0	323	0	0
Revaluation	(4,082)	0	0		0	(1)	(4,083)
Balance at 31.03.26	**6,550**	**20**	**1**	**0**	**323**	**(1)**	**6,893**
Net Book Value 31 March 2026	**471,242**	**31,422**	**381**	**2,062**	**10,922**	**9,166**	**525,195**
Net Book Value 31 March 2025	**441,312**	**28,331**	**377**	**2,086**	**1,098**	**4,666**	**477,870**

NOTE 15 – PROPERTY, PLANT AND EQUIPMENT (continued)

Comparative Movements in 2024/25:

	Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets under Construction	Right of Use Assets	Total Property, Plant and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Value							
Balance at 1.04.24	402,362	47,908	384	2,132	4,873	4,482	462,141
Additions	21,160	10,846	0	119	1,098	824	34,047
Sales	(1,041)	(6,062)	0	0	0	0	(7,103)
Transfers	4,809	0	0	(153)	(4,873)	0	(217)
Revaluation - to Revaluation Reserve	28,472	0	0	26	0	0	28,498
Revaluation - to Services	(1,506)	0	0	(39)	0	0	(1,545)
Balance at 31.03.25	**454,256**	**52,692**	**384**	**2,085**	**1,098**	**5,306**	**515,821**
Depreciation							
Balance at 1.04.24	1,856	24,752	(1)	(1)	0	0	26,606
Depreciation in year	7,882	5,566	7	13	0	640	14,108
Sales	0	(5,977)	0	0	0	0	(5,977)
Transfers	0	0	0	0	0	0	0
Revaluation	(7,749)	0	0	(13)	0	0	(7,762)
Balance at 31.03.25	**1,989**	**24,341**	**6**	**(1)**	**0**	**640**	**26,975**
Impairment							
Balance at 1.04.24	13,003	20	1	0	98	0	13,122
Impairment in year - to Revaluation Reserve	282	0	0	2	0	0	284
Impairment in year - to Services	2,733	0	0	1	0	0	2,734
Sales	(832)	0	0	0	0	0	(832)
Transfers	98	0	0	0	(98)	0	0
Revaluation	(4,329)	0	0	(3)	0	0	(4,332)
Balance at 31.03.25	**10,955**	**20**	**1**	**0**	**0**	**0**	**10,976**
Net Book Value 31 March 2025	**441,312**	**28,331**	**377**	**2,086**	**1,098**	**4,666**	**477,870**
Net Book Value 1 April 2024	**387,503**	**23,136**	**384**	**2,133**	**4,775**	**4,482**	**422,413**

NOTE 15 – PROPERTY, PLANT AND EQUIPMENT (continued)

The Council's operational Land and Buildings were revalued by the Council's Estates Manager (M.R.I.C.S) in accordance with the policies noted in section 1.17 of Note 1 of the Accounting Policies and non-operational assets (Surplus) in accordance with 1.15. Note that the Council has established a rolling programme for revaluing different categories of these assets annually.

Refer to note 1.17 also for the basis of depreciation on various categories of assets.

Following the adoption of IFRS16, leases have been reclassified as Right of Use Assets unless exempt and are included as part of the Property, Plant and Equipment total. The asset is depreciated straight line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption (see Note 1.14).

11 schools under church governance are used by the Education Department, with 9 of the buildings not included in the table above because they are not owned by the Council. The Council is responsible for their repair and maintenance, but the amounts are not significant. Ysgol Cae Top, Bangor and Ysgol Pont y Gof, Botwnnog are currently regarded as Council-owned assets in the accounts as the properties' titles (deeds) have not been formally transferred to the Church. The intention is to hold discussions with the Church in Wales to realise this and as a result the treatment of the assets in the accounts may change in the future.

The sources of finance for the assets acquired during the year are shown with the information on capital expenditure in the narrative report.

Infrastructure

In accordance with the Temporary Relief offered by the Update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The Council has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

Infrastructure assets are shown on the Balance Sheet at depreciated historical cost. Additions were made in year and in accordance with the Local Authorities (Capital Finance and Accounting)(Wales)(Amendment) Regulations 2022 the value of any replaced component of infrastructure assets has been treated as nil thus the value of the derecognition is nil.

	2024/25	2025/26
	£'000	£'000
Net Book Value at 1 April	**180,963**	**185,436**
Additions	11,380	15,399
Derecognition	0	0
Depreciation	(6,907)	(7,191)
Net Book Value at 31 March	**185,436**	**193,644**

Net Book Value - Property, Plant and Equipment Assets

	2024/25	2025/26
Property, Plant and Equipment Assets	**£'000**	**£'000**
Infrastructure	185,436	193,644
Other PPE Assets	477,870	525,195
Total Net at 31 March	**663,306**	**718,839**

NOTE 15 – PROPERTY, PLANT AND EQUIPMENT (continued)

Capital Commitments

Significant commitments (over £200k) under capital contracts at 31 March 2026 were as follows:

	Sum	Payments to date	Balance
	£'000	£'000	£'000
Our Lady's School, Bangor	7,248	6,124	1,124
Development at Coed Mawr Bangor	2,819	2,088	731
Dolfeurig Centre	3,886	2,524	1,362
Industrial/Business Units - Parc Eryri	2,733	1,057	1,676

NOTE 16 – INVESTMENT PROPERTIES

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

	2024/25	2025/26
	£'000	£'000
Rental income from investment property	7	7
Net gain/(loss)	**7**	**7**

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property nor for its repair, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2024/25	2025/26
	£'000	£'000
Balance 1 April	**165**	**165**
Disposals	0	0
Net gains/(losses) from fair value adjustments	0	0
Transfers:		
(to)/from Property, Plant and Equipment	0	0
Balance 31 March	**165**	**165**

NOTE 17a – FINANCIAL INSTRUMENTS

(i) Financial Instruments - Classifications

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council.

The Council's financial liabilities held during the year are measured at amortised cost and comprised:

- long-term loans from the Public Works Loan Board and commercial lenders
- Service Concession Arrangements (Private Finance Initiative (PFI)) contracts detailed in Note 41
- lease payables detailed in Note 35
- trade payables for goods and services received

Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, equity instruments or a contractual right to receive cash or another financial asset or a right to exchange financial assets and liabilities with another entity that is favourable to the Council. The financial assets held by the Council during the year are accounted for under the following three classifications:

Amortised cost (where cash flows are solely payments of principal and interest and the Council's business model is to collect those cash flows) comprising:

- cash
- bank and deposit accounts
- fixed term deposits with UK Government, banks and building societies
- loans to other local authorities
- loans to small companies
- trade receivables for goods and services delivered

Fair value through other comprehensive income (where cash flows are solely payments of principal and interest and the Council's business model is to both collect those cash flows and sell the instrument; and equity investments that the Council has elected into this category) comprising:

- pooled bond, equity and property funds held as strategic investments

Fair value through profit and loss (all other financial assets) comprising:

- money market funds

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council.

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

(ii) Financial Instruments - Balances

The financial liabilities disclosed in the Balance Sheet are analysed across the following categories:

Financial Liabilities	Long-Term		Short-Term	
	31 March 2025	31 March 2026	31 March 2025	31 March 2026
	£'000	£'000	£'000	£'000
Loans at amortised cost:				
Principal sum borrowed	90,138	69,387	4,018	4,551
Accrued interest	0	0	423	307
Total Borrowing	**90,138**	**69,387**	**4,441**	**4,858**
Loans at amortised cost:				
Bank overdraft	0	0	23,994	9,566
Total Cash Overdrawn	**0**	**0**	**23,994**	**9,566**
Liabilities at amortised cost:				
Leases	4,655	5,441	0	0
Total Other Long-Term Liabilities	**4,655**	**5,441**	**0**	**0**
Liabilities at amortised cost:				
Trade payables	0	0	62,059	70,811
Leases	0	0	837	739
Included in Creditors *	**0**	**0**	**62,896**	**71,550**
Total Financial Liabilities	**94,793**	**74,828**	**91,331**	**85,974**

* The creditors lines on the Balance Sheet include £93,926,000 (2024/25: £126,799,000) creditors (Note 21) that do not meet the definition of a financial liability.

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

The financial assets disclosed in the Balance Sheet are analysed across the following categories:

	Long-Term		Short-Term	
Financial Assets	**31 March 2025**	**31 March 2026**	**31 March 2025**	**31 March 2026**
	£'000	**£'000**	**£'000**	**£'000**
At amortised cost:				
Principal	17	17	74,955	35,071
Accrued interest	0	0	57	39
Loss allowance	0	0	(1)	0
At fair value through other comprehensive income:				
Equity investments elected FVOCI	0	0	11,862	12,169
Total Investments	**17**	**17**	**86,873**	**47,279**
At amortised cost:				
Principal	0	0	1,007	1,219
Accrued interest	0	0	15	7
Loss allowance	0	0	0	0
At fair value through profit and loss:				
Fair value	0	0	65,000	47,500
Total Cash and Cash Equivalents	**0**	**0**	**66,022**	**48,726**
At amortised cost:				
Trade receivables	6,861	8,301	28,527	20,555
Included in Debtors *	**6,861**	**8,301**	**28,527**	**20,555**
Total Financial Assets	**6,878**	**8,318**	**181,422**	**116,560**

* The debtors lines on the Balance Sheet include £101,888,000 (2024/25: £87,953,000) debtors (Note 18) that do not meet the definition of a financial asset.

Material Soft Loans

Local Authorities are allowed to make loans for policy reasons rather than as financial instruments and these loans may be interest-free or at rates below prevailing market rates. Where loans are advanced at below market rates, they are classed as "Soft Loans".

The fair values of such a soft loan are less than the amount of the cash lent. The fair value of a loan at nil interest rate or below the prevailing market rate is estimated as the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument. The sum by which the amount lent exceeds the fair value of the loan is charged to the Income and Expenditure Statement. The 2025/26 Code of Practice sets out specific accounting and disclosure requirements for soft loans. During 2025/26 Cyngor Gwynedd identified the following "soft loans":

- Deferred Payments on charges due from people under care (amount outstanding at 31.03.26 £4,466,050, 31.03.25 £3,387,152).
- Car and Bike Loans to employees (amount outstanding at 31.03.26 £1,531,651, 31.03.25 £1,369,926).

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

Equity instruments elected to fair value through other comprehensive income

The Council has elected to account for the following investments in equity instruments at fair value through other comprehensive income because they are long-term strategic holdings and changes in their fair value are not considered to be part of the Council's annual financial performances.

	Fair Value		Dividends	
	31 March 2025	31 March 2026		
	£'000	£'000	£'000	£'000
CCLA LAMIT Property Fund	4,237	4,237	215	197
Ninety One Diversified Income Fund	1,111	1,124	56	50
Schroder Income Maximiser Fund	3,360	3,612	233	256
Aegon Diversified Monthly Income Fund	1,152	1,247	64	68
Payden Absolute Return Bond Fund	2,002	1,949	121	106
TOTAL	**11,862**	**12,169**	**689**	**677**

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are set off against each other where the Council has a legally enforceable right to set off and it intends to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The table below shows those instruments that have been offset on the Balance Sheet. The Council had no other financial assets or liabilities subject to an enforceable master netting arrangement or similar agreement.

	31 March 2025			31 March 2026		
	Gross assets (liabilities)	(Liabilities) assets set off	Net position on Balance Sheet	Gross assets (liabilities)	(Liabilities) assets set off	Net position on Balance Sheet
	£'000	£'000	£'000	£'000	£'000	£'000
Bank accounts in credit	36,469	(36,469)	0	86,822	(86,822)	0
Total Financial Assets	**36,469**	**(36,469)**	**0**	**86,822**	**(86,822)**	**0**
Bank overdraft	(60,463)	36,469	(23,994)	(96,388)	86,822	(9,566)
Total Financial Liabilities	**(60,463)**	**36,469**	**(23,994)**	**(96,388)**	**86,822**	**(9,566)**

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

(iii) Financial Instruments - Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

	Financial Liabilities	Financial Assets				
	Amortised Cost	Amortised Cost	Elected to Fair Value through OCI	Fair Value through Profit & Loss	2025/26 Total	2024/25 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Interest expense	4,875	0	0	0	4,875	5,554
Interest payable and similar charges	**4,875**	**0**	**0**	**0**	**4,875**	**5,554**
Interest income	0	(1,584)	0	0	(1,584)	(1,543)
Gains on derecognition	(2,287)	0	0	0	(2,287)	0
Dividend income	0	0	(677)	(881)	(1,558)	(1,329)
Interest and investment income	**(2,287)**	**(1,584)**	**(677)**	**(881)**	**(5,429)**	**(2,872)**
Loss allowance	0	(119)	0	0	(119)	(59)
Adjustments to provisions and the fair value of financial instruments	**0**	**(119)**	**0**	**0**	**(119)**	**(59)**
Net impact on surplus/ deficit on provision of services	**2,588**	**(1,703)**	**(677)**	**(881)**	**(673)**	**2,623**
Gains on revaluation	0	0	0	(360)	(360)	(296)
Losses on revaluation	0	0	0	53	53	20
Impact on other comprehensive income	**0**	**0**	**0**	**(307)**	**(307)**	**(276)**
Net (gain)/loss for the year	**2,588**	**(1,703)**	**(677)**	**(1,188)**	**(980)**	**2,347**

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

(iv) Financial Instruments - Fair Values

The fair value of a financial instrument is the price that would be received when selling an asset, or the price that would be paid when transferring a liability, to another market participant in an arm's-length transaction. Where liabilities are held as an asset by another party, such as the council's borrowing, the fair value is estimated from the holder's perspective.

Financial instruments, except those classified at amortised cost, are carried in the Balance Sheet at fair value. For most assets, including shares in money market funds and other pooled funds, the fair value is taken from the market price.

Financial instruments classified at amortised cost are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2026, using the following methods and assumptions:

- Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31 March.
- The fair values of financial guarantees have been estimated based on the likelihood of the guarantees being called and the likely payments to be made.
- No early repayment or impairment is recognised for any financial instrument.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low interest rate environment.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments
- Level 3 – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

	Fair Value Level	Balance Sheet 31 March 2025 £'000	Fair Value 31 March 2025 £'000	Balance Sheet 31 March 2026 £'000	Fair Value 31 March 2026 £'000
Financial liabilities held at amortised cost:					
Loans from PWLB	2	(77,126)	(79,168)	(73,400)	(74,772)
Other loans	2	(17,453)	(13,347)	(845)	(757)
TOTAL		**(94,579)**	**(92,515)**	**(74,245)**	**(75,529)**
Liabilities for which fair value is not disclosed *		(91,545)		(86,557)	
TOTAL FINANCIAL LIABILITIES		**(186,124)**		**(160,802)**	
Recorded on Balance Sheet as:					
Short-term creditors		(62,059)		(70,811)	
Short-term borrowing		(4,441)		(4,858)	
Short-term cash overdrawn		(23,994)		(9,566)	
Short-term leases		(837)		(739)	
Long-term borrowing		(90,138)		(69,387)	
Long-term leases		(4,655)		(5,441)	
TOTAL FINANCIAL LIABILITIES		**(186,124)**		**(160,802)**	

* The fair value of short-term financial liabilities held at amortised cost, including trade payables, is assumed to approximate to the carrying amount.

The fair value of loans from PWLB is higher than its Balance Sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date. The fair value of other loans is lower than its Balance Sheet carrying amount as the interest payable is lower than the current rates available for similar loans as at the Balance Sheet date.

NOTE 17a – FINANCIAL INSTRUMENTS (continued)

	Fair Value Level	Balance Sheet 31 March 2025 £'000	Fair Value 31 March 2025 £'000	Balance Sheet 31 March 2026 £'000	Fair Value 31 March 2026 £'000
Financial assets held at fair value:					
Money market funds	1	65,000	65,000	47,500	47,500
Bond, equity and diversified funds	1	7,625	7,625	7,932	7,932
Property funds	2	4,237	4,237	4,237	4,237
Financial assets held at amortised cost:					
Treasury Stock	1	17	17	17	17
TOTAL		**76,879**	**76,879**	**59,686**	**59,686**
Assets for which fair values are not disclosed *		111,421		65,192	
TOTAL FINANCIAL ASSETS		**188,300**		**124,878**	
Recorded on Balance Sheet as:					
Long-term debtors		6,861		8,301	
Long-term investments		17		17	
Short-term debtors		28,527		20,555	
Short-term investments		86,873		47,279	
Cash and cash equivalents		66,022		48,726	
TOTAL FINANCIAL ASSETS		**188,300**		**124,878**	

* The fair value of short-term financial assets held at amortised cost, including trade receivables, is assumed to approximate to the carrying amount.

NOTE 17b – NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in December 2021.

In line with the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with Financial Instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks.

The Treasury Management Strategy includes an Annual Investment Strategy in compliance with the Welsh Government's Investment Guidance for local authorities. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Strategy, together with its Treasury Management Practices, is based on seeking the highest rate of return consistent with the proper levels of security and liquidity.

The main risks covered are:

- *Credit Risk:* The possibility that one party to a financial instrument will fail to meet its contractual obligations, causing a loss to the Council.
- *Liquidity Risk:* The possibility that the Council might not have the cash available to make contracted payments on time.
- *Market Risk:* The possibility that an unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

Credit Risk: Investments

The Council manages credit risk by ensuring that investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK Government, and other local authorities without credit ratings upon which the Council has received independent investment advice. Recognising that credit ratings are imperfect predictors of default, the Council has regard to other measures including credit default swap and equity prices when selecting commercial organisations for investment.

During 2025/26 a limit of £4m of the total portfolio was placed on the amount that can be invested with a single counterparty (other than UK government). For local authorities, secured investments, money market funds, strategic pooled funds and real estate investment trusts, a limit of £8m per counterparty was applied. No more than £20m in total can be invested for a period longer than one year.

The Council does not hold collateral security against any investments.

NOTE 17b – NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

The table below summarises the credit risk exposures of the Council's investment portfolio by credit rating:

	Short-Term	
	31 March	31 March
Credit Rating	**2025**	**2026**
	£'000	**£'000**
AAA (Money Market Funds)	65,000	47,500
AA+	0	0
AA	0	0
AA-	0	0
A+	1,000	1,213
A	5,000	0
A-	0	0
UK Government	44,955	27,071
Local authorities	25,000	8,000
Total (Principal)	**140,955**	**83,784**
Pooled funds *	11,862	12,169
Total Investments	**152,817**	**95,953**

* Credit risk is not applicable to shareholdings and pooled funds where the Council has no contractual right to receive any sum of money.

Loss allowances on treasury investments and cash and cash equivalents have been calculated by reference to historic default data published by credit rating agencies, multiplied by 62% (2024/25: 52%) to adjust for current and forecast economic conditions. A two-year delay in cash flows is assumed to arise in the event of default. Investments are determined to have suffered a significant increase in credit risk where they have been downgraded by three or more credit rating notches or equivalent since initial recognition, unless they retain an investment grade credit rating. They are determined to be credit-impaired when awarded a "D" credit rating or equivalent. At 31 March 2026, £426 (£1,231 at 31 March 2025) of loss allowances related to treasury investments.

In addition to treasury investments already made, the Council is exposed to the risk of loss on an undrawn housing association revolving credit facility of £5m (credit rating A-). At 31 March 2026, the loss allowance was £2,174 (£1,051 at 31 March 2025).

Credit Risk: Trade Receivables

The age profile of the trade balance in our debtor system at 31 March can be analysed as follows:-

31 March 2025		**31 March 2026**
£'000		£'000
11,530	Less than a year	7,223
2,559	Over a year	1,870
14,089		**9,093**

Historical experience of default and current and forecast economic conditions are considered in calculating our impairment loss allowance.

NOTE 17b – NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

Credit Risk: Loans, Financial Guarantees and Loan Commitments

The Council manages the credit risk inherent in its loans for service purposes, financial guarantees and loan commitments in line with its published Investment Strategy.

Liquidity Risk

The Council has ready access to borrowing at favourable rates from the Public Works Loan Board and other local authorities, and at higher rates from banks and building societies. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. It is, however, exposed to the risk that it will need to refinance a significant proportion of its borrowing at a time of unfavourable interest rates. This risk is managed by maintaining a spread of fixed rate loans and ensuring that no more than 25% of the Council's borrowing matures in any one financial year.

The Council holds £48.7m (2024/25: £66.0m) of liquid financial assets that can be withdrawn or sold at short notice if required to meet cash outflows on financial liabilities.

The maturity analysis of the financial liabilities is as follows, as shown both as discounted (principal plus accrued interest to date) and undiscounted (principal plus future interest payment figures):

Time to maturity (years)	Discounted (principal plus accrued interest) 31 March 2025 £'000	Undiscounted (principal plus future interest) 31 March 2025 £'000	Discounted (principal plus accrued interest) 31 March 2026 £'000	Undiscounted (principal plus future interest) 31 March 2026 £'000
Less than 1 year	4,456	8,995	4,858	8,677
Over 1 but not over 2	4,551	9,361	1,302	5,177
Over 2 but not over 5	2,858	16,407	1,671	13,023
Over 5 but not over 10	23,713	43,925	23,598	39,299
Over 10 but not over 20	15,464	44,294	15,464	36,750
Over 20 but not over 40	27,352	64,362	27,352	48,762
Over 40	16,200	25,429	0	0
Total	**94,594**	**212,773**	**74,245**	**151,688**

Market Risk: Interest Rate Risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates – the interest expense will rise.
- Borrowings at fixed rates – the fair value of the liabilities borrowings will fall.
- Investments at variable rates – the interest income credited will rise.
- Investments at fixed rates – the fair value of the assets will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

NOTE 17b – NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

The Treasury Management Strategy aims to mitigate these risks by setting an upper limit of the 12 month-revenue impact of a 1% fall and rise in interest rates.

If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

	31 March 2025 £'000	31 March 2026 £'000
Increase in interest receivable on variable rate investments	(636)	(428)
Decrease in fair value of investments held at FVPL	83	56
Impact on Surplus or Deficit on the Provision of Services	**(553)**	**(372)**
Decrease in fair value of investments held at FVOCI	66	67
Impact on Other Comprehensive Income and Expenditure	**66**	**67**
Decrease in fair value of loans and investments at amortised cost *	35	9
Decrease in fair value of fixed rate borrowing *	(8,738)	(7,634)

* No impact on the Surplus or Deficit on the Provision of Services, or Other Comprehensive Income and Expenditure.

Market Risk: Price Risk

The market prices of the Council's units in pooled bond funds are governed by prevailing interest rates, and the price risk associated with these instruments is managed alongside interest rate risk as described above.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices. This risk is limited by the Council's maximum exposure to pooled investments of £20m. A 5% fall in commercial property prices at 31 March 2026 would result in a £0.21m (£0.17m at 31 March 2025) charge to Other Comprehensive Income and Expenditure.

The Council's investment in pooled equity funds is subject to the risk of falling share prices. This risk is limited by the Council's maximum exposure to pooled investments of £20m. A 5% fall in share prices at 31 March 2026 would result in a £0.21m (£0.20m at 31 March 2025) charge to Other Comprehensive Income and Expenditure.

Market Risk: Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in a foreign currency. It therefore has no exposure to loss arising as a result of adverse movements in exchange rates.

NOTE 18a – DEBTORS

31 March 2025		31 March 2026
£'000		**£'000**
26,249	Trade receivables	16,708
4,358	Prepayments	4,446
92,734	Other receivable amounts	101,289
123,341	**Total**	**122,443**

The 'Other receivable amounts' figures include long-term debtors of £8,301k (£6,861k in 2024/25). The above debtors' figures are net of impairment losses of £7,890k (£9,134k in 2024/25).

NOTE 18b - COUNCIL TAX DEBTORS

The past due date amount for Council Tax can be analysed by age as follows:

31 March 2025		31 March 2026
£'000		**£'000**
7,576	Less than one year	7,998
8,638	More than one year	12,885
16,214	**Total**	**20,883**

The above Council Tax debtors' figures are net of impairment losses. (Total Council Tax debtors are included within the total of 'Other receivable amounts' in table 18a). The March 2025 figures have been restated to exclude the Credit element from the Debtor balance - (Less than one year £7,212; More than one year £6,768; Total £13,980).

NOTE 19 – CASH AND CASH EQUIVALENTS

	31 March 2025	31 March 2026
	£'000	**£'000**
Cash in Hand	7	7
Bank Current Accounts	0	0
Call Accounts	66,015	48,719
Cash and Cash Equivalents	**66,022**	**48,726**
Bank Overdraft	(23,994)	(9,566)
Total	**42,028**	**39,160**

In order to maximise the returns from short-term investments and cash deposits, the Council invests any surplus funds in its bank accounts along with any surplus funds from the Gwynedd Pension Fund. As the short-term investments and cash deposits are made in the name of Cyngor Gwynedd, they are shown in full on the Balance Sheet with a corresponding creditor at 31 March 2026 of £55.7m to the Gwynedd Pension Fund (£35.4m at 31 March 2025).

NOTE 20 – ASSETS HELD FOR SALE

	2024/25	2025/26
	£'000	£'000
Balance 1 April	**0**	**217**
Assets newly classified as held for sale:		
Property, Plant and Equipment	217	0
Expenditure in year	0	0
Revaluation Losses	0	0
Impairment Losses	0	0
Assets declassified as held for sale:		
Property, Plant and Equipment	0	0
Assets sold	0	0
Balance 31 March	**217**	**217**

NOTE 21 – CREDITORS

	31 March 2025	31 March 2026
	£'000	£'000
Trade payables	62,896	71,550
Other payables	126,799	93,926
Total	**189,695**	**165,476**

The 'Other payables' figures include long-term creditors of £5,011k (£4,060k in 2024/25).

NOTE 22 – PROVISIONS

The Council sets aside provisions for specific obligations, the amount or timing of which cannot be determined accurately. It is not permitted, under accounting conventions, to make provisions for uneven patterns of expenditure. However, earmarked reserves may be established and these are disclosed in Note 10.

The details below are analysed into short-term provisions (within 12 months) and long-term provisions (over 12 months). However, the provision level on related items is reviewed periodically.

	Balance at 31 March 2025	(Addition) / Reduction / Transfer	Used during the year	Balance at 31 March 2026
	£'000	£'000	£'000	£'000
Short-term Provisions				
Waste Sites Provision	(341)	(450)	395	(396)
Loan Commitments	(1)	(1)	0	(2)
	(342)	**(451)**	**395**	**(398)**
Long-term Provisions				
Waste Sites Provision	(7,137)	(403)	0	(7,540)
Insurance Claims Provision	(1,111)	(298)	0	(1,409)
Salary Provision	(359)	(11)	0	(370)
	(8,607)	**(712)**	**0**	**(9,319)**
Total	**(8,949)**	**(1,163)**	**395**	**(9,717)**

Waste Sites Provision – relates to the capping and aftercare requirements of all of the Council's waste disposal sites.

Loan Commitments – recognising the loss allowance of an undrawn revolving credit facility.

Insurance Claims Provision – to meet potential insurance claims settlements.

Salary Provision – in accordance with the relevant requirements.

NOTE 23 – UNUSABLE RESERVES

31 March 2025 £'000		31 March 2026 £'000
214,538	Revaluation Reserve	222,084
269,278	Capital Adjustment Account	308,681
(1,138)	Financial Instruments Revaluation Reserve	(831)
(574)	Financial Instruments Adjustment Account	1,419
(15,224)	Pensions Reserve	(16,977)
(11,839)	Accumulated Absences Account	(11,346)
455,041	**Total Unusable Reserves**	**503,030**

23.1 Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost;
- Used in the provision of services and the gains are consumed through depreciation; or
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2024/25 £'000		2025/26 £'000
177,504	**Balance 1 April**	**214,538**
46,598	Upward revaluation of assets	18,423
(6,290)	Downward revaluation of assets and impairment losses	(6,441)
40,308	**Surplus/(deficit) on revaluation of assets**	**11,982**
(3,274)	Difference between fair value depreciation and historical cost depreciation	(4,188)
0	Accumulated gains on assets sold	(248)
(3,274)	**Amount written off to the Capital Adjustment Account**	**(4,436)**
214,538	**Balance 31 March**	**222,084**

23.2 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation; impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

NOTE 23 – UNUSABLE RESERVES (continued)

Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2024/25		2025/26
£'000		£'000
248,102	**Balance 1 April**	269,278
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(25,294)	Charges for depreciation and impairment of non-current assets	(24,212)
(40,767)	Revenue Expenditure funded from Capital under Statute	(19,150)
(294)	Adjustment to non-current balance on the sale of assets	(69)
3,274	Transfer from Capital Revaluation Reserve	4,188
	Capital financing applied in the year:	
43	Capital Receipts	487
67,043	Grants and contributions credited to Comprehensive Income and Expenditure Statement that have been applied to capital financing	60,574
3,456	Revenue provision for the financing of supported capital investment	3,753
11,480	Capital expenditure charged in year against the General Fund	10,597
2,235	Capital receipts set aside / Revenue provision for the financing of unsupported capital investment	3,235
269,278	**Balance 31 March**	**308,681**

23.3 Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that are measured at fair value through other comprehensive income. The balance is reduced when investments with accumulated gains are:

- Revalued downwards or impaired and the gains are lost.
- Disposed of and the gains are realised.

2024/25		2025/26
£'000		£'000
(1,414)	**Balance 1 April**	(1,138)
296	Upward revaluation of investments	360
(20)	Downward revaluation of investments	(53)
(1,138)	**Balance 31 March**	**(831)**

* 2024/25 figures have been re-categorised to ensure comparison with 2025/26.

23.4 Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account at the end of the financial year represents the amount that should have been charged to the Comprehensive Income and Expenditure Statement in accordance with proper accounting practices under the Code of Practice, but which Statutory Provisions allow or require them to be deferred over future years.

There is a requirement for all premiums and discounts arising from loan extinguishments to be charged to Income and Expenditure in full. Where transactions meet the definition of a modification any premiums or discounts are added to the carrying value of the loan and are then amortised to the Comprehensive Income and Expenditure Statement over the life of the new loan. A modification exists where the terms of the new debt are not "substantially different" from those of the old debt.

NOTE 23 – UNUSABLE RESERVES (continued)

Premiums amortised under statutory provisions can be charged to the General Fund over either the remaining life of the original loan or the life of the replacement loan, whichever is the greater period. Discounts must be credited to the General Fund over 10 years or the life of the original loan, whichever is the shorter period.

The transactions reflected in the Financial Instruments Adjustment Account are as follows:

2024/25 £'000		2025/26 £'000
(625)	**Balance 1 April**	**(574)**
61	Proportion of premiums incurred in previous years charged to General Fund in accordance with statute	2,119
(10)	Deferred credit for receipt of charges due from people under care	(126)
(574)	**Balance 31 March**	**1,419**

23.5 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to the Pension Fund or eventually pays any pensions for which it is directly responsible, with funding requirements set aside by the time the benefits are to be paid.

2024/25				2025/26		
Gwynedd	**NWEAB***	**Total**		**Gwynedd**	**NWEAB***	**Total**
£000	**£000**	**£000**		**£000**	**£000**	**£000**
(17,248)	**0**	**(17,248)**	**Balance 1 April**	**(15,224)**	**0**	**(15,224)**
(1,074)	(8)	**(1,082)**	Re-measurements of the net pension defined benefit (liabilities) / assets	(11,182)	55	**(11,127)**
(25,889)	(20)	**(25,909)**	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(20,403)	39	**(20,364)**
28,987	28	**29,015**	Employer's pensions contributions and direct payments to pensioners payable in the year	29,832	(94)	**29,738**
(15,224)	**0**	**(15,224)**	**Balance 31 March**	**(16,977)**	**0**	**(16,977)**

* The NWEAB column in 2025/26 represents the transactions that have been reversed to remove them from Gwynedd's accounts because the Ambition Board has been incorporated into the North Wales Corporate Joint Committee since April 1, 2025. In 2024/25, Cyngor Gwynedd's share of 12.5% of the NWEAB pension reserve was included in the accounts. As a result, the figure on the CIES does not balance with this note as only the actuarial adjustment is reflected in this note.

NOTE 23 – UNUSABLE RESERVES (continued)

23.6 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2024/25 £'000		2025/26 £'000
(9,267)	**Balance 1 April**	**(11,839)**
(2,572)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	493
(11,839)	**Balance 31 March**	**(11,346)***

* (£5k) in 2025/26 represents the transactions that have been reversed to remove transactions relating to NWEAB as the Ambition Board has been incorporated into the North Wales Corporate Joint Committee since 1 April 2025. (£4k relevant to Gwynedd's share of the NWEAB in 2024/25 included in the accounts).

NOTE 24a – CASH FLOW STATEMENT: ADJUSTMENTS TO NET SURPLUS OR DEFICIT ON THE PROVISION OF SERVICES FOR NON-CASH MOVEMENTS

2024/25 £'000		2025/26 £'000
(21,015)	Depreciation	(23,384)
(4,279)	Impairment and downward valuations	(828)
(576)	(Increase)/Decrease in impairment for bad debts	1,244
5,563	(Increase)/Decrease in Creditors	11,397
(5,072)	Increase/(Decrease) in Debtors	(3,600)
(120)	Increase/(Decrease) in Stock	275
3,107	Pension Liability	9,374
(294)	Carrying amount of non-current assets sold or de-recognised	(317)
(2,772)	Other non-cash items charged to net surplus/deficit on the provision of services	723
(25,458)		**(5,116)**

NOTE 24b – CASH FLOW STATEMENT – ADJUST FOR ITEMS INCLUDED IN THE NET SURPLUS OR DEFICIT ON THE PROVISION OF SERVICES THAT ARE INVESTING AND FINANCING ACTIVITIES

2024/25 £'000		2025/26 £'000
1	Purchase of short-term and long-term investments	1
467	Proceeds from sale of property, plant, equipment, investment property and intangible assets	291
468		**292**

NOTE 24c – CASH FLOW STATEMENT – OPERATING ACTIVITIES

The cash flows for operating activities include the following items:

2024/25		2025/26
£'000		£'000
(5,615)	Dividends and Interest received	(3,102)
5,577	Interest paid	4,991

NOTE 25 – CASH FLOW STATEMENT – INVESTING ACTIVITIES

2024/25		2025/26
£'000		£'000
54,579	Purchase of property, plant and equipment, investment property and intangible assets	78,207
1,054,468	Purchase of short-term and long-term investments	892,237
931	Other payments/receipts for investing activities	1,440
(328)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(437)
(1,064,513)	Proceeds from short-term and long-term investments	(932,121)
45,137	**Net cash flows from investing activities**	**39,326**

NOTE 26a – CASH FLOW STATEMENT – FINANCING ACTIVITIES

2024/25		2025/26
£'000		£'000
(4,495)	Cash payments for the reduction of the outstanding liability relating to a finance lease	(1,265)
5,460	Repayments of short-term and long-term borrowing	20,334
965	**Net cash flows from financing activities**	**19,069**

NOTE 26b – CASH FLOW STATEMENT – RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	31 March 2025	Financing cash flows	Non-cash changes	31 March 2026
	£'000	£'000	£'000	£'000
Long-term borrowings	(90,138)	20,751	0	(69,387)
Short-term borrowings	(4,441)	(417)	0	(4,858)
On Balance Sheet PFI liabilities and IFRS 16 Leases	(5,492)	(1,265)	0	(6,757)
Total liabilities from financing activities	**(100,071)**	**19,069**	**0**	**(81,002)**

NOTE 27 – EXPENDITURE AND INCOME ANALYSED BY NATURE

The Council's expenditure and income is analysed as follows:

2024/25		2025/26
£'000	**Expenditure / Income**	£'000
	Expenditure	
246,473	Employee benefits expenses	248,165
286,724	Other Services expenses	267,449
725	Support Services recharges	1,698
66,077	Depreciation, amortisation and impairment	43,362
6,250	Interest Payments	5,363
32,335	Precepts and Levies	34,904
0	Loss on the disposal of assets	26
638,584	**Total Expenditure**	**600,967**
	Income	
(76,373)	Fees, charges and other service income	(84,927)
(2,873)	Interest and investment income	(5,429)
(170,704)	Income from council tax and non-domestic rates	(182,186)
(416,253)	Government grants and contributions	(379,128)
(173)	(Gain) on the disposal of assets	0
(666,376)	**Total Income**	**(651,670)**
(27,792)	**(Surplus) / Deficit on the Provision of Services**	**(50,703)**

NOTE 28 – AGENCY SERVICES

Cyngor Gwynedd acts as an agent for various schemes on behalf of the Welsh Government:

2024/25				2025/26		
Expenditure	**Income**	**Balance 31 March 2025**	**Scheme**	**Expenditure**	**Income**	**Balance 31 March 2026**
£000	**£000**	**£000**		**£000**	**£000**	**£000**
82,119	(82,119)	0	North and Mid Wales Trunk Road Agency	91,674	(91,674)	0
38	(75)	(232)	Houses into Homes	1,127	(395)	500
0	0	(465)	Houses into Homes 2	465	0	0
0	0	(615)	Home Improvement Loans	0	(615)	(1,230)
0	0	(615)	Supporting Town Centre Regeneration in Caernarfon	0	0	(615)
0	0	(633)	Caernarfon and Bangor Town Centre Scheme	0	(42)	(675)
0	0	(500)	Bangor and Bethesda Town Centre Scheme	0	0	(500)
1,000	(1,371)	(185)	Transforming Towns Scheme	661	(310)	166
388	(72)	(32)	Gwynedd Town Regeneration Fund	252	(118)	102
0	0	(700)	Gwynedd Town Regeneration Fund 2	2	0	(698)
0	(500)	(500)	Gwynedd Town Regeneration Fund 10	0	0	(500)
3,601	(3,402)	199	National Non-Domestic Rates Relief Grant	3,621	(3,420)	400
0	0	0	Low Income Disabled Band Reduction Scheme Support Payment	5	0	5
216	(216)	0	Ukraine Refugee Host Payments	139	(139)	0
6	(6)	0	Ukraine Cash Payments	2	(2)	0

Where the Council acts as an agent, the related income, expenditure, assets and liabilities are not included in the Council's financial statements, except for any balances due to or from the principal body at the balance sheet date. Any administration fees or cost reimbursements to which the Council is entitled are recognised in the Council's Comprehensive Income and Expenditure Statement.

The Council also administers the North and Mid Wales Trunk Road Agency on behalf of the Welsh Government. The principal area of work is managing and maintaining the trunk road network in the North and Mid Wales Councils' Partnership region that extends to around 1,088 kilometres.

NOTE 29 – MEMBERS' ALLOWANCES

The Council paid the following allowances and expenses to members of the Council during the year:

2024/25		**2025/26**
£'000		**£'000**
1,576	Allowances	1,693
14	Expenses	17
1,590		**1,710**

NOTE 30 – OFFICERS' REMUNERATION

30a. The Accounts and Audit (Wales) Regulations 2014 (as amended) require the Council to disclose the following information relating to employees appointed as Senior Officers. In compliance with the defined requirements, the pensionable pay, employer's pension contributions and other employer costs are included below (including termination benefits), but the employer's national insurance contributions are excluded.

2024/25			Chief Officers	2025/26		
Salary and other	Employer's Pension Contributions	Total		Salary and other	Employer's Pension Contributions	Total
£	£	£		£	£	£
126,908	22,485	149,393	Chief Executive [1]	133,306	23,713	157,019
108,595	20,850	129,445	Corporate Director [2]	36,198	6,950	43,148
0	0	0	Corporate Director [3]	56,994	10,943	67,937
108,595	20,850	129,445	Statutory Director of Social Services	112,070	21,517	133,587
94,266	17,035	111,301	Head of Education	99,849	17,752	117,601
97,586	18,736	116,322	Head of Finance [4]	103,043	19,784	122,827
92,209	17,683	109,892	Head of Highways, Engineering and YGC	95,982	18,400	114,382
90,274	17,333	107,607	Head of Adults, Health and Well-being [5]	40,508	5,778	46,286
0	0	0	Head of Adults, Health and Well-being [6]	70,400	13,517	83,917
90,274	17,333	107,607	Head of Economy and Community	93,163	17,887	111,050
90,274	17,333	107,607	Head of Children and Family Support [7]	93,163	17,887	111,050
0	0	0	Interim Head of Children and Family Support - Resources [8]	74,227	12,978	87,205
0	0	0	Interim Head of Children and Family Support - Executive [9]	76,113	14,584	90,697
90,274	17,333	107,607	Head of Environment	93,163	17,887	111,050
86,068	16,525	102,593	Head of Corporate Services	90,993	17,471	108,464
88,254	16,929	105,183	Head of Housing and Property	93,163	17,887	111,050
81,400	15,629	97,029	Head of Legal Service [10]	84,005	16,129	100,134

1. The figures do not include any payment to the Chief Executive in his role as Returning Officer. No payments in 2025/26 (£2,945 in 2024/25), based on the scale defined by the relevant electoral bodies.
2. Holder in role until 31 July 2025.
3. Holder in role since 8 September 2025.
4. Holder of role received £7,597 for the Section 151 Officer duties for Eryri National Park Authority (ENPA). An additional Employer's Pension contribution of £1,459 applies to these duties. These totals are included within the amounts in the above table. ENPA reimburses the Council for these payments.
5. Holder in role until 31 July 2025.
6. Holder in role since 1 June 2025.
7. Holder absent from post during the financial year. Appropriate interim management arrangements were put in place to ensure service continuation.
8. Holder undertaking additional duties and responsibilities since 1 May 2025 and received £5,644 for the additional duties.
9. Holder undertaking additional duties and responsibilities since 1 May 2025 and received £5,646 for the additional duties.
10. The figures do not include any payment to the Head of Legal Service in his role as Deputy Returning Officer. No payments in 2025/26 (£1,646 in 2024/25), based on the scale defined by the relevant electoral bodies.

30b. The Accounts and Audit (Wales) Regulations 2014 (as amended) require the Council to include a ratio of remuneration. The ratio of the Chief Executive's remuneration of £133,306 (£126,908 in 2024/25) to the median remuneration of all the Council's employees for 2025/26 is 5.21:1, which corresponds to a median salary of £25,583 (5.04:1 in 2024/25, which corresponds to a median salary of £25,183).

30c. Other Council employees receiving more than £60,000 remuneration for the year (excluding employer's pension and national insurance contributions) were paid the following amounts but which include termination benefits paid in 8 cases in 2025/26 (22 cases in 2024/25). 7 of these posts would not appear below except for the termination benefits paid in the individual year. The table below includes starters and leavers whose annualised remuneration would exceed £60,000.

NOTE 30 – OFFICERS' REMUNERATION (continued)

Number of other employees who received more than £60,000 and includes remuneration and termination benefits:

Number in 2024/25				Number in 2025/26		
Schools	**Other**	**Total**		**Schools**	**Other**	**Total**
57	12	69	£60,000 - 64,999 *	81	20	101
58	28	86	£65,000 - 69,999 *	52	20	72
30	6	36	£70,000 - 74,999	36	19	55
12	4	16	£75,000 - 79,999	12	8	20
17	0	17	£80,000 - 84,999	12	1	13
5	0	5	£85,000 - 89,999	7	0	7
6	0	6	£90,000 - 94,999	2	0	2
1	0	1	£95,000 - 99,999	4	0	4
1	0	1	£100,000 - 104,999	1	1	2
3	0	3	£105,000 - 109,999	0	0	0
0	0	0	£110,000 - 114,999	1	0	1
2	0	2	£115,000 - 119,999	0	0	0
0	0	0	£120,000 - 124,999	1	0	1
1	1	2	£125,000 - 129,999	1	0	1
1	0	1	£130,000 - 134,999	0	1	1
0	0	0	£135,000 - 139,999	0	0	0
0	0	0	£140,000 - 144,999	1	0	1
0	0	0	£145,000 - 149,999	1	0	1
0	0	0	£150,000 - 154,999	0	0	0
1	0	1	£155,000 - 159,999	0	0	0

* Two employees from a Voluntary Aided School are included in the £65,000-£69,999 band above. In 2024/25, one employee was in the £60,000-£64,999 band and one was in the £65,000-£69,999 band.

NOTE 31 – EXTERNAL AUDIT COSTS

The Council has incurred the following costs relating to external audit:

2024/25		**2025/26**
£'000		**£'000**
233	Fees payable to auditors appointed by the Auditor General for Wales with regard to external audit services	252
96	Fees payable to auditors appointed by the Auditor General for Wales in respect of statutory inspections	116
47	Fees payable to auditors appointed by the Auditor General for Wales for the certification of grant claims and returns for the year	46
376		**414**
(1)	**Less:** Fees payable to auditors appointed by the Auditor General for Wales in respect of Joint Committees and Harbour Accounts	(1)
(16)	Previous years' adjustment for audit fees	31
359	**Cyngor Gwynedd Net Fees**	**444**

NOTE 32 – GRANT INCOME

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

	Note	2024/25 £'000		2025/26 £'000	
Credited to Taxation and Non-specific Grant Income					
Revenue Support Grant (Non-ring-fenced Government Grants)	13		189,952		204,869
Government Capital Grants and Contributions -					
21st Century Schools		6,979		11,365	
General Capital Grant		4,966		7,389	
Transitional Accommodation Programme *		1,757		3,979	
Learning Disability Centres *		44		1,836	
Active Travel Fund *		1,347		1,898	
Wales Energy Grant *		1,064		1,186	
Other *		7,343		5,744	
	13		23,500		33,397
Other Capital Grants and Contributions	13		5,678		7,643
Total			**219,130**		**245,909**
Grants and Contributions Credited to Services					
Welsh Government -					
Local Authority Education Grants *		18,020		18,014	
Housing Support Grant		7,444		8,019	
Children and Communities Grant		5,359		6,402	
Additional Cost Pressures Grant		4,043		4,525	
Coastal Protection Grants *		1,004		2,629	
Social Care Workforce and Sustainability Pressures Grant		1,700		1,781	
Concessionary Fares Grant		1,507		1,625	
Capital Grants		5,488		1,525	
Local Transport Fund Grant		1,772		1,003	
ARFOR Programme Grant		6,282		500	
Post 16 Grant (Education)		4,745		0	
De-Trunking Grant		4,489		0	
Teachers' Pension Grant		2,333		0	
Other *		8,557		10,947	
			72,743		56,970
Other Government Grants and Contributions -					
Levelling Up Fund		81,994		37,084	
Department for Work and Pensions		21,797		17,687	
Other		26,267		29,121	
			130,058		83,892
Other Grants and Contributions			4,789		13,678
Total			**207,590**		**154,540**

* 2024/25 figures have been re-categorised to ensure comparison with 2025/26.

NOTE 32 – GRANT INCOME (continued)

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that could require the monies or property to be returned to the giver. The balances at the year-end are as follows:

Grants Received in Advance	31 March 2025 £'000	31 March 2026 £'000
Long-term		
Capital Grants and Contributions		
Highways and Municipal Capital Contributions	352	207
Environment Grants	1,207	269
Economy	7	10
North Wales Growth Deal	1,349	0
	2,915	486
Total Long-term	**2,915**	**486**
Short-term		
Revenue Grants and Contributions		
Economy and Community Grants	2,848	9,969
Environment Grants	0	9
Adults, Health and Well-being Grants	85	85
Housing Grants	1,505	1,307
Education Grants	0	48
Finance Grants	60	0
Children and Supporting Families Grants	139	88
Other Grants	1	0
	4,638	11,506
Capital Grants and Contributions		
North Wales Growth Deal	3,846	0
Other	275	1,162
	4,121	1,162
Total Short-term	**8,759**	**12,668**
Total	**11,674**	**13,154**

NOTE 33 – RELATED PARTIES

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council. To conform to the requirements, this is done by Members and Senior Officers completing a personal declaration, as defined in the CIPFA Code of Practice.

33.1 Welsh and Central Government

Welsh Government has effective control over the general operations of the Council. It is responsible for providing the statutory framework; it provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from the Welsh Government and other Government departments are set out in the subjective analysis in Note 27 which analyses expenditure and income by nature. The position as at 31 March is detailed in Note 32.

33.2 Members and Officers

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2025/26 is shown in Note 29.

The Council appoints members to some external charitable or voluntary bodies or the members have disclosed a link to organisations, public bodies and authorities. Furthermore, members have declared an interest or relationship (as defined) in companies or businesses which may have dealings with the Council.

Senior Officers (as defined) have declared as required and where appropriate an interest or relationship (as defined) in companies, voluntary, charitable, or public bodies which receive payments from the Council.

Excluding related parties identified separately in 33.3 to 33.8 below, a breakdown of the payments made to these bodies under this heading during 2025/26 and balances at 31 March 2026 is as follows:

	Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
	£'000	£'000	£'000	£'000
Relevant to Members only	14,418	1,181	(1,184)	(329)
Relevant to Officers only	16,029	2,985	(416)	(162)
Relevant to both Members and Officers	14	1	(2)	(1)
Total	**30,461**	**4,167**	**(1,602)**	**(492)**

33.3 Other Public Bodies

The Council is the administering authority for the Pension Fund. Details of transactions with the Pension Fund are shown in Note 38.

33.4 Eryri National Park Authority (ENPA)

The Head of Finance is a Section 151 officer for Eryri National Park Authority (ENPA), as stated in Note 30 of the accounts. Cyngor Gwynedd administers payroll and internal audit services for ENPA. Some Cyngor Gwynedd Members have been appointed as members of Eryri National Park Authority.

Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
£'000	£'000	£'000	£'000
12	3	(547)	(62)

NOTE 33 – RELATED PARTIES (continued)

33.5 Adra (Tai) Cyfyngedig

The Council administers payroll services for Adra (Tai) Cyfyngedig. Some Cyngor Gwynedd Members have been appointed as members to the Adra (Tai) Cyfyngedig board.

Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
£'000	£'000	£'000	£'000
1,530	310	(294)	(229)

33.6 North Wales Corporate Joint Committee

The North Wales Corporate Joint Committee (CJC) which is regarded as an independent legal entity was formally constituted on 14 January 2022, which became fully operational on 30 June 2022 and this was a result of the Local Government and Elections (Wales) Act 2021 creating a framework to have a consistent mechanism for regional collaboration between local government. The North Wales CJC's duties are strategic planning, regional transport and economic well-being. The CJC comprises six constituent councils: Conwy County Borough Council, Denbighshire County Council, Flintshire County Council, Cyngor Gwynedd, Isle of Anglesey County Council and Wrexham County Borough Council. Eryri National Park Authority is also a member of the CJC in relation to the exercise of strategic planning functions. On 1 April 2025, the North Wales Economic Ambition Board Joint Committee was incorporated into the North Wales Corporate Joint Committee. Payments to the CJC during 2025/26 and the balances at 31 March 2026 are as follows:

Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
£'000	£'000	£'000	£'000
434	88	(597)	(522)

33.7 Welsh Joint Education Committee (WJEC)

The Council is a member of WJEC CBAC Limited, a charitable company whose members are the twenty-two Welsh unitary authorities. The company is limited by guarantee, not having a share capital, and the Council's liability is limited to £1.

Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
£'000	£'000	£'000	£'000
954	101	(42)	(41)

33.8 Subsidiary

Byw'n Iach Ltd was established on 27 June 2018 to provide a leisure service for the residents of Gwynedd. The company is limited by guarantee and the Council's liability is limited to £1, with Cyngor Gwynedd being the sole proprietor. Management responsibilities were transferred to the Leisure Company on 1 April 2019 with a service contract in place which sets out the actual services and outcomes that the company is required to deliver for its fee. The Board of Directors is made up of 6 elected members of Cyngor Gwynedd. The payments to Byw'n Iach Ltd for Leisure Services during 2025/26 and the balances at 31 March 2026 are as follows:

Payments made (including 2025/26 creditors)	Amounts owed by the Council	Income received (including 2025/26 debtors)	Amounts owed to the Council
£'000	£'000	£'000	£'000
2,023	27	(506)	(338)

NOTE 34 – CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

31 March 2025 £'000		31 March 2026 £'000
663,748	Non-current Assets and Assets Held for Sale	719,281
(214,538)	Revaluation Reserve	(222,084)
(269,278)	Capital Adjustment Account	(308,681)
179,932	**Capital Financing Requirement**	**188,516**

The movement in the year is explained as follows:

2024/25 £'000		2025/26 £'000
177,995	**Capital Financing Requirement 1 April**	**179,932**
21,160	Land and Buildings	31,146
11,380	Infrastructure	15,399
10,846	Vehicles, Plant and Equipment	9,393
119	Surplus Assets	88
1,098	Assets under construction	9,701
824	Right of Use Assets	2,353
40,767	Funded from capital under statute	19,150
(43)	Capital Receipts used	(487)
(67,043)	Government Grants and other contributions	(60,574)
(11,480)	Capital expenditure charged to revenue	(10,597)
(3,456)	Revenue provision for the financing of supported capital investment	(3,753)
	Additional voluntary sums set aside:	
(2,235)	Capital receipts set aside / Revenue provision for the financing of unsupported capital investment	(3,235)
179,932	**Capital Financing Requirement 31 March**	**188,516**

NOTE 35 – IFRS 16 LEASES

Council as Lessee

The Council's Lease contracts comprise leases of operational land and buildings; and plant and equipment.

The Council has a service concession arrangement which is included in Property, Plant and Equipment in the Balance Sheet but excluded from this note. Further details on GwyriAD Service Concession Arrangement can be found in Note 41.

Right of Use Assets

This table shows the change in the value of right of use assets held under leases by the Council (see also Note 15 for Right of Use Asset details):

	Land and Buildings	Vehicles, Plant and Equipment	Total Right of Use Assets
	£'000	£'000	£'000
Balance at 31.03.25	**4,633**	**33**	**4,666**
Additions / Transfers	5,454	0	5,454
Revaluation	(166)	0	(166)
Depreciation	(781)	(7)	(788)
Sales	0	0	0
Balance at 31.03.26	**9,140**	**26**	**9,166**

The Council is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property, plant or equipment acquired by the Council and finance costs that will be payable by the Council in future years while the liability remains outstanding. The lease liability comprises the following amounts:

31 March 2025		31 March 2026
£'000		£'000
	Right of Use Asset Lease Liabilities	
	(net present value of liabilities):	
621	Current	739
4,078	Non-current	5,441
4,699	Minimum lease payments	**6,180**

NOTE 35 – IFRS 16 LEASES (continued)

Transactions Under Leases

The council incurred the following expenses and cash flows in relation to leases:

31 March 2025 £'000		31 March 2026 £'000
	Comprehensive Income and Expenditure Statement	
227	Interest Expense on lease liabilities	227
234	Expense relating to short term/exempt/low value items	218
0	Income from sub-letting Right of Use Assets	(201)
	Cash Flow Statement	
834	Minimum Lease Payments	1,038
227	Interest Expense on lease liabilities	227
234	Expense relating to short term/exempt/low value items	218
0	Income from sub-letting Right of Use Assets	(201)

Maturity Analysis of Lease Liabilities

The lease liabilities are due to be settled over the following time bands (measured at the discounted amounts of expected cash payments):

	Minimum Lease Payments		Right of Use Asset Lease Liabilities	
	31 March 2025 £'000	31 March 2026 £'000	31 March 2025 £'000	31 March 2026 £'000
No later than one year	621	739	621	739
Later than one year and not later than five years	1,974	2,452	1,974	2,452
More than five years	2,104	2,989	2,104	2,989
	4,699	**6,180**	**4,699**	**6,180**

In 2025/26, minimum lease payments were made by the Council of £811k (£608k in 2024/25) in respect of those assets held as a Right of Use Asset lease.

NOTE 35 – IFRS 16 LEASES (continued)

Council as Lessor

Finance Leases

The Council has leased out property on a finance lease, including:

- Plas Heli, Pwllheli,
- Rhyd Ddu Outdoor Centre.

These leases are on a peppercorn rent basis and for a term that equates to the economic life of the assets. No premium has been received for these leases.

Operating Leases

The Council leases out property under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres,
- for economic development purposes to provide suitable affordable accommodation for local businesses.

The future minimum lease payments receivable under non-cancellable leases in future years are:

	31 March 2025 £'000	31 March 2026 £'000
No later than one year	241	670
Later than one year and not later than five years	594	1,005
Later than five years	4,693	4,636
	5,528	**6,311**

The minimum lease payments receivable do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews. In 2025/26 lease payments of £1,130k were received by the Council (£1,197k in 2024/25).

NOTE 36 – EXIT PACKAGES

The number of exit packages with total cost per band, and total cost of the compulsory and other redundancies are set out in the table below. The cost in the table below reflects the related package cost to the employer, rather than the actual value of the payments to the individuals. In accordance with the requirements the related commitments as known to the Council as at 31 March 2026 are included. Included below are the related gross costs but not the financial savings to the Council, where appropriate.

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
£	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25 £'000	2025/26 £'000
0 - 20,000	13	17	19	10	**32**	**27**	214	206
20,001 - 40,000	4	2	17	5	**21**	**7**	633	228
40,001 - 60,000	3	2	3	6	**6**	**8**	297	387
60,001 - 80,000	2	0	0	0	**2**	**0**	142	0
80,001 – 100,000	0	1	0	0	**0**	**1**	0	85
100,001 – 150,000	0	0	0	0	**0**	**0**	0	0
150,001 – 200,000	0	0	0	0	**0**	**0**	0	0
200,001 – 250,000	1	0	0	0	**1**	**0**	201	0
Adjustment to previous year's estimate							19	12
Total	**23**	**22**	**39**	**21**	**62**	**43**	**1,506**	**918**

NOTE 37 – PENSION SCHEMES ACCOUNTED FOR AS DEFINED CONTRIBUTION SCHEMES

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by the Government's Department for Education. The scheme provides teachers with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The scheme is technically a defined benefit scheme. However, the scheme is unfunded and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Council is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of this Financial Statement, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2025/26 the Council paid £15.91m (£15.33m in 2024/25) in respect of teachers' pension costs, which represented 28.68% (28.68% in 2024/25) of teachers' pensionable pay. In addition the Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms for the teachers' scheme. In 2025/26 these amounted to £0.97m (£1m in 2024/25) representing 1.75% (1.86% in 2024/25) of teachers' pensionable pay. These costs are accounted for on a defined benefits basis and are included in Note 38.

NOTE 38 – PENSION COSTS

As part of the terms and conditions of employment of its officers and other employees, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments. These need to be disclosed at the time that employees earn their future entitlement.

Cyngor Gwynedd participates in two post-employment benefit schemes:

a) **The Local Government Pension Scheme** administered locally by Cyngor Gwynedd for the employees of Gwynedd and 46 other organizations. This is a funded defined benefit scheme based on final salary for service up to 31 March 2014, and based on a career average salary from 1 April 2014. The Council and the employees pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. Cyngor Gwynedd's proportion of the total contributions to the Gwynedd Pension Fund in 2025/26 was 37% (35% in 2024/25).

b) **Arrangements for the award of discretionary post-retirement benefits upon early retirement.** This is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Gwynedd Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the Pensions Committee of Cyngor Gwynedd. Policy is determined in accordance with the Local Government Pensions Scheme Regulations.

The principal risks to the Council from the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (such as large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the amounts required by statute as described in the accounting policies note to the General Fund.

Transactions Relating to Post-employment Benefits

The Council recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge it is required to make against council tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

NOTE 38 – PENSION COSTS (continued)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability		
	Net (Liability) / Asset	
Period ended 31 March -	**2025**	**2026**
	£'000	**£'000**
Fair value of plan assets	1,087,014	1,143,772
Present value of funded liabilities	(833,557)	(728,537)
Effect of the asset ceiling	(253,457)	(415,235)
Present value of unfunded liabilities	(17,248)	(15,224)
Opening Position at 1 April	**(17,248)**	**(15,224)**
Service cost -		
Current service cost [1]	(24,317)	(18,488)
Past service costs (including curtailments)	(818)	(447)
Effect of settlements	0	(917)
Total Service Cost	**(25,135)**	**(19,852)**
Net interest -		
Interest income on plan assets	52,915	66,881
Interest cost on defined benefit obligation	(41,376)	(43,365)
Interest on the effect of the asset ceiling	(12,293)	(24,067)
Total Net Interest	**(754)**	**(551)**
Total Defined Benefit Cost Recognised in Profit / (Loss)	**(25,889)**	**(20,403)**
Cash flows -		
Participants' contributions	0	0
Employer contributions	27,207	28,829
Benefits paid	0	0
Unfunded benefits paid	0	0
Contributions in respect of unfunded benefits paid	1,716	1,659
Effect of business combinations and disposals	0	789
Expected Closing Position	**(14,214)**	**(4,350)**
Remeasurements -		
Changes in financial assumptions	144,863	33,306
Changes in demographic assumptions	1,491	25,430
Other experience [2]	7,968	(74,019)
Return on assets excluding amounts included in net interest	(5,847)	40,758
Changes in effect of the asset ceiling	265,750	(38,102)
Total remeasurements recognised in Other Comprehensive Income (OCI)	**414,225**	**(12,627)**
Fair value of plan assets	1,143,772	1,257,135
Present value of funded obligations	(728,537)	(781,757)
Effect of the asset ceiling [3]	0	(477,404)
Present value of unfunded obligations [4]	(15,224)	(14,951)
Closing Position at 31 March [5]	**400,011**	**(16,977)**

1 The current service cost includes an allowance for administration costs of 0.6% of payroll.
2 The other experience on obligations includes an allowance of £6,467,000 for the April 2026 pension increase order impact.
3 The effect of the asset ceiling had already been taken into account in the above table in the Hymans report for 31 March 2026.
4 The unfunded obligations comprise of £5,178,000 (£5,910,000 on 31 March 2025) in respect of LGPS unfunded pensions and £9,773,000 (£9,314,000 on 31 March 2025) in respect of Teachers' unfunded pensions.
5 This is inclusive of the liability relating to both Byw'n Iach and the North and Mid Wales Trunk Road Agency (NMWTRA) employees who are under the responsibility of the council.

NOTE 38 – PENSION COSTS (continued)

Pensions assets and liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plan is as follows:

	31 March 2025	31 March 2026
	£'000	£'000
Fair value of plan assets	1,143,772	1,257,135
Present value of funded obligations	(728,537)	(781,757)
Present value of unfunded obligations (IAS 19/IFRIC 14)	(15,224)	(14,951)
Subtotal	**400,011**	**460,427**
Effect of IAS 19/ IFRIC 14	(400,011)	(462,453)
Net Asset/ (Liability)	**0**	**(2,026)**
Add value of unfunded obligations	(15,224)	(14,951)
Net Asset/ (Liability) arising from Defined Benefit Obligation	**(15,224)**	**(16,977)**

The actuarial valuation of the Council's pension scheme liabilities and pension reserve shown on the Balance Sheet reports a net liability of £16.977m. The Council's Actuary, Hymans Robertson LLP, determined that the fair value of the council's pension plan assets outweighed the present value of the plan obligations at 31 March 2026 resulting in a pension plan asset. IFRIC 14 and IAS 19 Employee Benefits require that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling, which is capped at £0 excluding unfunded obligations and agreed past service contributions (which may give rise to an additional liability)

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The Council's actuary calculated the asset ceiling as the net present value of future service costs less net present value of future contributions. The calculated asset ceiling for 2025/26 results in greater future service contributions than future service costs so the economic benefit is limited to zero before adding the present value of the unfunded obligations and agreed past service contributions (which may give rise to an additional liability). The Council relies and places assurance on the professional judgement of the Actuary and the assumptions used to calculate this actuarial valuation.

The Major Categories of Plan Assets as a Percentage of Total Plan Assets

The actuary has provided a detailed breakdown of Fund assets in accordance with the requirements of IAS19. This analysis distinguishes between the nature and risk of those assets, and to further break them down between those with a quoted price in an active market, and those that are not quoted. The asset split for Cyngor Gwynedd is assumed to be in the same proportion to the Fund's asset allocation as at 31 December 2025. The split is shown in the table below. The actuary estimates the bid value of the Fund's assets as at 31 March 2026 to be £3.56bn based on information provided by the Administering Authority and allowing for index returns where necessary.

NOTE 38 – PENSION COSTS (continued)

Fair Value of Employer Assets

The asset values below are at bid value as required under IAS19.

Asset Category	At 31 March 2025				At 31 March 2026			
	Quoted Prices in Active Markets £'000	Prices not quoted in Active Markets £'000	Total £'000	%	Quoted Prices in Active Markets £'000	Prices not quoted in Active Markets £'000	Total £'000	%
Equity Securities								
Consumer	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0
Energy and Utilities	0	0	0	0	0	0	0	0
Financial Institutions	0	0	0	0	0	0	0	0
Health and Care	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Private Equity								
All	0	61,761	61,761	5	0	57,988	57,988	5
Debt Securities								
Other	0	0	0	0	0	0	0	0
Real Estate								
UK Property	0	72,776	72,776	6	0	61,082	61,082	5
Overseas Property	0	0	0	0	0	0	0	0
Investment Funds and Unit Trusts								
Equities	0	631,674	631,674	55	0	612,182	612,182	49
Bonds	0	336,136	336,136	29	0	432,437	432,437	34
Infrastructure	0	33,756	33,756	3	0	73,736	73,736	6
Other	0	0	0	0	0	0	0	0
Derivatives								
Inflation	0	0	0	0	0	0	0	0
Cash and Cash Equivalents								
All	0	7,669	7,669	1	0	19,710	19,710	1
Total	**0**	**1,143,772**	**1,143,772**	**100**	**0**	**1,257,135**	**1,257,135**	**100**

NOTE 38 – PENSION COSTS (continued)

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, life expectancy and salary levels. Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2025 model, with core parameterisation, initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females.

Both the Gwynedd Pension Scheme and Discretionary Benefits liabilities have been estimated by Hymans Robertson, an independent firm of actuaries. Estimates for the Gwynedd Pension Fund were based on the latest full valuation of the scheme as at 31 March 2022. The significant assumptions used by the actuary in the following table have had a significant impact on the values of the assets and liabilities as follows:

	31 March 2025	31 March 2026
Financial Assumptions	**% p.a.**	**% p.a.**
Pensions Increase Rate	2.75	3.00
Salary Increase Rate	3.25	3.50
Inflation Rate	2.75	3.00
Discount Rate	5.80	6.30
Long-term expected rate of return on all categories of assets	5.80	6.30
Take-up option to convert annual pension into retirement lump sum		
for pre-April 2008 service	65	65
for post-April 2008 service	65	65
Mortality assumptions	**Years**	**Years**
Longevity at 65 for current pensioners		
Men	20.6	20.8
Women	23.5	23.6
Longevity at 65 for future pensioners		
Men	21.6	21.8
Women	25.3	25.2

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. In order to quantify the impact of a change in the financial assumptions used, the actuary has calculated and compared the value of the scheme commitments as at 31 March 2026 on varying bases. The approach taken is consistent with that adopted to derive the IAS19 figures provided in this note.

To quantify the uncertainty around life expectancy, the actuary has calculated the difference in cost to the Council of a one-year increase in life expectancy. For sensitivity purposes this is assumed to be an increase in the cost of benefits of broadly 3-5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

NOTE 38 – PENSION COSTS (continued)

The figures in the table below have been derived based on the membership profile of the Council as at 31 March 2022, the date of the most recent actuarial valuation. The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

Impact on the Defined Benefit Obligation in the Scheme		
Change in assumption	**Approximate increase to Defined Benefit Commitment 31 March 2026 %**	**Approximate monetary amount 31 March 2026 £'000**
0.1% decrease in real discount rate	2	13,078
1 year increase in member life expectancy	4	31,868
0.1% increase in the salary increase rate	0	790
0.1% increase in the pension increase rate	2	12,287

Impact on the Council's Cash Flows

One of the objectives of the scheme is that employer contributions should be kept at as constant a rate as possible. Cyngor Gwynedd has agreed a strategy with the fund's actuary to achieve a funding level of 100% over the next 17 years. Funding levels are monitored on an annual basis.

The contributions paid by the Council are set by the Fund Actuary at each triennial valuation, or at any other time as instructed to do so by the Administering Authority. The contributions payable over the period to 31 March 2026 are set out in the Rates and Adjustments certificate. For further details on the approach adopted to set contribution rates for the Council, please refer to the 2022 actuarial report dated 28 March 2023.

Information about the Defined Benefit Obligation

	Liability Split 31 March 2026 £'000	**%**
Active Members	352,264	45
Deferred Members	106,821	14
Pensioner Members	322,672	41
Total	**781,757**	**100**

The above figures are for the funded obligations only and do not include any unfunded pensioner liabilities. The durations are effective at the previous formal valuation as at 31 March 2022. As at the date of the most recent valuation, the average qualifying period of the defined benefit obligation for scheme members in 2025/26 is 20 years.

Impact in Future Years

The total contributions expected to be made to the Local Government Pensions Scheme by the Council in the year to 31 March 2027 is £23.960m.

As the Actuary's report is based on estimates and due to timing issues, an initial adjustment of (£493,800,120) has been made in 2025/26 (£64,270 in 2024/25) to bring the position of the Scheme based on the Actuarial figures in line with the closing position at 31 March 2026 (before applying any asset ceiling adjustments). This variance has been treated as Actuarial Gains and Losses on Pension Assets and Liabilities.

NOTE 39 – CONTINGENT LIABILITIES

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

The position below relates to circumstances involving three specific contingent liabilities:

- The capping and aftercare requirements for the Council's landfill sites – the provision contained in the accounts is based on existing and known circumstances, in addition to relevant forecasts. However, the actual final cost may differ from the current estimated future cost.

- This Council is exposed to a potential insurance liability relating to the insurance arrangements of its predecessor authorities, being Gwynedd County Council, Arfon Borough Council, Dwyfor District Council, and Meirionnydd District Council, and the closure of the Municipal Mutual Insurance (MMI) Fund on 30 September 1992.

  MMI made a scheme of arrangement with its creditors, by which, if MMI had insufficient funds to meet future claims, a claw-back clause would be triggered (i.e. Scheme of Arrangements) which could affect claims paid since 1992/93. On 13 November 2012, the directors of the Company concluded that the terms of the Scheme of Arrangement should be triggered and served notice on the Scheme Administrator and the Company to that effect. The decision is irrevocable. An initial levy of 15% of the payments made since 30 September 1992 was paid during 2013/14, and a further 10% was paid in 2016/17.

  The maximum potential liability to the Council based on the latest published figures available is £1.4m.

  Up to 2024/25, there was a possibility that further levies may be needed if the original levies were insufficient to meet MMI's liabilities in the long term. Following an assessment, the opinion for the 2025/26 financial year is that the levies already paid are sufficient to meet the liabilities.

- The Council is assessing potential claims including the conviction of a former head teacher at a Gwynedd School and other matters within the field of education. The current status of the claims vary from the initial stages onwards. In the event of liability being established, the Council's payments will be restricted to the policy deductibles under the relevant liability insurance policies. The Council has an existing earmarked Insurance Reserve set aside to fund any costs which would not be covered by the Council's cover.

NOTE 40 – TRUSTS

The Council acts as sole trustee for 177 bequests such as school prize funds, and comforts and improvements funds for numerous Council Establishments. The largest fund, the Welsh Church Fund, has a completely separate accounting ledger, whereas the Council holds the property for 176 of these bequests but makes no decision on the funds use. In every case, the funds do not represent the assets of the Council and therefore they have not been included in the Balance Sheet.

The total balance of the 176 bequests derecognised from the Council's Balance Sheet at 31 March 2026 was £2,262,978 (£2,061,426 on 31 March 2025). The funds are fully invested to generate income.

The largest bequests, the Welsh Church Fund and FMG Morgan Trust Fund, are detailed in appendices A and B of these accounts.

NOTE 41 – SERVICE CONCESSION ARRANGEMENTS

GwyriAD is a Service Concession Arrangement, otherwise known as a 'Private Finance Initiative' (PFI) scheme. The construction commenced in 2012/13 and the plant became operational in September 2013. It is a treatment plant for source-segregated food waste from Gwynedd residents and businesses (mainly) using Anaerobic Digestion (AD) technology. The enterprise is assisting the Council to meet its recycling targets, and to work within its allowances for landfilling of Biodegradable Municipal Waste for a period of 15 years.

The assets used to provide the service are recognised on the Council's Balance Sheet. The value of the related assets was £2.1m as at 31 March 2026 (£2.1m as at 31 March 2025). The Council makes an agreed payment (gate fee) each year based on a minimum amount of tonnage which is increased each year by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year. The Council has the right to increase the amount of tons over the agreed 7,500 tons to a maximum of 11,000 tons, and will pay a reduced gate fee for anything over 7,500 tons.

	Payment for Services	Reimbursement of Capital Expenditure	Interest	Total
	£'000	£'000	£'000	£'000
Paid in 2025/26	498	216	49	763
Payable in 2026/27	498	229	36	763
Payable within 2 to 5 years	705	348	27	1,080
Total	**1,701**	**793**	**112**	**2,606**

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable.

The contractor receives income from energy that is generated from the waste which has enabled it to keep the unitary payment low for the Council. If the income is higher than that which is in the contract, there is an arrangement for it to be shared between the contractor and Cyngor Gwynedd.

The liability outstanding to be paid to the contractor for capital expenditure incurred is as follows:

	2025/26	
	Lease Liability	Deferred Income
	£'000	£'000
Balance outstanding at 1 April 2025	(793)	(498)
Repayment of principal during the year	216	0
Release of deferred income	0	145
Balance outstanding at 31 March 2026	**(577)**	**(353)**

Either party can terminate the agreement at any time should there be deficiencies, subject to giving notice in accordance with the terms of the agreement. Equally, the Council can unilaterally terminate the agreement in accordance with the terms therein. There would be compensation payments linked to any termination arrangement. At the expiry of the agreement, the Council has the right to re-tender for a contractor to provide the service.

NOTE 42 – POOLED BUDGET

Under regulation 19(1) of the Partnership Arrangements (Wales) Regulations 2015, an informal pooled budget arrangement has been agreed between North Wales local authorities and the Betsi Cadwaladr University Health Board in relation to the provision of care home accommodation for older people for 2025/26.

The Council's transactions are included under Adults, Health and Well-being in the Comprehensive Income and Expenditure Statement. Income and expenditure for these pooled budget arrangements are as follows; the notional amounts are included for information only.

Care Homes for the Elderly		
2024/25 £'000		**2025/26 £'000**
	Expenditure	
136,047	Care Home costs	147,652
136,047	**Total Expenditure**	**147,652**
	Funding	
(12,423)	Denbighshire County Council	(13,600)
(18,090)	Conwy County Borough Council	(19,835)
(14,980)	Flintshire County Council	(17,767)
(16,470)	Wrexham County Borough Council	(15,975)
(13,084)	Cyngor Gwynedd	(15,282)
(7,126)	Isle of Anglesey County Council	(8,320)
(53,874)	Betsi Cadwaladr University Health Board	(56,873)
(136,047)	**Total Funding**	**(147,652)**
0	**(Surplus) / Deficit transferred to reserve**	**0**

NOTE 43 – JOINT OPERATIONS AND JOINT COMMITTEES

The Council currently participates in a number of joint operations with neighbouring North Wales authorities.

During 2025/26, Cyngor Gwynedd participated in two joint committees and one joint operation, collaborating in particular areas between local authorities. Separate accounts are required for joint committees. The two joint committees relating to Gwynedd in 2025/26 are:

- North Wales Residual Waste Treatment Project (NWRWTP)
- GwE (Operations ceased on 31 May 2025)

The joint operation relating to Gwynedd in 2025/26 is:

- Actif North Wales

The joint committee accounts follow the same timetable in terms of the statutory dates for the completion of the accounts. In the circumstances, Cyngor Gwynedd's accounts reflect the related actual net liability, although the subjective analysis position varies subject to the circumstances, and the reporting arrangements, of the various joint committees. The figures and the share relating to Gwynedd have been included in the table below:

Joint Committee / Joint Operation	Host Authority for Finance	Councils and Organisations participating in the Joint Committee / Joint Operation	Cyngor Gwynedd's Share %	Value of Gwynedd's Share (Income and Expenditure Account) £'000
Joint Committee				
GwE	Cyngor Gwynedd	Conwy County Borough Council Denbighshire County Council Flintshire County Council Cyngor Gwynedd Isle Anglesey County Council Wrexham County Borough Council	17.47	186
North Wales Residual Waste Treatment Project	Flintshire County Council	Conwy County Borough Council Denbighshire County Council Flintshire County Council Cyngor Gwynedd Isle of Anglesey County Council	25.20	0
Joint Operation				
Actif North Wales *	Cyngor Gwynedd	Conwy County Borough Council Denbighshire County Council Flintshire County Council Cyngor Gwynedd Isle of Anglesey County Council Wrexham County Borough Council	16.67	0

* Actif North Wales is grant funded.

On 1 April 2025, the North Wales Economic Ambition Board Joint Committee was incorporated into the North Wales Corporate Joint Committee, which is regarded as an independent legal entity.

The individual joint committees' accounts are available on the website of the councils which are host authorities for finance and accounting services.

NOTE 44 – EVENTS AFTER THE REPORTING PERIOD

The Statement of Accounts was authorised by the Head of Finance on 30 June 2026. Events taking place after this date are not reflected in the financial statements or related notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect its impact.

THE WELSH CHURCH FUND

2024/25 £'000		2025/26 £'000
978	**Amount of Fund at 1 April**	1,002
	Add - Income during the year	
49	Interest on Investments	51
	Less - Expenditure during the year	
(25)	Grants and expenses	(53)
1,002	**Amount of Fund at 31 March**	**1,000**
	Represented by the following Assets	
5	Debtors	9
900	Investments	900
97	Cash in Hand	101
1,002		1,010
0	**Less -** Creditors	(10)
1,002	**Total**	**1,000**

NOTES TO THE ACCOUNTS

1. The Scheme for the administration of the Fund provides that the income be applied for charitable purposes - educational, recreational and social, at the discretion of the Council.

2. The Charities Act 1993 requires that an independent examination of the statement of accounts of the Welsh Church Fund be carried out annually.

3. The investments are shown in the accounts at historical cost. The market value of the investments at 31 March 2026 was £904,470.

FMG MORGAN TRUST FUND

2024/25 £'000		2025/26 £'000
166	**Amount of Fund at 1 April**	174
	Add - Income during the year	
16	Interest on assets	17
	Less - Expenditure during the year	
(8)	Grants	(4)
174	**Amount of Fund at 31 March**	**187**
	Assets	
144	Investments	145
30	Cash in Hand	42
174		**187**

NOTES TO THE ACCOUNTS

1. This Fund was set up from the residuary estate of the late Mrs. Florence Merthyr Guest Morgan. The income from the Fund was to be applied to aid residents of certain areas of Llŷn for specified purposes.

2. The investments are shown in the accounts at cost. The market value of the investments at 31 March 2026 was £415,064 (£381,145 at 31 March 2025).

3. The FMG Morgan Fund is outside the provision of the Charities Act 1993. No independent examination or audit is therefore required in respect of this Trust Fund.

The report of the Auditor General for Wales to the members of Cyngor Gwynedd

Opinion on financial statements

I have audited the financial statements of Cyngor Gwynedd for the year ended 31 March 2026 under the Public Audit (Wales) Act 2004.

Cyngor Gwynedd's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Cyngor Gwynedd as at 31 March 2026 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Cyngor Gwynedd in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Cyngor Gwynedd's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Cyngor Gwynedd and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error; and
- assessing Cyngor Gwynedd's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Cyngor Gwynedd will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Cyngor Gwynedd's policies and procedures concerned with:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in management override;
- obtaining an understanding of Cyngor Gwynedd's framework of authority as well as other legal and regulatory frameworks that Cyngor Gwynedd operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cyngor Gwynedd; and
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Cyngor Gwynedd's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Cyngor Gwynedd in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 November 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Glossary

Actuarial Gains and Losses – For a defined benefit pension scheme, the changes in actuarial surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

Amortisation – The gradual elimination of a liability, such as a loan, with regular payments over a specified period of time. Such payments must be sufficient to cover both principal and interest.

Asset – Items of worth that are measurable in terms of value.

- A current asset will be consumed or will cease to have material value within the next financial year.
- A non-current asset provides benefit to the Council and to the services it provides for a period of more than one year.

Balances (or Reserves) – These represent accumulated funds available to the Council. Some balances (reserve) may be earmarked for specific purposes for funding future defined initiatives or meeting identified risks or liabilities.

Capital Adjustment Account – A reserve set aside from revenue resources or capital receipts to fund capital expenditure or the repayment of external loans and certain other capital financing transactions.

Capital Expenditure – Expenditure on the procurement of a non-current asset, which will be used in providing services beyond the current accounting period or expenditure that adds to, and not merely maintains, value of an existing non-current asset.

Capital Financing – Funds obtained to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

Capital Receipt – Income received from the sale of land or other capital assets.

CIPFA (Chartered Institute of Public Finance and Accounting) – The professional institute for accountants working in the public sector.

Community Assets – These are non-current assets that the Council intends to hold in perpetuity which have no determinable finite useful life and, in addition, may have restrictions on their disposal. Examples are parks and historical buildings.

Creditors – Amounts owed by the Council for work done, goods received or services rendered, for which payments have not been made by the end of that accounting period.

Current Service Cost – The increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period.

Debtors – Amount owed to the Council for work done, goods received or service rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

Defined Benefit Scheme – A pension or other retirement benefit scheme other than a defined contribution scheme.

Defined Contribution Scheme – A pension or other retirement benefit scheme into which an employee pays regular fixed contributions as an amount or as a percentage of pay, and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employees benefits relating to the employee Service in the current and prior periods.

Depreciated Replacement Cost (DRC) – A method of valuation that provides a proxy for the market value of specialist assets.

Depreciation – A measure of the cost of the economic benefits of the tangible fixed assets consumed during the period.

Fair Value – The price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Finance Lease – A lease that transfers substantially all of the risks and rewards of ownership of a non-current asset to the lessee.

Financial Instruments – Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.

General Fund – This is the main revenue fund of the Council and it includes the net cost of all services financed by local taxpayers and Government grants.

Heritage Assets – An asset with Historical, Artistic, Scientific, Technological, Geophysical or Environmental qualities that is held and maintained principally for its contributions to knowledge and culture.

Impairment – A reduction in the carrying value of a fixed asset below its carrying value (due to obsolescence, damage or an adverse change in the statutory environment).

Intangible Asset – An intangible asset is an identifiable non-monetary asset without physical substance. An example includes computer software.

International Financial Reporting Standards (IFRS) – A suite of accounting standards used across the world. They must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Inventories – Amounts of unused or unconsumed stocks held in expectation of future use. They are categorised as goods or other assets purchased for resale, consumable stores, raw materials and Components, Products and Services in intermediate stages of completion and finished goods.

Investment Property – Property that is held solely to earn rentals or for capital appreciation, or both.

Liability – Amounts due to individuals or organisations which will have to be paid at some time in the future.

Minimum Revenue Provision (MRP) – This is the minimum amount which must be charged to an Authority's revenue account each year and set aside as provision for credit liabilities.

Net Book Value – The amounts in which fixed assets are included in the Balance Sheet, i.e. their historical cost or current value, less the cumulative amount provided for depreciation.

Operating Lease – A type of lease, usually on computer equipment, office equipment, furniture etc. where the balance of risks and rewards of holding the asset remains with the lessor. The asset remains the property of the lessor and the lease costs are revenue expenditure to the Council.

Precepts – The levy made by precepting authorities on billing authorities, requiring the latter to collect income from Council taxpayers on their behalf.

Private Finance Initiative (PFI) – A central government initiative which aims to increase the level of funding available for public services by attracting private sources of finance.

Provision – A liability that is of uncertain timing or amount which is to be settled by transfer of economic benefits.

Related Parties – Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Trust Funds – Funds administered by the Council for such purposes as prizes, charities, specific projects and on behalf of minors.

ANNUAL GOVERNANCE STATEMENT

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

Part 1: SCOPE OF RESPONSIBILITY

Cyngor Gwynedd is responsible for ensuring that it conducts its business in accordance with the law and to proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Cyngor Gwynedd also has a duty under the Local Government and Elections (Wales) Act 2021 to make arrangements to secure continuous improvement in the exercise of its functions, having regard in particular to strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.

In discharging these overall responsibilities, Cyngor Gwynedd 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.

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

Part 2: THE PURPOSE OF THE GOVERNANCE FRAMEWORK

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

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

The governance framework described above has been in place at Cyngor Gwynedd for the year ending 31 March 2026 and remains applicable up to the date of the approval of the Statement of Accounts.

Part 3: GOVERNANCE ARRANGEMENTS AND THEIR EFFECTIVENESS

3.1 The **Governance Arrangements Assessment Group** monitors matters of governance continuously in a disciplined manner, raising a wider awareness of these, and promoting a wider ownership of the Annual Governance Statement. The Group comprises the Corporate Director, the Monitoring Officer, the Section 151 Officer, Head of Corporate Support, Assistant Head of Corporate Support, Assistant Head of Finance, the Risk and Insurance Manager and the Council Business Service Support Manager.

3.2 To reflect the CIPFA/SOLACE Framework - *Delivering Good Governance in Local Government*, the local framework is set out in the form of a Governance Risk Register that is part of the Corporate Risk Register, identifying 24 areas of governance risks.

3.3 An outline is given of the Governance Areas, how they link to the CIPFA/SOLACE principles, the relevant risks and the Council's arrangements to deal with these, are in the remainder of this section of the Annual Governance Statement.

CIPFA/SOLACE Framework Core Principle A: Behave with integrity, demonstrating a strong commitment to ethical values, and respect for the rule of law.

Culture

- A review of the progress of Ffordd Gwynedd was carried out across the Council in collaboration with Cabinet and a Task and Finish Group with members from among the members of the Governance and Audit Committee. That led to a new 5-year Work Programme to 2028 which was approved by Cabinet on 7 March 2023. The Plan identifies nine areas that the Council will focus on in order to further embed the "way of working".
- A Lead Group (the Council's Corporate Management Team) has been established with a focus on one of the workstreams at each monthly meeting. The Group maintains an overview of the implementation of the Work Programme and offers guidance on embedding the culture within the Council. A Group of officers leading on the individual workstreams meets monthly under the chairmanship of the Corporate Director while a Practitioner Group has been formed to support individuals driving reviews within their services.
- An annual report is presented on the progress of the work culture which is based on the conclusions of a self-assessment that each Department is asked to undertake and also on the results of the “Llais Staff” Survey which is carried out every twelve months.

Conduct

- The Council has adopted codes of conduct for its members and officers, based on national regulations (codes such as the Member/Officer Relationship Code; the Members Code of Conduct; the Code of Conduct for Officers; The Anti-Fraud and Corruption Policy and the Whistleblowing Code of Practice) and these together lay the foundation for ensuring integrity and ethics.
- There is clear evidence that the Council gives legitimate consideration to the Ombudsman's reports as part of the work of the Standards Committee, which is working effectively.

Lawfulness

- Everything the Council does has to comply with the law. Statutory officers (the Monitoring Officer and Head of Finance) must comment on any formal decision, as part of a comprehensive Constitution that is regularly reviewed. The role of statutory officers is a core part of the Council's governance arrangements.

CIPFA/SOLACE Framework Core Principle B. Ensuring openness and comprehensive stakeholder engagement

Being open

- The minimum possible number of Committee reports is exempt, and in addition to the publication of full committee minutes, individual members' decision sheets are publicised, with procedures in place to ensure this happens. Background papers are published with committee reports to ensure that decisions are made with full information. A number of meetings of decision-making committees are webcast.
- The Council publishes its Corporate Plan, Annual Performance Report and Statement of Accounts to try and provide as much information as residents would need to hold us accountable. Various other methods are also used such as the website and social media to try to ensure that the residents of Gwynedd are aware of what is happening within the Council.

Stakeholders

- The willingness of public sector bodies, including Cyngor Gwynedd, other neighbouring unitary councils, the Police, the Health Board, the third sector and others to co-operate in order to deliver joint public services can have a significant, visible impact on the People of Gwynedd, as part of the requirements of the Well-being of Future Generations (Wales) Act 2015.
- A Public Service Board has been established and meets regularly.

Engagement

- A range of corporate engagement procedures have been put in place to ensure that we receive the views of the public and other stakeholders as appropriate.

CIPFA/SOLACE Framework Core Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits

Direction and vision

- The Council's Plan 2023-28 was approved by the full Council on the 2nd of March, 2023. The Plan includes our ambition and projects under 7 priority areas. The plan has been reviewed annually in March since its adoption.

Sustainability

- Since May 2023 reports submitted to Cabinet are required to highlight how the contents of the report reflect the requirements of the Well-being of Future Generations (Wales) Act 2015.
- Training sessions have been held with elected members to increase awareness of the Act in October 2022 and 2024.
- The Council has already adopted a Sustainable Procurement Policy which is in line with the principles of the Well-being of Future Generations (Wales) Act 2015. By adopting the Policy, it is intended to consider the potential social, economic and environmental impact that our procurement decisions may have and what steps can be taken to make the best use of Council spending, for the benefit of the County.

CIPFA/SOLACE Framework Core Principle D: Determine the interventions necessary to maximise the delivery of the intended outcomes

Decisions

- There is evidence over the last few years that Cyngor Gwynedd is prepared to take difficult decisions, but only after considering the evidence in detail.

Planning Operations

- The Council strives to maintain a suitable balance between having Project Management procedures in place and working efficiently. In that regard, the Council already maintains robust project management arrangements for the largest projects, using a less comprehensive version but based on the same principles for other projects.
- The Council has a Medium-Term Financial Plan, with annual budgets based on that. The Council's work on financial planning is regularly praised by the external auditors, and the Governance and Audit Committee takes a leading role on financial scrutiny.

Reviewing Outcomes

- The Council's risk assessment, Corporate Plan formulation and project management arrangements ensure that the intended outcomes at the start of any project are clear. The annual performance report seeks to focus on assessing the extent to which those outcomes have been achieved.

CIPFA/SOLACE Framework Core Principle E: Develop the capacity of the entity, including the capacity of its leadership and the individuals within it

Property Assets

- A new Asset Management Plan for the 10-year period 2024-2034 has been adopted by the Council on 11 July 2024.

Information Technology Assets

- A new Digital Plan for the period 2023-28 has been adopted; it was scrutinised by the Education and Economy Scrutiny Committee in September 2023 and formally approved by Cabinet in November 2023. An annual report was presented to the Cabinet on 16 December 2025.

Workforce Planning

- The Workforce Planning Project Board has agreed on long-term objectives and a list of sub-projects for the period leading up to March 2028.
- Exit interview arrangements and a new jobs website are in place.

Leadership

- The series of Managers and Team Leaders Network meetings (held twice a year) is a key part of the shift of emphasis from a culture of "management" to "leading" within the Council.
- A specific project continues to have a high improvement priority in relation to Women in Leadership within the Council. The Council recognises that the number of women fulfilling a managerial role within the Council is disproportionate to the division of the entire workforce and therefore seeks to boost the number of women applying for and reaching senior positions within the Council.
- The Corporate Management Team is committed to its development, with each team member completing a personal profile and attending regular workshops in order to develop as an individual leader and to reinforce the ability to take full advantage of operating as a team.
- Similarly, the new Cabinet formed in December 2024 is committed to its development at the level of individual members and as a team.

Customer Contact

- In-depth analysis carried out and presented to Members in October 2022 with a programme of work identified and the risk added to the corporate governance risks. Planning calls are being received directly from the Planning Service from the 1st of April, 2023 and a short training module has been piloted for all staff dealing with enquiries.
- A Plan for Working for the Future was adopted in September 2023.

CIPFA/SOLACE Framework Core Principle F: Risk and performance management through sound internal control and strong control over public funds

Risk Management

- There are strong arrangements for monitoring our compliance with certain types of operational risks. All risks in the Corporate Risk Register have been considered from the perspective of the risk to the People of Gwynedd, not from the Council's intrusive perspective.
- The Council's systems for identifying, assessing, recording and reporting risks are constantly evolving.

Performance

- Officers and Members continually question whether we are measuring the right things. There are regular meetings with Cabinet Members and management to assess the latest performance with members of the relevant Scrutiny Committee also present to give a challenge.
- Since April 2025, regular performance reports from Cabinet members on their areas of responsibility are submitted to meetings of the Scrutiny Committees, where previously the reports went to Cabinet. This change is seen as a key step in improving challenge and accountability.
- Complaints are also a key way to get information to improve. The Corporate Complaints Regime continues to develop well. The Service Improvement Officer ensures that we learn lessons from complaints, and avoids repeating mistakes.

Internal Control

- Reviewing and adapting internal controls so that they are proportionate to what is needed is core to the aim of putting the people of Gwynedd at the centre of everything we do, removing over-bureaucratic tasks. Removing barriers is part of everyone's job, resulting in an appropriate level of internal control. The efficiency of the Internal Audit regime is under ongoing review, and a self-assessment shows that the service meets professional standards as expected. The Governance and Audit Committee has an agreed terms of reference which is reviewed regularly. There is evidence that the Governance and Audit Committee is very effective in fulfilling its functions.

Information

- The Council's Information Plan 2021-2026 (2024 update) includes a number of plans for addressing the risks of information management and data use.
- The cross-departmental Information Group takes a corporate overview of this area.

Finance

- The Council has effective arrangements for financial planning and management, including accountants and internal auditors, led by the chief finance officer.
- Internal auditors have a focus on effective arrangements and controls in financial systems, while the accountants work closely with the departments and encourage managers' ownership of their systems, performance, and financial appropriateness.
- The review of expenditure against budgets, and monitoring that savings have been achieved by all Council departments, ensures that the services are operating efficiently. The revenue expenditure situation is reported to the Governance and Audit Committee and Cabinet but as the need to find savings continues, and demand for services increases, a situation can be envisaged where there are insufficient funds in the future to address the budget shortfall.

Health, Safety and Wellbeing

- Health and Safety Policy adopted by the Council which is reviewed annually.
- Specialist consultants available to advise. Mandatory training is provided for all Council staff.
- IOSH Safe Management training is provided to Managers and relevant staff, with various other training in place depending on the nature of responsibilities.
- Communication arrangements with a Corporate Forum and Advisory Panel including a dedicated intranet site with a host of guidelines and procedures.
- An accident reporting and investigation procedure has been established.

CIPFA/SOLACE Framework Core Principle G: Implement good practices in transparency, reporting, and audit to ensure effective accountability

Accountability

- The Council has provided guidance on the preparation of reports and on good decision-making, to ensure that the reports available to the public are clear.

Assurance

- Statutory officers ensure that matters comply with the law and constitution arrangements while the Chief Executive and Directors continually challenge whether departments are doing the right things.
- The Governance and Audit Committee keeps an overview of the governance arrangements as well as the implementation of external auditors' recommendations. This is supported by the Internal Audit Service operating in accordance with the statutory professional standards, the Public Sector Internal Audit Standards.
- Scrutiny arrangements have been reviewed a number of times in recent years, with Audit Wales's independent report in September 2023 identifying good progress in Gwynedd's standard of scrutiny.
- The scrutiny officers work closely with the Chairs/Vice-Chairs of the individual committees to ensure clarity and share best practice. This will develop further with the support of the Chief Executive and Directors on a regular basis in scrutiny committees.
- Training for the Corporate Management Team has taken place and an annual meeting will be held to review progress. Training for Members in relation to their responsibilities on factors to be taken into account in decision-making.

Part 4: ASSESSMENT OF THE EFFECTIVENESS OF OUR GOVERNANCE ARRANGEMENTS

4.1 Cyngor Gwynedd has carried out a self-assessment of its governance arrangements in accordance with requirements CIPFA/Solace Framework *Delivering Good Governance in Local Government* and the requirements of the Local Government and Elections (Wales) Act 2021. The assessment has highlighted the following in terms of mitigating the governance risks:

- The most notable progress on the Ffordd Gwynedd Plan is:

  Learning, Experimenting and Taking Action to Improve - The emphasis in the current Plan on carrying out reviews on smaller pieces of work systems, as well as carrying out reviews on whole systems, has borne fruit and all Departments in the Council are able to provide examples of reviews that have led to improvements during the year.

  Leadership - The new look Ffordd Gwynedd training programme has been reintroduced for managers during the year while the Manager Development Programme is going from strength to strength with the positive feedback from attendees.

  Support and Development – A new Learning and Development Framework has been launched with the programme for the first year focusing on basic training such as finance management, wellbeing and digital skills. The Senior Leadership Program, the Management Development Program and the Women in Leadership Program continue to showcase their value with a large number of officers eager to sign up on each occasion when a new series is announced.

  Workforce Planning and Talent Development – Seven work streams have been identified to drive this work forward. They range from running a "Ffordd Gwynedd" exercise on the whole process of attracting staff to work for the Council, to the need for the establishment of specific training schemes that greet rare skills and specialties, as well as the appropriate behaviours, which are necessary for future continuity of service.

  A Satisfied and Healthy Workforce - A new Well-being Strategy was approved by Cabinet at its meeting on 17 December, 2024. The Strategy is based on three foundations, namely leadership and management, sustainable support, and a work environment with mental, physical, social and financial well-being at the heart of what is sought to be achieved.

  Customer Contact - A cross-departmental Group has been established to formulate a Charter and Customer Contact Standards. That Charter, in its final draft form, will be submitted to Cabinet for adoption on July 8, 2025. There has been comprehensive consultation on the content of the Charter across Council services and this is a good example of seeking views on developments with staff.

- The Council has introduced a series of annual milestones for each of the projects in the Council's Plan to allow us to measure progress as well as plan work for the future. Work to further improve this is ongoing.
- The Council's Constitution is a public document that sets out the governance arrangements and a Guide to the Constitution is provided to reinforce this. The Governance Group has continued to meet regularly and maintains an overview of governance issues within the Council. The Group consists of the Corporate Director, the Monitoring Officer, the Section 151 Officer, the Head of Corporate Support, the Assistant Head of Corporate Support, the Risk & Insurance Manager and the Council's Business Support Service Manager.
- The Council publishes an Annual Governance Statement outlining our governance arrangements and their effectiveness following the principles of the CIPFA/Solace *Delivering Good Governance in Local Government* Framework.
- An annual workshop on assurance and risks will be held with external auditors (Audit Wales, Care Inspectorate Wales and Estyn).

- When recommendations are issued by external audit bodies, an institutional response will be prepared on behalf of the Council and the Governance and Audit Committee is responsible for reviewing and assessing the response along with progress against the recommendations.
- Appropriate arrangements are also in place to respond to any reports from the Health and Safety Executive (HSE).
- The main governance risks are scored both corporately and at the Department level as the level of risk varies. The internal Governance Group has an overview and is responsible for quality assurance within Cyngor Gwynedd.
- The Council has commissioned *Local Partnerships* to undertake a review of our governance arrangements, with the intention of providing the Council with an independent and objective challenge as well as offering any recommendations for improvement.
- While the regime and future risk management strategies are generally improving and strengthening, new arrangements have been put in place to try to standardise and try to harmonise the scores for very high risks. During 2025/26, our insurers were commissioned to review our risk management arrangements and their recommendations will be implemented during 2026/27.
- On the basis of Internal Audit work completed during 2025/26, it was considered that Cyngor Gwynedd's internal control framework during that financial year was operating at a level of reasonable assurance on the overall adequacy and effectiveness of the Authority's governance, risk management and internal control framework.
- There are robust arrangements in place for supporting Elected Members in Gwynedd, with 97% of Gwynedd Councillors reporting that the service provided by the Democracy Team is very good. We will continue to build on these solid foundations in the year ahead.
- The Head of Finance has carried out a self-assessment of compliance with the CIPFA Financial Management Code, and updates it at least once a year and the current assessment shows high compliance across all of the standards. Since 2025, we have commissioned CIPFA to undertake an independent audit of the self-assessment, and the outcome of that work will be considered when designing a financial support service for the future.
- The Apprenticeship Scheme has provided an opportunity for over 90 apprentices since 2019 and the Graduate Scheme (“Cynllun Yfory”) has given an opportunity to over 40 professional trainees since 2017 with many of them having been offered a job with the Council.
- The 2024 “Llais Staff” Survey was conducted during a challenging period that included fiscal uncertainty, political changes in the Council, and a period of further changes to our 'working for the future' working arrangements following the pandemic. As a result, there has been a slight decrease in the level of staff satisfaction in response to most of the questions, but the level of satisfaction remains high for some of the key indicators e.g. the score for the statement 'the Council is a good place to work' is 80%, and 87% for "I've been motivated to do my best in my job for the benefit of the people of Gwynedd." As in last year's survey, this year's survey consisted of 4 parts – Me and my Well-being, Me and my job, Me and my service and Me and my Employer.
  The 2026 “Llais Staff” Survey was conducted during February and March 2026 and the results will be analysed during 2026/27.
- Trade Unions were consulted and asked for feedback on the following areas:
  - Comments on the authority's performance and areas for improvement
    - Is the Council carrying out its duties effectively?
    - Is the Council making the best use of the resources at its disposal?
    - Does the Council have arrangements in place to ensure it performs effectively?
  - Tips for improving staff engagement and wellbeing

  Among the responses, it was noted that there was room for improvement in communication with unions regarding staffing issues in some departments, and there was a recognition that there was some way to go in terms of Social Partnership (when groups such as local government, businesses and trade unions work together to make decisions), as this is a learning process.

- Gwynedd was part of the National Resident Survey, the first of its kind to be conducted in Wales. There were 3,094 responses to the survey.
- The number of Valid Formal Complaints has decreased this year compared to last year, but those that have gone to the Ombudsman have increased. We are still working on reducing the time taken to respond to complaints and aim for the new Customer Contact Charter being developed to have a positive impact on this.
- The Procurement Team provides advice and support to services and ensures that the organisation follows regulations and best practice in procurement.
- The extensive training programme for Elected Members continues and includes core training in seven specific areas:
    i. Safe Leadership and Personal Safety
    ii. Code of Conduct
    iii. Well-being of Future Generations Act
    iv. Safeguarding Children and Adults
    v. Your Responsibility for Equality
    vi. Your Responsibility as a Corporate Parent
    vii. Information About People: Your Responsibility
- Setting a balanced budget for 2027/28 will be challenging, particularly given the need to ensure that departmental budgets are adequate to provide the necessary level of services for the people of Gwynedd, and to avoid overspending as seen in 2024/25 and 2025/26.
- An internal review is underway to improve our Council Tax collection arrangements, and actions have been introduced to increase collection rates in the future. This work will continue to receive attention over the coming year. We are also keen to ensure that issues such as this receive early attention in the future and will be looking to review our arrangements to ensure this happens.
- A Strategic Equality Plan for 2024-28 has been developed to provide a framework to improve fairness within the Council and ensure that we treat people according to their needs, and this work is ongoing.
- Each year the Council prepares a Financial Strategy and sets a balanced Budget to ensure continuity of service.
- The Council also publishes a Statement of Accounts at the end of each financial year showing its annual expenditure. The review of expenditure against budgets and monitoring that savings have been achieved by all Council departments, ensures that the services are operating efficiently. However, as noted earlier, the increasing pressures on the Council's budget are making it harder for departments to maintain the same level of services within the budget provided, leading to a risk of overspending
- The Local Government and Elections (Wales) Act 2021 has created new duties for Political Group Leaders to take an element of responsibility for promoting good behaviour and co-operating with the Standards Committee. A protocol and criteria for assessing the fulfilment of the duty were agreed in a workshop between the members of the Committee and the Leaders. These were adopted by the Standards Committee and would contribute to the preparation of the Committee's annual report. This work has been supported by regular meetings and communication with the Monitoring Officer.
- In accordance with the Local Government and Elections (Wales) Act 2021, a Panel Assessment on Cyngor Gwynedd's governance arrangements was undertaken during March 2026. The results of the Panel's work, and the recommendations of its report, will form the basis of the Council's governance developments during 2026/27.

4.2 For each of the Governance Risks, a current risk score is shown, which is the score after an objective assessment of the management arrangements currently in place. Two factors are taken into account:

- **Impact** of risk if the event is realised
- The **Probability** of it happening.

4.3 The Impact scores range from 1 (visible impact) to 5 (catastrophic impact), and the Probability scores of 1 (Very Unlikely) to 5 (happening now). The risk score is calculated by multiplying the impact score and the probability score together.

4.4 The relative level of risks is assessed as follows:

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

4.5 Following the self-assessment set out above, the Governance Group assesses the risk scores in the 24 governance areas as follows:

Area	Risk	Effect	Likelihood	Risk Score
Culture	Inappropriate culture within the Council can hinder our ability to do the right things in the correct manner	4	3	**12**
Conduct	Lack of integrity, ethics and respect in the conduct of members and officers, undermining the public's confidence in the Council	2	2	**4**
Lawfulness	Ignoring the rule of law, which means that the Council is open to challenges from the courts.	3	1	**3**
Being open	Council that is not open, meaning that it is not possible to hold it accountable for its decisions	2	1	**2**
Stakeholders	Weak relationship with institutional stakeholders, ending with sub-optimal services	3	3	**9**
Engagement	Failure to engage effectively with service users and individual citizens leads to prioritisation and poor decision making	3	4	**12**
Direction and vision	Direction and vision that is not rooted in the outcomes for individuals and therefore does not realise the needs of the People of Gwynedd	3	2	**6**
Sustainability	Failing to comply with the five principles of the Well-being of Future Generations Act	3	3	**9**
Decisions	Unwillingness to make decisions on action, which means a delay in achieving the outcomes for the people of Gwynedd	2	2	**4**
Planning Operations	Intervention without sufficient planning	2	2	**4**
Reviewing outcomes	Continuing to do the same things incorrectly because we don't review the outcomes of our actions	3	2	**6**
Property Assets	The Council's property assets not used to their full potential	2	2	**4**
Information Technology Assets	The Council's Information Technology assets not used to their full potential	3	3	**9**
Workforce Planning	Failure to plan the workforce in terms of attracting, developing and retaining staff	3	3	**9**
Leadership	Deficiencies in the Council's leadership means that we are not doing the right things	4	2	**8**

Area	Risk	Effect	Likelihood	Risk Score
Risk Management	Weaknesses in our risk management arrangements that increase the threat of something going wrong or failure to take an opportunity to improve	5	2	**10**
Performance	Weaknesses in our performance management arrangements mean that we cannot take appropriate steps to achieve our purpose	2	2	**4**
Internal Control	Unsuitable internal control arrangements which means that we either do not protect ourselves from risks, or waste resources on over-control	2	2	**4**
Information Management	Failure to maximise the potential of information in supporting Council business and failure to meet statutory requirements	4	3	**12**
Finance	Overspending due to underfunding or lack of financial control	5	3	**15**
Accountability	Poor reporting, lack of transparency and unsuitable for the audience	2	2	**4**
Assurance	Lack of assurance and accountability that raises suspicion amongst the public regarding what the Council is doing	3	5	**15**
Health, Safety and Wellbeing	Ineffective Health, Safety and Wellbeing Management System	5	3	**15**
Customer Contact	Lack of timely response to enquiries	3	4	**12**

We have been advised on the implications of the result of **the review of the effectiveness of the governance framework** by the Governance and Audit Committee, and that the arrangements **continue to be regarded as fit for purpose in accordance with the governance framework**. The areas that have already been addressed and those which the Council will address specifically have new ongoing action plans and are outlined below.

Part 5. SIGNIFICANT GOVERNANCE ISSUES

5.1 The above scores show that none of the 24 areas of governance present a very high risk. 7 is high risk and 8 is medium risk.

5.2 The self-assessment has identified the following improvements that will be implemented in 2026-27.

- In response to the recommendations of a study by Audit Wales we will be looking to improve our service commissioning arrangements.
- Improve training on risk identification and management.
- To act on the relevant recommendations in the Panel Assessment report.
- To act on the relevant recommendations in the Local Partnerships report.
- To act on the findings of the Staff Voice Survey, including appreciation and well-being.

5.3 An update on previous years' actions will be reported in Cyngor Gwynedd's Annual Performance Report and Self-Assessment 2025/26.

Part 6: OPINION

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

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DAFYDD GIBBARD **Cllr. NIA JEFFREYS**

CHIEF EXECUTIVE OF CYNGOR GWYNEDD **LEADER OF CYNGOR GWYNEDD**

DATE **DATE:**

Archwilio Cymru
Audit Wales

Audit of Accounts Report – Cyngor Gwynedd

Audit year: 2025-26

Date issued: September 2026

Document reference: 5498A2026



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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Introduction



Catherine Mealing-Jones

Auditor General for Wales

As the newly appointed Auditor General for Wales, I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of your 2025-26 accounts. My team have already discussed these findings with the Head of Finance.

My team have substantially completed the audit work as set out in my Audit Plan dated May 2026.

Since my Audit Plan, I have updated materiality to reflect the 2025-26 accounts. I have not identified any new audit risks. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared, and give a true and fair view, in all material aspects. My proposed audit opinion and basis for it is outlined on page 23.

It is the responsibility of those charged with governance, i.e. the Governance and Audit Committee to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my thanks to the officers and staff of Cyngor Gwynedd for their cooperation and support during the audit process.

Your audit at a glance



We intend to issue an **unqualified opinion** on the accounts.

See **Appendix 4**



There are no **other significant matters** to report.

See **Audit findings**



There are **uncorrected misstatements** in the accounts which we wish to draw to your attention

See **Audit findings**



The recommendations arising from our work will be set out in an Accounts Memorandum which will be communicated with officers in due course.



We are aiming to certify your accounts on **29 September 2026**, in line with the deadline of **30 September 2026**.

Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:

Materiality	Reporting threshold (trivial)
Set at 1% of gross expenditure based upon 2025-26 draft financial statements	Set at 5% of materiality
£6.029 million	**£0.301 million**

There are some areas of the accounts that may be of more importance to the user of the accounts. We confirm lower materiality levels for these:

Senior Officer Remuneration	Related party disclosures (individuals)
£1,000	£10,000

Audit Findings

Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Uncorrected misstatements

We set out below the misstatements we identified in the accounts, which have been discussed with management but remain uncorrected. We request that these misstatements be corrected.

If you decide not to correct these misstatements, we ask that you provide us with the reasons in writing for not correcting them:

Note 15 Property, Plant and Equipment

- Expenditure of £2.511 million incurred during the year on the redevelopment of an asset was incorrectly classified as additions to Land and Buildings rather than Assets Under Construction. As the new facility was not operational as at 31 March 2026, the expenditure should have been classified as an addition to Asset Under Construction. In addition, the original building, which was demolished as part of the redevelopment, had not been impaired, resulting in an overstatement of Land and Building of £0.318 million. Consequently, Property, Plant and Equipment was misstated, with Land and Buildings overstated by £2.829 million and Assets Under Construction understated by £2.511 million.
- Audit testing identified seven assets with a net book value of £0.750 million that were classified within operational Land and Buildings but were, in substance, Non-Operational Assets Under Construction. Although these assets were appropriately excluded from indexation no valuation misstatement was identified; however, their classification within Property, Plant and Equipment was incorrect.
- A number of individually trivial errors were identified in relation to the valuation and indexation of property assets at 31 March 2026. However, when considered in aggregate, these errors exceeded the triviality threshold, a total of £0.385 million. The errors related to an

incorrect index being applied to land; assets being omitted from the annual indexation process; Assets Held for Sale being excluded from the valuation process; an operational asset being incorrectly classified as an Asset Under Construction and therefore excluded from valuation; and desktop valuations required under the CIPFA Code's indexation framework not being undertaken for certain assets.

Note 21 Creditors – Trade payables

Audit testing identified an invoice of £0.349 million relating to capital works that had been accrued at year-end, despite the associated works not having been carried out by the reporting date. As a result, creditors were overstated by £0.349 million, with a corresponding overstatement of capital additions and the carrying value of Land and Buildings by £0.349 million.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of Cyngor Gwynedd's financial reporting process.

There were no such issues identified during the audit.

Other issues

Whilst there has been a noticeable improvement in the quality of working papers and supporting evidence provided for audit this year, the following matters are not considered significant issues and have therefore not been reported above. However, they are brought to the attention of those charged with governance as they highlight areas where processes could be strengthened to further improve the quality of financial reporting.

Asset valuation and indexation process

A number of individually trivial issues were identified in relation to the application of the new asset indexation requirements. Whilst we recognise that supporting guidance from CIPFA was issued later in the financial year and this was the first year of implementation, these findings highlight opportunities to strengthen review and quality assurance arrangements between the finance team and valuer. Enhanced review procedures would help ensure that all relevant assets are included within valuation processes and that valuation outcomes are appropriately assessed prior to the completion of the financial statements.

Recurring weakness in the preparation and review of related party disclosures

This is the third consecutive year in which audit testing has identified material errors within the related party disclosures. Although a dedicated working paper was introduced to address issues identified in the previous years, it was not completed or reviewed effectively during 2025-26, resulting in material misstatements within the disclosures. The recurring nature of these errors indicates that existing quality review arrangements are not operating effectively in this area. The Council should strengthen its preparation and review processes to ensure related party disclosures are complete, accurate and appropriately scrutinised prior to the submission of the draft financial statements.

Proposed audit opinion

Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 3**.

Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 4** which includes additional representations on the uncorrected misstatements.

Recommendations

The recommendations arising from our work will be set out in an Accounts Memorandum which will be communicated with officers in due course.

We will monitor progress against the recommendations during next year's audit.

Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

Exhibit 1: My local audit team

Engagement Lead	Matthew Edwards matthew.edwards@audit.wales
Audit Manager	Yvonne Thomas yvonne.thomas@audit.wales
Audit Lead	Sioned Owen sioned.owen@audit.wales

Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

The safeguards outlined in the Audit Plan regarding the Audit Manager and Audit Lead's acquaintances and/or family employed Cyngor Gwynedd were appropriately implemented to manage any potential conflicts.

Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement for the audit of Cyngor Gwynedd's accounts. **Exhibit 2** lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

Exhibit 2: Audit risks reported previously, work done and outcome

Audit risk	Work done	Outcome
Risk of management override The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team: • tested the appropriateness of journal entries and other adjustments made in preparing the financial statements; • reviewed accounting estimates for bias; and • evaluated the rationale for any significant transactions outside the normal course of business.	My audit work did not identify any instances of management override of controls.

Valuation of pension fund net liability/surplus The Local Government Pension scheme (LGPS) as reflected in the financial statements are material estimates. The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation. The impact of economic conditions, particularly interest rate levels also has a significant impact on the liability. At 31 March 2025 for example, the liability was in fact a surplus, primarily due to higher interest rates. A triennial valuation of the scheme has been undertaken as at 31 March 2025, which will impact upon disclosures in the Council's financial statements for the first time in the 2025-26 financial year. There are also several legal cases potentially impacting on the valuation of the net liability. There is a risk therefore that the liability/surplus is materially misstated.	The audit team: • evaluated the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary's work; • assessed the competence, capabilities and objectivity of the actuary who carried out the valuations; • assessed the accuracy and completeness of the information provided by Cyngor Gwynedd to the actuary to estimate the liability; • tested the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary; • assessed the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor's expert) and undertook any additional procedures required; and • assessed whether any legal cases could have a material impact on the net liability, and if so, confirmed that this had been appropriately recognised and disclosed within the financial statements.	My audit work did not identify any issues with the valuation of the pension valuation.

Valuation of land and buildings The value of land and buildings reflected in the balance sheet and notes to the accounts are material estimates. Land and buildings are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions, and changes in these can result in material changes to valuations. Assets are required to be revalued every five years, and for the 2025-26 financial year CIPFA have introduced new requirements for the subsequent measurement of assets, including the application of indexation. This will introduce additional judgements and calculations for finance teams to undertake.	The audit team: • reviewed the information provided to the valuer to assess for completeness; • evaluated the competence, capabilities and objectivity of the professional valuer; • tested a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process were reasonable, and the revaluations were correctly reflected in the financial statements; and • tested the reconciliation between the financial ledger and the asset register.	See **Audit Findings** for details in relation to the valuation of land and buildings following our audit work.

Senior officer remuneration There have been new permanent and interim appointments to senior posts during 2025-26. There is a risk that these are not appropriately disclosed in the financial statements as remuneration paid to senior officers continues to be of high interest and is material by nature. Therefore, there is a that as even low value errors in the disclosure could result a material misstatement.	The audit team: • ensured that remuneration disclosed were consistent with supporting evidence; • ensured that amounts paid were consistent with those approved by the Council; and • ensured that disclosures were complete based on the team's knowledge and were prepared in accordance with requirements.	My audit work did not identify any issues with the disclosure of senior officer remuneration, apart from minor narrative amendments.

Related party disclosures The financial statements must disclose any related party relationships along with the transactions and balances between the Council and the other body/party. The Council has many relationships that could be considered a related party. Many are well known for example, Welsh Government as funder. However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature. There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.	My audit team: • reviewed the Council's process for identifying related party relationships and associated transactions and balances; • undertook procedures to confirm the completeness of related party relationships; and • ensured disclosures were complete, accurate, consistent with evidence and in accordance with the Local Government Code.	See **Audit Findings** and **Appendix 2** for details of my findings in relation to related party disclosures.

Legal claims The Council has received potential claims for damages which could be material to the accounts. There is a risk that the financial statements are therefore materially misstated in respect of this matter.	My audit team: • engaged with management and the monitoring officer to understand the nature, likelihood and potential financial impact of any claims at year end; • ensured that all necessary disclosures regarding any claims were complete, accurate and in accordance with the Local Government Code; and • ensured they were correctly accounted for in the financial statements.	My audit work ensured that the relevant disclosures had been appropriately revised to reflect the current status of the legal claims.
Group Accounts determination and timeliness The Council is the sole proprietor of Byw'n Iach, a subsidiary company established to provide leisure services to the residents of Gwynedd. However, the Council had not completed its assessment of whether group accounts were required per the CIPFA Code of Practice for year ended 31 March 2026. Management indicated that this assessment would not be finalised until the capital accounting elements of the Council's own financial statements had been completed. There was therefore a risk that the Council could	My audit team: • engaged early with management and confirmed their assessment that group accounts were not required, ensuring this evaluation was completed and was not contingent on the completion of capital accounting entries; • performed a preliminary assessment of control and potential materiality of the subsidiary; and • monitored progress on the group assessment and confirmed management's conclusion that group accounts were not required, with no changes required to the audit timetable or audit	My audit work confirmed that group accounts were not required and no additional group audit procedures were necessary.

subsequently determine that group accounts were required at a later stage in the accounts preparation process. If group accounts were required but identified late, this could have: • resulted in delays to the preparation and audit of the group financial statements; • required unplanned consolidation procedures and additional audit work; • increased the risk of audit timetable slippage and delayed issuance of the audit opinion beyond the agreed deadline of 30 September 2026; • increased the risk of errors or omissions in consolidation adjustments due to time pressure; and • led to resourcing challenges for both the Council and Audit Wales.	approach, including consideration of ISA (UK) 600: 'Special considerations - Audits of group financial statements (Including the work of component auditors)'

Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts area	Explanation
£1.941 million	**Expenditure and Funding Analysis and Comprehensive Income and Expenditure Statement** Gross Income of Highways, Engineering and YGC; Environment; and Housing and Property decreased by £1.793 million, £0.049 million and £0.099 million respectively. Gross Expenditure Highways, Engineering and YGC; Environment; and Housing and Property decreased by £1.793 million, £0.049 million, and £0.099 million respectively.	Audit testing identified that capitalised costs had been incorrectly credited to income rather than offset against the expenditure, resulting in an overstatement of both income and expenditure. The misclassification had no impact on net expenditure or overall financial position.
£1.424 million	**Comprehensive Income and Expenditure Statement** Gross Income of Education, and Economy and Community decreased by £0.352 million and £1.072 million respectively. Gross Income of Financing and Investment Income and	Audit testing revealed that investment income was incorrectly classified as service income within Education and Economy and Community. This treatment is inconsistent with the CIPFA Code of Practice which requires

	Expenditure increased by £1.424 million. **Note 12 Financing and Investment Income and Expenditure** Interest receivable and similar income increased by £1.424 million. **Note 27 Expenditure and Income Analysis by Nature** Fees, charges and other service income decreased by £1.424 million. Corresponding adjustments have also been made to the Financial Instruments note (Note 17a (iii)) and Cash Flow Notes (Note 24c).	interest income to be reported within Financing and Investment Income and Expenditure.
£14.540 million	**Note 15 Property Plant and Equipment** Classification amendments of the following balances from Right of Use Assets to Land and Buildings: Additions of £0.466 million; Transfers of £14.431 million; Revaluation – to Revaluation Reserve of £0.357 million; Depreciation in year of £0.361 million; Depreciation – Revaluation of £0.361 million; and Net Book Value 31 March 2026 of £14.540 million.	Audit testing identified that a school building constructed and funded by the Council on leased land had been incorrectly classified and transferred as a Right of Use Asset. As only the land lease falls within the scope of IFRS 16, the building should have remained classified as Land and Buildings to reflect the substance of the arrangement and comply with the CIPFA Code of Practice.

	No effect on Total Property, Plant and Equipment values. **Note 35 IFRS 16 Leases** Additions / transfers decreased by £14.897 million; Revaluation increased by £0.357 million; and Balance at 31.03.26 decreased by £14.540 million.	
Various	**Note 33 Related Parties** Note 33.2 Members and Officers disclosure analysis and totals were restated.	Audit testing identified material errors in the related party disclosures for Members and Officers. All figures within the Members and Officers disclosure were amended, as the working paper used to identify related party transactions had not been updated to remove transactions relating to declarations from the prior year or to include transactions arising from declarations made during 2025-26. The total line within the disclosure was amended by an aggregate absolute value of £16.659 million, reflecting the cumulative impact of corrections made across the individual categories within the note. The disclosure was subsequently amended to

	ensure that related party transactions and balances were reported accurately.
There have also been numerous minor amendments as a result of our work.	

Appendix 3 – Proposed audit report

The report of the Auditor General for Wales to the members of Cyngor Gwynedd

Opinion on financial statements

I have audited the financial statements of Cyngor Gwynedd for the year ended 31 March 2026 under the Public Audit (Wales) Act 2004.

Cyngor Gwynedd's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Cyngor Gwynedd as at 31 March 2026 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Cyngor Gwynedd in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in

accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Cyngor Gwynedd's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Cyngor Gwynedd and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error; and
- assessing Cyngor Gwynedd's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the

responsible financial officer anticipates that the services provided by Cyngor Gwynedd will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Cyngor Gwynedd's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in management override;
- obtaining an understanding of Cyngor Gwynedd's framework of authority as well as other legal and regulatory frameworks that Cyngor Gwynedd operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cyngor Gwynedd; and

- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Cyngor Gwynedd's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Cyngor Gwynedd in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Appendix 4 – Letter of representation

[Cyngor Gwynedd's letterhead]

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Cardiff
CF10 4BZ

29 September 2026

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements of Cyngor Gwynedd for the year ended 31 March 2026 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Cyngor Gwynedd and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

- New building work with a value of £2.5m was incorrectly categorised as Land and Buildings rather than Assets Under Construction. As a result, the demolition work relating to the existing building on the site was not treated as impairment worth a value of £0.3m. Land and Buildings was therefore overstated by £2.8m. As the misstatement is not material, we have not actioned this amendment. The status of this building will be addressed in the 2026-27 accounts, where it is likely to be operational by the end of the year and requiring revaluation.
- Seven other buildings that were under construction were also categorised as operational Land and Buildings with a net value of £0.75m. The status of these buildings will be addressed in the 2026-27 accounts, but as the misstatement is not material, we have not actioned this amendment.
- A number of individually trivial errors in relation to indexation on 31 March 2026 were identified. This included assets which were omitted from the indexation process and unsuitable indices being applied to certain assets which also resulted in some assets being excluded from the revaluation process. In total these errors amount to £0.385m which exceeds the trivial threshold. This process was a new requirement from CIPFA for the 2025/26 accounts and the indexation process will be reviewed and the status of these buildings will be addressed for the 2026-27 accounts. As the misstatement is not material, we have not actioned this amendment.
- A creditor with a value of £0.349m in relation to capital works was accrued at year end despite the work not being completed by 31 March 2026. This arose from specific processes in relation to grant claims and also resulted in £0.349m being recognised as additions in Land and Buildings. The correct accounting treatment for the year end accruals process is set out as part of annual instructions issued to Council staff. Additional emphasis will be placed on this requirement for the 2026/27 accounts with particular reference to the requirements in relation to the submission of grant claims. As the misstatement is not material, we have not actioned this amendment.

Representations by the Governance and Audit Committee

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee on 29 September 2026.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Dewi Aeron Morgan Head of Finance	Chair of Governance and Audit Committee
Date: 29 September 2026	Date: 29 September 2026

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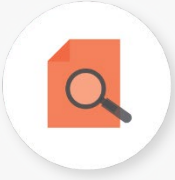
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We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Cyllid / Finance

Pennaeth Cyllid / Head of Finance: Dewi Morgan

Gofynnwch am/Ask for: Dewi Morgan

☎(01286) 682684

dewiaeronmorgan@gwynedd.llyw.cymru

Ein Cyf / Our Ref: DAM/BME

Eich Cyf / Your Ref:

29/09/2026

Auditor General for Wales

Wales Audit Office

1 Capital Quarter

Cardiff

CF10 4BZ

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements of Cyngor Gwynedd for the year ended 31 March 2026 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;

- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Cyngor Gwynedd and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

- New building work with a value of £2.5m was incorrectly categorised as additions to Land and Buildings rather than Assets Under Construction. As a result, the demolition work relating to the existing building on the site was not treated as impairment worth a value of £0.3m. Land and Buildings was therefore overstated by £2.8m. As the misstatement is not material, we have not actioned this amendment. The status of this building will be addressed in the 2026-27 accounts, where it is likely to be operational by the end of the year and requiring revaluation.
- Seven other buildings that were under construction were also categorised as operational Land and Buildings with a net value of £0.75m. The status of these buildings will also be addressed in the 2026-27 accounts, but as the misstatement is not material, we have not actioned this amendment.
- Several individually trivial errors in relation to indexation on 31 March 2026 were identified. This included assets which were omitted from the indexation process and unsuitable indices being applied to certain assets which also resulted in some assets being excluded from the revaluation process. In total, these errors amount to £0.385m which exceeds the trivial threshold. This process was a new requirement from CIPFA for the 2025/26 accounts and the indexation process will be reviewed and the status of these buildings will be addressed for the 2026-27 accounts. As the misstatement is not material, we have not actioned this amendment.
- A creditor with a value of £0.349m in relation to Capital works was accrued at year end despite the work not being completed by 31 March 2026. This treatment arose from specific processes in relation to grant claims and also resulted in £0.349m being recognised as additions in Land and Buildings. The correct accounting treatment for the year end accruals process is set out as part of annual instructions issued to Council staff. Additional emphasis will be placed on this requirement for the 2026/27 accounts with particular reference to the requirements in relation to the submission of grant claims. As the misstatement is not material, we have not actioned this amendment.

Representations by the Governance and Audit Committee

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee on 29 September 2026.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
	
Dewi Aeron Morgan	
Head of Finance	Chair of the Governance and Audit Committee
29 September 2026	29 September 2026

MEETING	Governance and Audit Committee
DATE	29 September 2026
TITLE	The GwE Joint Committee's Final Accounts for the year ended 31 May 2025 and relevant Audit
PURPOSE	To submit – • The GwE Statement of Accounts 2025/26 post-audit; • GwE Annual Governance Statement; • Audit Wales' 'ISA260' report; • Letter of Representation.
RECOMMENDATION	To receive and note the report of the Auditor General for Wales, approve the 2025/26 accounts, and authorise the Chair of the Governance and Audit Committee to sign the letter of representation for GwE.
AUTHOR	Dewi Aeron Morgan, Head of Finance, Cyngor Gwynedd

1. FINANCIAL REPORTING REQUIREMENTS

1.1 GwE, the Regional School Effectiveness and Improvement Service came to an end on 31 May 2025, as a result the Joint Committee did not meet after this date. The 2025/26 accounts are submitted to Cyngor Gwynedd's Governance and Audit Committee since Cyngor Gwynedd is the host council responsible for meeting the accounting responsibilities and reporting on the financial matters of GwE's Joint Committee.

1.2 There are specific accounting and audit reporting requirements for Joint Committees.

1.3 Section 12 of the Public Audit (Wales) Act 2004 states that a joint committee of two or more (local) authorities is a local government body, and Section 13 of the Act requires such bodies to maintain accounts subject to audit by an external auditor approved by the Auditor General for Wales.

1.4 Although it is not an independent legal entity, for the purposes of keeping accounts and being audited, the GwE Joint Committee is separately subject to the same regulations as other local councils.

2. ACCOUNTS FOR 2025/26

2.1 The Revenue Income and Expenditure Account 2025/26 for the period of two months up to 31 May 2025 in an "outturn" format, and The Statement of Accounts for 2025/26 (subject to audit) were presented to the Governance and Audit Committee on 9 July 2026.

2.2 The Statement of Accounts for 2025/26 (subject to audit) were released to the Auditors on 2 April 2026 and then placed on Cyngor Gwynedd's website on 17 April 2026.

3. AUDIT

The accounts have been subject to audit by Audit Wales over the past few months, and the 'ISA 260' report is presented here by the Auditor General for Wales detailing Audit Wales' main findings. Page 5 of the report states an "unqualified opinion on the accounts" for 2025/26.

4. FINAL ACCOUNTS FOR 2025/26

The GwE Statement of Accounts for 2025/26 (post audit) is also presented herewith. The issues raised as part of the audit have been outlined in Appendix 2 of the 'ISA260' report presented by Audit Wales on behalf of the Auditor General for Wales.

5. RECOMENDATION

The Governance and Audit Committee is asked to consider and approve the–

- 'ISA260' report by the Auditor General for Wales
- The GwE Statement of Accounts for 2025/26 (post audit)

6. LETTER OF REPRESENTATION

The Accounts and Audit (Wales) Regulations 2014 require the person presiding at the meeting, together with the Head of Finance, to certify the Letter of Representation electronically, after the Governance and Audit Committee has approved the above.

7. AUDITOR GENERAL FOR WALES CERTIFICATE

The Auditor General for Wales (Catherine Mealing-Jones) will issue the certificate on the accounts following receipt of the Letter of Representation duly certified by the person presiding at the meeting and the Head of Finance.

GwE Joint Committee
(Conwy, Denbighshire, Flintshire, Gwynedd, Anglesey and Wrexham councils)

STATEMENT OF ACCOUNTS 2025/26 (for the two months up to 31 May 2025)

Finance Department
Cyngor Gwynedd
www.gwynedd.llyw.cymru

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NARRATIVE REPORT

INTRODUCTION

The Regional School Effectiveness and Improvement Service (GwE) was established as a partnership between the six north Wales authorities, being Conwy County Borough Council, Denbighshire County Council, Flintshire County Council, Cyngor Gwynedd, Isle of Anglesey County Council and Wrexham County Borough Council, to be accountable to the councils and undertake the statutory function of the councils in respect of school improvement and effectiveness. This included the duty to monitor, challenge, provide support services for curriculum continued professional development and management of schools, and in addition to providing services to be commissioned by schools and local authorities.

Cyngor Gwynedd has been appointed as host authority in implementing and maintaining the service, and the Joint Committee of all the partners oversees the management of the service.

On 31 January 2024, Jeremy Miles, Minister for Education and Welsh Language, published a written statement: "The next stage in the review of school improvement - the roles and responsibilities of education partners in Wales" https://www.gov.wales/written-statement-next-stage-review-school-improvement-roles-and-responsibilities-education. This statement outlined changes to school improvement arrangements in Wales with the regional consortia model to be replaced by partnership models between two or more local authorities during 2025/26. As a result, the 6 authorities decided to bring GwE to an end on 31 May 2025, with all education services previously provided by GwE were transferred to the six north Wales local authorities with effect from 1 June 2025.

The GwE Joint Committee accounts for the two month period that GwE was operating during 2025/26 i.e. from 1 April 2025 to 31 May 2025 are presented here on pages 8 to 35. The Statements of Accounts are prepared in accordance with CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom 2025/26*.

The Statement of Accounts consists of:

- **Expenditure and Funding Analysis** – Whilst this is not a statutory statement, it shows how annual expenditure for the two months up to 31 May 2025 is used and funded in accordance with generally accepted accounting practices.

- **Comprehensive Income and Expenditure Statement** - This statement shows the accounting cost in the two months up to 31 May 2025 of providing services in accordance with generally accepted accounting practices.

- **Movement in Reserves Statement** – This statement shows the movement in year for the two months up to 31 May 2025 on the different reserves held by the Joint Committee, analysed into 'usable reserves' and 'unusable reserves'.

- **The Balance Sheet** - Sets out the financial position of the Joint Committee to the end of the financial year, which for 2025/26 is 31 May 2025.

- **The Cash Flow Statement** - This statement summarises the flow of cash to and from the Joint Committee during the period of two months up to 31 May 2025.

These accounts have been prepared on a going concern basis and are supported by this Narrative Report, the Accounting Policies and various notes to the accounts.

The period 2025/26 as stated in these accounts covers a period of two months, from 1 April 2025 to 31 May 2025, while the previous period stated in the accounts, i.e. 2024/25 includes a full financial year. The previous figures are included for information, as a fair comparison is difficult as the accounts are not comparing similar periods of twelve months.

GwE's Vision and Priorities

GwE was the north Wales regional school improvement service that worked alongside and on behalf of the north Wales local authorities – Conwy, Denbighshire, Flintshire, Gwynedd, Anglesey and Wrexham.

Their work was driven by an ambition to see the schools and organisations they worked with achieve their aspirations, and to see all learners succeed. GwE supported schools to become successful and confident learning organisations by working together to ensure that all learners have the education they deserved in a caring environment, so that they can be capable and resilient individuals who achieved their full potential whatever their race, gender, background and creed.

The Business Plan spanned a three-year period from 2023 onwards, and set out GwE's strategic objectives and the priorities for improvement and work programmes which were to be undertaken. The Business Plan is available at:
https://democracy.gwynedd.llyw.cymru/ielistdocuments.aspx?cid=243&mid=4879&ver=4

Following the announcement by Welsh Government that the regional consortia's arrangement was to end, 2024/25 and the two months relevant to 2025/26 was a transitional period. The priority was to continue supporting schools, until the establishment of the new way of working.

Financial Strategy

The Joint Committee's Financial Strategy and 2025/26 Budget that was adopted by the Joint Committee at its meeting on 19 February 2025 set out the foundation to achieve the improvement priorities. The strategy is available at:
https://democracy.gwynedd.llyw.cymru/ielistdocuments.aspx?mid=5005&x=1

2025/26 Financial Performance

- The Comprehensive Income and Expenditure Statement on page 9 shows that the Joint Committee's gross revenue expenditure on 'Cost of Services' level was £13,290k during 2025/26, with a net position of £12,152k.
- The 2025/26 financial outturn position is reported to the Cyngor Gwynedd Governance and Audit committee as a separate appendix to these accounts.
- The Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement on pages 9 and 10 detail the analysis in movements for the year.

TABLE 1 - Budget and Actual Comparison Summary (Net)

Table 1 provides a budgetary performance comparison at a summary level, which is detailed further in Table 2.

	Budget	Actual	Variance
	£'000	£'000	£'000
Expenditure on Operations	1,279	1,138	(141)
Income			
Council contributions			
Conwy	(111)	(90)	21
Denbighshire	(117)	(94)	23
Flintshire	(185)	(155)	30
Gwynedd	(136)	(111)	25
Anglesey	(58)	(43)	15
Wrexham	(152)	(125)	27
Other Income	(520)	(520)	0
Net (Underspend)/Overspend	**0**	**0**	**0**

TABLE 2 –Transposition movement between 'Budget and Actual Comparison Summary (Net)' (Table 1) to the Income and Expenditure format

	Performance Report (Out-turn)	Adjustments between Funding and Accounting Basis (Note 8)	Income & Expenditure Statement
	£'000	£'000	£'000
Expenditure	1,138	12,152	13,290
Income	(1,138)	0	(1,138)
Net Cost of Services	**0**	**12,152**	**12,152**

Material Items of Income and Expenditure

Related Items include:-

- (£12,313k) on pensions, being the remeasurement of the net defined benefit liability/(asset) relating to pensions, in line with Gwynedd Pension Fund's Actuary's assessment (Note 15).
- £11,623k being the Effect of Settlement in regards to pension within "Un-apportioned Expenses" in line with Gwynedd Pension Fund's Actuary's assessment (Note 22).

Other Issues

- On 31 January 2024, Jeremy Miles, Minister for Education and Welsh Language, published a written statement: "The next stage in the review of school improvement - the roles and responsibilities of education partners in Wales" https://www.gov.wales/written-statement-next-stage-review-school-improvement-roles-and-responsibilities-education. This statement outlined changes to school improvement arrangements in Wales with the regional consortia model to be replaced by partnership models between two or more local authorities during 2025/26. As a result, the 6 authorities decided to bring GwE to an end on 31 May 2025.
- As GwE had come to an end on 31 May 2025, the 2025/26 accounts include the appropriate financial arrangements for closing the Joint Committee. All education services previously provided by GwE were transferred to the six north Wales local authorities with effect from 1 June 2025, and as such the accounts have been prepared on a going concern basis.

Reserves

The Joint Committee did not have usable reserves during 2025/26.

Pension Fund

After GwE came to an end, The Joint Committee (as an employer) has a nil net liability from its share of the assets and liabilities of the Gwynedd Pension Fund as recognised on its Balance Sheet at 31 May 2025. This has been calculated in line with International Accounting Standard 19 by the Fund's Actuary, Hymans Robertson. Refer to Note 22 for further information.

Governance

GwE was responsible for ensuring proper governance arrangements, facilitating the effective exercise of its functions, which included arrangements for the management of risk. Further information is included within the Annual Governance Statement.

Accounting Policies

The Joint Committee's existing accounting policies are amended only insofar as to reflect the guidance in the 2025/26 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

Changes in Accounting Policies and to the Accounts

The Joint Committee's accounting policies have been amended to reflect only the changes required in accordance with proper accounting practices, following adjustments for the 2025/26 financial year to the Code of Practice on Local Authority Accounting in the United Kingdom.

Further Information

The Statement of Accounts is available on Cyngor Gwynedd's website https://www.gwynedd.llyw.cymru/en/Council/Performance-and-spending/Budgets-and-finance/Statement-of-Accounts/GwE-Joint-Committee.aspx

Further information relating to the accounts is available from:

Ffion Madog Evans
Assistant Head of Finance
Accounting and Pensions
01286 679133
Trysorydd@gwynedd.llyw.cymru

or

Gwion Elis Jones
Senior Accountant
01286 679060

Finance Department
Cyngor Gwynedd
Council Offices
Caernarfon
Gwynedd
LL55 1SH

This is part of the Council's policy of providing full information relating to the Council and the Joint Committees' affairs. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's website at the appropriate time.

Accessibility Statement

We are aware that, owing to the nature and format of the disclosures that are required to be included in this document, not all of the tables are fully compatible with accessibility standards. Should you have any questions regarding this statement of accounts or require any of the tables or disclosures to be provided in a more accessible format please contact Trysorydd@gwynedd.llyw.cymru.

GwE JOINT COMMITTEE

STATEMENT OF ACCOUNTS

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

THE COUNCIL'S RESPONSIBILITIES

Cyngor Gwynedd as host authority bears the responsibility for the arrangements and administration of the Joint Committee's financial affairs.

Cyngor Gwynedd is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In Cyngor Gwynedd, that "Section 151 Officer" is the Head of Finance. It is the Joint Committee's responsibility to manage its affairs to secure economic, efficient and effective use of its resources, to safeguard its assets, and to approve the Statement of Accounts.

_____ **29 September 2026**

Chair of Governance and Audit Committee, Cyngor Gwynedd

THE HEAD OF FINANCE'S RESPONSIBILITIES

The Head of Finance is responsible for the preparation of the GwE Joint Committee Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* ("the Code").

In preparing the statement of accounts, the Head of Finance has selected suitable accounting policies and then applied them consistently; has made judgements and estimates that were reasonable and prudent and complied with the Code.

The Head of Finance has also kept proper accounting records which were up to date, and has taken reasonable steps for the prevention and detection of fraud and other irregularities.

RESPONSIBLE FINANCIAL OFFICER'S CERTIFICATE

I certify that the Statement of Accounts has been prepared in accordance with the arrangements set out above, and presents a true and fair view of the financial position of the GwE Joint Committee at 31 May 2025 and the Joint Committee's income and expenditure for the two months then ended.



_____ **18 September 2026**

Dewi Aeron Morgan CPFA
Head of Finance, Cyngor Gwynedd

EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how expenditure is used and funded from resources in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2024/25				2025/26 (two months up to 31 May 2025)		
Net Expenditure to be Funded by Usable Reserve balances	Adjustments between the Funding and Accounting Basis (see Note 8)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure to be Funded by Usable Reserve balances	Adjustments between the Funding and Accounting Basis (see Note 8)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£'000	£'000	£'000		£'000	£'000	£'000
8,751	(1,775)	6,976	Employees	931	(210)	721
415	0	415	Property	33	0	33
150	0	150	Transport	20	0	20
448	0	448	Supplies and Services	58	0	58
1,191	0	1,191	Third Parties	96	0	96
0	807	807	Un-apportioned Expenses	0	12,362	12,362
(10,253)	0	(10,253)	Income	(1,138)	0	(1,138)
702	**(968)**	**(266)**	**Cost of Services**	**0**	**12,152**	**12,152**
(25)	0	(25)	Other Income and Expenditure	0	(1)	(1)
677	**(968)**	**(291)**	**(Surplus) / Deficit on Provision of Services**	**0**	**12,151**	**12,151**
(677)			Opening Balances of Usable Reserves	0		
677			(Surplus)/Deficit on Usable Reserves in Year	0		
0			Closing Balances of Usable Reserves	**0**		

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost of providing the Joint Committee service in accordance with generally accepted accounting practices.

2024/25					2025/26 (two months up to 31 May 2025)		
Gross Expenditure	Gross Income	Net Expenditure		Note	Gross Expenditure	Gross Income	Net Expenditure
£'000	£'000	£'000			£'000	£'000	£'000
6,976	0	6,976	Employees		721	0	721
415	0	415	Property		33	0	33
150	0	150	Transport		20	0	20
448	0	448	Supplies and Services		58	0	58
1,191	0	1,191	Third Parties		96	0	96
807	0	807	Un-apportioned Expenses		12,362	0	12,362
0	(10,253)	(10,253)	Income		0	(1,138)	(1,138)
9,987	**(10,253)**	**(266)**	**Cost of Services**		**13,290**	**(1,138)**	**12,152**
0	(25)	(25)	Financing and Investment Income and Expenditure	*11*	0	(1)	(1)
9,987	**(10,278)**	**(291)**	**(Surplus) / Deficit on Provision of Services**		**13,290**	**(1,139)**	**12,151**
		821	Remeasurement of the net defined benefit liability/(asset)	*15*			(12,313)
		821	**Other Comprehensive Income and Expenditure**				**(12,313)**
		530	**Total Comprehensive Income and Expenditure**				**(162)**

MOVEMENT IN RESERVES STATEMENT

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other 'unusable reserves'. The Statement shows how the movements in year of the Joint Committee's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (via the councils' contributions). The Net Increase/Decrease line shows the statutory General Fund Balance movements in the period following those adjustments.

		Movement in Reserves Statement		
	Note	**Total Usable Reserves**	**Unusable Reserves**	**Total Joint Committee's Reserves**
		£'000	**£'000**	**£'000**
Balance 31 March 2024 carried forward		**(677)**	**309**	**(368)**
Movement in reserves during 2024/25				
(Surplus)/Deficit on provision of services		**(291)**	**0**	**(291)**
Other Comprehensive Income and Expenditure		**0**	**821**	**821**
Total Comprehensive Income and Expenditure		**(291)**	**821**	**530**
Adjustments between accounting basis and funding basis under regulations	*9*	**968**	**(968)**	**0**
Net (Increase)/Decrease before Transfers to Usable Reserves		**677**	**(147)**	**530**
(Increase)/Decrease in 2024/25		**677**	**(147)**	**530**
Balance 31 March 2025 carried forward	*10+15*	**0**	**162**	**162**
Movement in reserves during 2025/26				
(Surplus)/Deficit on provision of services		**12,151**	**0**	**12,151**
Other Comprehensive Income and Expenditure		**0**	**(12,313)**	**(12,313)**
Total Comprehensive Income and Expenditure		**12,151**	**(12,313)**	**(162)**
Adjustments between accounting basis and funding basis under regulations	*9*	**(12,151)**	**12,151**	**0**
Net (Increase)/Decrease before Transfers to Usable Reserves	*10+15*	**0**	**(162)**	**(162)**
(Increase)/Decrease in 2025/26		**0**	**(162)**	**(162)**
Balance 31 May 2025 carried forward		**0**	**0**	**0**

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Joint Committee. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee. Reserves are reported in two categories. The first category of reserves is usable reserves, i.e. those reserves that the Joint Committee may use to provide services. The second category of reserves is those that the Joint Committee is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Pension Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2025 £'000		***Note***	**31 May 2025 £'000**
1,325	Short-term Debtors	*12*	0
605	Cash and Cash Equivalents	*13*	0
1,930	**Current Assets**		**0**
(2,092)	Short-term Creditors	*14*	0
(2,092)	**Current Liabilities**		**0**
0	Pension Liability	*22*	0
0	**Long-term Liabilities**		**0**
(162)	**Net Assets**		**0**
0	Usable Reserves	*10*	0
162	Unusable Reserves	*15*	0
162	**Total Reserves**		**0**

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating and investing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded by way of contributions from the authorities, grant income or from the recipients of services provided by the Joint Committee.

2024/25 £'000		Note	2025/26 £'000
(291)	Net (Surplus)/Deficit on Provision of Services		12,151
1,808	Adjustments to net surplus or deficit on the provision of services for non-cash movements	*16*	(11,546)
1,517	Net cash flows from Operating Activities		605
0	Investing Activities		0
0	Financing Activities		0
1,517	Net (Increase)/Decrease in cash and cash equivalents		605
(2,122)	Cash and cash equivalents at the beginning of the reporting period	*13*	(605)
(605)	**Cash and cash equivalents at the end of the reporting period**		**0**

NOTES TO THE ACCOUNTS

NOTE 1 – ACCOUNTING POLICIES

1.1 General Principles

The Statement of Accounts summarises the Joint Committee's transactions for the two months up to 31 May 2025 and its position at the end of that period. The Joint Committee is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 (as amended), in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2025/26,* supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is historical cost. The accounts have been prepared on a going concern basis.

The Joint Committee's practice was to operate on the basis that all items of expenditure are treated as revenue in the first instance. Whether any items of a capital nature (e.g. IT equipment, furniture) prove to have a material significance on the true and fair presentation of the financial position then the items would be treated according to proper practices.

The nature of the Joint Committee's transactions is limited and only the relevant policies can be seen below.

1.2 Accruals of Expenditure and Income

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

1.3 Cash and Cash Equivalents

The Joint Committee does not have its own bank account and cash is administered by Cyngor Gwynedd within its own accounts.

NOTE 1 – ACCOUNTING POLICIES (continued)

1.4 Employee Benefits

1.4.1 Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Joint Committee. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end that employees can carry forward into the next financial year. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement to the accumulated absences account so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs. With GwE having ended on 31 May 2025 there is no balance on the accumulated absences account at the date of the accounts.

1.4.2 Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an officer's employment before the normal retirement date or an officer's decision to accept redundancy voluntarily and are charged on an accruals basis in the Comprehensive Income and Expenditure Statement at the earlier of when the offer of those benefit can no longer be withdrawn or when the restructuring costs are recognised.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Joint Committee Fund balance to be charged with the amount payable by the Joint Committee to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

1.4.3 Post-employment Benefits

Employees of the Joint Committee are members of one pension scheme:

- The Local Government Pensions Scheme, administered by the Gwynedd Pension Fund at Cyngor Gwynedd.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees when they worked for the Joint Committee and their previous employers.

1.4.4 The Local Government Pension Scheme

All staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme. The pension costs charged to the Joint Committee's accounts in respect of these employees are determined by the fund administrators and represent a fixed proportion of employees' contributions to this funded pension scheme.

The Local Government Scheme is accounted for as a defined benefit scheme.

The liabilities of the Gwynedd Pension Fund attributable to the Joint Committee are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions such as mortality rates, employee turnover rates, etc., and projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate of 5.90% calculated as a weighted average of 'spot yields' on AA rated corporate bonds.

The assets of the Gwynedd Pension Fund attributable to the Joint Committee are included in the Balance Sheet at their fair value as determined by the Fund's Actuary.

NOTE 1 – ACCOUNTING POLICIES (continued)

The change in the net pensions liability is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of years of service earned this year – this is shown in the Comprehensive Income and Expenditure Statement.

- Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

- Net interest on the net defined benefit pension liability/(asset), i.e. the net interest expense for the Joint Committee – the change during the period in the net defined benefit pension liability/(asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit pension obligation at the beginning of the period to the net defined benefit pension liability/(asset) at the beginning of the period – taking into account any changes in the net defined benefit pension liability/(asset) during the period as a result of contributions and benefit payments.

Remeasurements comprising:

- The return on plan assets – excluding amounts included in net interest on the net defined benefit pension liability/(asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

- Asset ceiling adjustment – reduces to the calculated asset ceiling if this is lower than the asset position.

- Contributions paid to the Gwynedd Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Joint Committee to the Pension Fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The balance that arises on the Pensions Reserve thereby measures the impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

International Accounting Standard (IAS) 19 governs how the long-term liabilities which exist in relation to pension costs should be reported. Local councils (including Joint Committees) in England and Wales are required to produce their financial statements in accordance with IAS 19.

NOTE 1 – ACCOUNTING POLICIES (continued)

1.4.5 Discretionary Benefits

The Joint Committee also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

1.5 Events after the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events; and
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

1.6 Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change, and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Joint Committee's financial position or financial performance. Where a change is made, it is applied retrospectively (unless not material or stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

1.7 Government Grants and Other Contributions

Grants and contributions relating to capital and revenue expenditure are accounted for on an accruals basis, and recognised immediately in the Comprehensive Income and Expenditure Statement as income, except to the extent that the grant or contribution has a condition that the Joint Committee has not satisfied.

1.8 Overheads and Support Services

Charges for services provided by the Central Support Departments within Cyngor Gwynedd are derived from a combination of pre-determined fixed charges, actual recorded staff time, transaction logging and pre-determined formulae.

1.9 Reserves

Specific reserves are created to set aside amounts for future spending schemes. This is done through transfers out of the General Fund Balance in the Movement in Reserves Statement.

Certain reserves, namely "unusable reserves", are kept for the technical purpose of managing the accounting processes for non-current assets, financial instruments and employee benefits. These do not represent the usable resources of the Joint Committee.

NOTE 1 – ACCOUNTING POLICIES (continued)

1.10 Value Added Tax

Only in a situation when VAT is irrecoverable will VAT be included or charged as 'irrecoverable VAT'. Since the Joint Committee has not registered for VAT, the VAT is recovered through Cyngor Gwynedd's VAT registration.

1.11 Debtors and Creditors

The Joint Committee's Accounts are maintained on an accruals basis in accordance with the Code of Accounting Practice. The accounts reflect actual expenditure and income relating to the year in question irrespective of whether the payments or receipts have actually been paid or received in the year.

1.12 Joint Operations

Joint operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangements. The activities undertaken by the Joint Committee in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation to its interest in a joint operation, the Joint Committee as a joint operator recognises its share of assets, liabilities, revenue and expenses.

The GwE Joint Committee has been categorised as a Joint Operation, making use of the assets and resources of the operators rather than the establishment of a separate entity.

NOTE 2 – CHANGE IN ACCOUNTING POLICY

The Joint Committee's accounting policies are amended only insofar as to reflect the guidance in the 2025/26 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

NOTE 3- PRIOR PERIOD ADJUSTMENTS

There are no prior period adjustments during 2025/26.

NOTE 4 – ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires the expected impact of any accounting standards that have been issued but not yet adopted to be disclosed.

A review of the accounting standards has been carried out this year, but none of the standards in question will have a material impact on GwE.

NOTE 5 – CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in Note 1, the Joint Committee has had to make judgements, estimates and assumptions relating to complex transactions, those involving uncertainty about future events and also the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The judgements, estimates and associated assumptions applied are based on current proper practices, historical experience, and other factors that include historical and current assumptions and projections, and actual future projections, professional assessments, current trends, and local factors that are considered to be relevant.

In recent years there had been some uncertainty about levels of funding and distribution of Welsh Government grants, with these grants being paid directly to the authorities, who then commissioned GwE services. This issue formed an important part of the Joint Committee's financial strategy, and all known factors were given due consideration.

All available and related information is sourced and applied in assessing and determining the position, which is particularly critical when considering such matters as the actuarial valuation of pension fund assets and commitments. However, because these issues cannot be determined with certainty, actual results may subsequently differ from those estimates. The estimates and underlying assumptions are continually reviewed.

NOTE 6 – ASSUMPTIONS MADE ABOUT FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Joint Committee about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because certain balances cannot be determined with certainty, actual results could be different from the assumptions and estimates.

The following item in the Joint Committee's Balance Sheet at 31 May 2025 may be considered to be a significant risk (in terms of certainty in estimation of value), with the possibility of material adjustment.

Item	Uncertainties	Effect if actual results differ from assumptions
Pensions Liability	Estimating the net liability to pay pensions depends on a number of complex judgments relating to the discount rate used, the rate at which wages are expected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries are involved in giving expert advice to the council about the assumptions to be used. Brexit and Covid had negative effects on the UK economy and pension asset values, but inflation and interest rates have decreased, and the market seems to be improving and stabilizing. However, a pandemic or other global crisis could have a detrimental effect on asset returns, as well as an increase in interest rates to curb the rise of inflation as a result of the recovery.	The effects on the net pension liability of changes in individual assumptions are set out in Note 22.

NOTE 7 – MATERIAL ITEMS OF INCOME AND EXPENSE

Related items include:-

- (£12,313k) on pensions, being the remeasurements of the net defined benefit liability/(asset) relating to pensions, in line with Gwynedd Pension Fund's Actuary's assessment (Note 15).
- £11,623k being the Effect of Settlement within "Un-apportioned Expenses" in line with Gwynedd Pension Fund's Actuary's assessment (Note 22).

NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

2025/26	ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS			
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes £'000	Net change for the Pensions Adjustments (i) £'000	Other Differences (ii) £'000	Total Adjustments £'000
Employees	0	(48)	(162)	(210)
Property	0	0	0	0
Transport	0	0	0	0
Supplies and Services	0	0	0	0
Third Party	0	0	0	0
Un-apportioned Expenses	0	12,362	0	12,362
Income	0	0	0	0
Cost of Services	**0**	**12,314**	**(162)**	**12,152**
Other Operating Expenditure	0	0	0	0
Financing and Investment Income and Expenditure	0	(1)	0	(1)
Taxation and non-specific grant income	0	0	0	0
(Surplus) / Deficit on Provision of Services	**0**	**12,313**	**(162)**	**12,151**

2024/25	ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS			
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes £'000	Net change for the Pensions Adjustments (i) £'000	Other Differences (ii) £'000	Total Adjustments £'000
Employees	0	(1,628)	(147)	(1,775)
Property	0	0	0	0
Transport	0	0	0	0
Supplies and Services	0	0	0	0
Third Party	0	0	0	0
Income	0	807	0	807
Cost of Services	0	0	0	0
	0	**(821)**	**(147)**	**(968)**
Other Operating Expenditure				
Financing and Investment Income and Expenditure	0	0	0	0
Taxation and non-specific grant income	0	0	0	0
(Surplus) / Deficit on Provision of Services	0	0	0	0

NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS (continued)

(i) Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* for pension-related expenditure and income:

- For **Services,** this represents the removal of the employer pension contributions made by the Joint Committee as allowed by statute and the replacement with current service costs and past service costs.
- For **Financing and Investment Income and Expenditure,** the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

(ii) Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For **Services,** this represents an adjustment for accumulated absences earned but not taken during the year.
- For **Financing and Investment Income and Expenditure,** the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

NOTE 9 – ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Joint Committee in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Joint Committee to meet expenditure.

2025/26 ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS	Usable Reserve General Fund Balance	Movement in Unusable Reserves
	£'000	£'000
Adjustments primarily involving the Pensions Reserve:		
Reversal of items relating to retirement benefits debited/credited to the Comprehensive Income and Expenditure Statement (Note 22)	(12,445)	12,445
Employer's pensions contributions and direct payments to pensioners payable in the year	132	(132)
Adjustment primarily involving the Accumulated Absences Account		
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements (Note 8)	162	(162)
Total Adjustments	**(12,151)**	**12,151**

2024/25 ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS	Usable Reserve General Fund Balance	Movement in Unusable Reserves
	£'000	£'000
Adjustments primarily involving the Pensions Reserve:		
Reversal of items relating to retirement benefits debited/credited to the Comprehensive Income and Expenditure Statement (Note 22)	(1,609)	1,609
Employer's pensions contributions and direct payments to pensioners payable in the year	2,430	(2,430)
Adjustment primarily involving the Accumulated Absences Account		
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements (Note 8)	147	(147)
Total Adjustments	**968**	**(968)**

NOTE 10 – TRANSFERS TO/FROM USABLE RESERVES

The Joint Committee's usable reserves were used fully during the 2024/25 financial year and there were no transfers during 2025/26, and therefore there is no balance at 31 May 2025.

NOTE 11 – FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2024/25		2025/26
£'000		£'000
0	Net interest on the net defined benefit liability/(asset)	(1)
(25)	Interest Receivable	0
(25)	**Total**	**(1)**

NOTE 12 – SHORT-TERM DEBTORS

	31 March 2025	31 May 2025
	£'000	£'000
Trade Receivables	35	0
Prepayments	54	0
Other Receivable Amounts	1,236	0
Total	**1,325**	**0**

NOTE 13 – CASH AND CASH EQUIVALENTS

The Joint Committee does not have its own bank account and cash is administered by Cyngor Gwynedd within its own accounts. The figure shown in the table each year is the net cash sum held on behalf of the Joint Committee within the Cyngor Gwynedd amounts.

	31 March 2025	31 May 2025
	£'000	£'000
Cash in bank held by host authority	605	0
Cash and Cash Equivalents	**605**	**0**

NOTE 14 – SHORT-TERM CREDITORS

	31 March 2025	31 May 2025
	£'000	£'000
Trade Payables	268	0
Other Payables	1,824	0
Total	**2,092**	**0**

NOTE 15 – UNUSABLE RESERVES

31 March 2025		31 May 2025
£'000		£'000
0	Pensions Reserve	0
(162)	Accumulated Absences Account	0
(162)	**Total Unusable Reserves**	**0**

15.1 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Joint Committee accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Joint Committee makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible, with funding requirements set aside by the time the benefits are to be paid.

2024/25 £000			2025/26 £000
0	**Balance 1 April**		**0**
(821)	Re-measurements of the net defined benefit (liability) / asset (Note 22)		12,313
(1,609)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement		(12,445)
2,430	Employer's pensions contributions and direct payments to pensioners payable in the year		132
0	**Balance 31 March 2025**	**Balance 31 May 2025**	**0**

15.2 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at the end of the period. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account. There was no balance on the accumulated absence account at 31 May 2025 since GwE had come to an end.

2024/25 £000			2025/26 £000
(309)	**Balance 1 April**		**(162)**
147	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements		162
(162)	**Balance 31 March 2025**	**Balance 31 May 2025**	**0**

NOTE 16 – CASH FLOW STATEMENT: ADJUSTMENTS TO NET SURPLUS OR DEFICIT ON THE PROVISION OF SERVICES FOR NON-CASH MOVEMENTS

2024/25 £'000		2025/26 £'000
625	(Increase)/Decrease in Creditors	1,930
215	Increase/(Decrease) in Debtors	(1,325)
821	Pension Liability	(12,313)
147	Other non-cash items charged to net surplus/deficit on the provision of services	162
1,808		**(11,546)**

NOTE 17 – OFFICERS' REMUNERATION

17a. The Accounts and Audit (Wales) Regulations 2014 (as amended) require the Joint Committee to disclose the following information relating to employees appointed as Senior Officers. In compliance with the defined requirements, the pensionable pay, employer's pension contributions and other employer costs are included below (including termination benefits), but the employer's national insurance contributions are excluded. The following payments were paid to the Joint Committee's senior officers directly employed by GwE:

2024/25			Senior Officers	2025/26 (two months up to 31 May 2025)		
Salary £	Employer Pension Contributions £	Total £		Salary £	Employer Pension Contributions £	Total £
58,337	10,909	69,246	Head of GwE Service – Professional Learning[1]	14,655	2,740	17,395
60,220	11,261	71,481	Head of GwE Service – School Improvement[1]	15,101	2,824	17,925

1. The officers had been employed throughout 2024/25, but as chief officers from 1 August 2024, with only the cost of the chief officer role included above.

NOTE 17 – OFFICERS' REMUNERATION (continued)

17b. Other Joint Committee employees receiving more than £60,000 remuneration for the year* (excluding employer's pension and national insurance contributions), but including termination benefits. There were no redundancies in 2025/26, with the commitment for redundancies included in 2024/25. The 2024/25 numbers include termination benefits paid in 20 cases in 2024/25, and 4 of these posts would not appear below except for the termination benefits paid in the individual year.
The 2025/26 numbers include 16 members of staff who received a payment for unused holiday leave at the end of their employment with GwE. The holiday payments do not have an effect on the total numbers below, but rather have an effect on the band they are included in.

Number of other employees who would receive more than £60,000 and includes remuneration and termination benefits:		
Number in 2024/25*		**Number in 2025/26***
Total		**Total**
15	£60,000 - £64,999	8
14	£65,000 - £69,999	29
13	£70,000 – £74,999	5
5	£75,000 - £79,999	10
3	£80,000 - £84,999	0
2	£85,000 - £89,999	0
0	£90,000 - £94,999	0
2	£95,000 - £99,999	0
2	£100,000 - £104,999	0
2	£105,000 - £109,999	0
2	£110,000 - £114,999	0
0	£115,000 - £119,999	0
0	£120,000 - £124,999	0
2	£125,000 - £129,999	0
1	£130,000, - £134,999	0

**The numbers for 2025/26 and 2024/25 include staff which have started or finished in their employment during the year, adjusted to a full year of employment as is required.*

NOTE 18 – EXTERNAL AUDIT COSTS

The Joint Committee has incurred the following costs relating to external audit.

2024/25		**2025/26**
£'000		**£'000**
19	Fees payable to the auditor appointed by the Auditor General for Wales with regard to external audit services	20
0	Adjustment of external auditor's fees for the previous year	4
19	**Net Fees**	**24**

GwE's 2025/26 external audit fee budget has been transferred to Cyngor Gwynedd as host authority, to pay the Wales Audit Office, once the costs are final.

NOTE 19 – EXIT PACKAGES

The number of exit packages with total cost per band, and total cost of the compulsory and other redundancies are set out in the table below. The cost in the table below reflects the redundancy costs and pension contribution costs to the employer, rather than the actual value of the payments to the individuals.

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
£	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25 £'000	2025/26 £'000
0 - 20,000	5	0	1	0	**6**	**0**	74	0
20,001 - 40,000	4	0	2	0	**6**	**0**	161	0
40,001 - 60,000	3	0	1	0	**4**	**0**	186	0
60,001 - 80,000	0	0	2	0	**2**	**0**	142	0
80,001 – 100,000	3	0	0	0	**3**	**0**	272	0
100,001 – 150,000	3	0	0	0	**3**	**0**	353	0
150,001 – 200,000	1	0	0	0	**1**	**0**	198	0
200,001 – 250,000	1	0	0	0	**1**	**0**	220	0
250,001 – 300,000	0	0	0	0	**0**	**0**	0	0
300,001 – 350,000	0	0	0	0	**0**	**0**	0	0
350,001 – 400,000	1	0	0	0	**1**	**0**	356	0
400,001 – 450,000	0	0	0	0	**0**	**0**	0	0
450,001 – 500,000	1	0	0	0	**1**	**0**	455	0
Total	**22**	**0**	**6**	**0**	**28**	**0**	**2,417**	**0**

NOTE 20 – GRANT INCOME

The Joint Committee credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

	2024/25		2025/26	
	£'000	£'000	£'000	£'000
Grants and Contributions Credited to Services				
Welsh Government	253		29	
		253		**29**
Other Government Grants and Contributions				
Education Workforce Council	229		34	
Welsh Local Government Association	0		446	
		229		**480**
Grants and Contributions from the councils *(includes contributions to Core Service and Commissioning Agreement*)*				
Conwy	1,266		90	
Denbighshire	1,249		94	
Flintshire	1,821		155	
Gwynedd	1,509		111	
Anglesey	972		43	
Wrexham	1,572		125	
		8,389		**618**
Other Grants and Contribution		**198**		**11**
Transition Funding for School Improvement Partnership Programme Grant (£123k from each authority)		**738**		**0**
Contributions from the authorities to fund GwE overspend (£74k from each authority)		**446**		**0**
Total Grants and Contributions Credited to Services		**10,253**		**1,138**

** For the purpose of comparison with 2025/26, the 2024/25 core service and commissioning contributions have been combined.*

NOTE 21 – RELATED PARTIES

The Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee or to be controlled or influenced by the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee. To conform to the requirements, this is done by Members and Senior Officers completing a personal declaration, as defined in the CIPFA Code of Practice.

Function of the Joint Committee

The Regional School Effectiveness and Improvement Service (GwE) was established as a partnership between the six north Wales authorities, being Conwy County Borough Council, Denbighshire County Council, Flintshire County Council, Cyngor Gwynedd, Isle of Anglesey County Council and Wrexham County Borough Council, to be accountable to the councils and undertake the statutory function of the councils in respect of school improvement and effectiveness. Summarised below are the payments and income between the Joint Committee and the local authorities during the 2025/26 financial year. Cyngor Gwynedd has been appointed as host authority in implementing and maintaining the service, and the Joint Committee of all the partners oversees the management of the service.

	2025/26 (two months up to 31 May 2025)			
	Payments made	Amounts owed by the Joint Committee	Income Received	Amounts owed to the Joint Committee
Local authority	**£'000**	**£'000**	**£'000**	**£'000**
Conwy County Borough Council	25	0	90	0
Denbighshire County Council	9	0	94	0
Flintshire County Council	16	0	155	0
Cyngor Gwynedd	62	0	111	0
Isle of Anglesey County Council	0	0	43	0
Wrexham County Borough Council	9	0	125	0

Members

Members of the Joint Committee have an influence over the Joint Committee's financial and operating policies.

Members have declared an interest or relationship (as defined) in companies or businesses which may have dealings with the Joint Committee. During the two months up to 31 May 2025, no payments were made or owed by the Joint Committee for the related bodies.

Officers

The Joint Committee's Senior Officers have declared as required and where appropriate an interest or relationship (as defined) in companies, voluntary, charitable, or public bodies which receive payments from the Joint Committee. During the two months up to 31 May 2025 no payments were made or owed by the Joint Committee for the related bodies.

NOTE 22 – PENSION COSTS

As part of the terms and conditions of employment of its officers and other employees, the Joint Committee makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Joint Committee has a commitment to make the payments. These need to be disclosed at the time that employees earn their future entitlement.

GwE participates in two post-employment schemes:

a) **The Local Government Pension Scheme** administered locally by Cyngor Gwynedd. This is a funded defined benefit scheme based on final salary for service up to 31 March 2014 and based on a career average salary from 1 April 2014. The Joint Committee and the employees pay contributions into the fund, calculated at a level intended to balance the pensions liabilities with investment assets.

b) **Arrangements for the award of discretionary post-retirement benefits upon early retirement.** This is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Gwynedd Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme, and the governance of the scheme is the responsibility of the Pensions Committee of Cyngor Gwynedd. Policy is determined in accordance with the Local Government Pensions Scheme Regulations.

The principal risks to the Joint Committee from the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (such as large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the amounts required by statute as described in the accounting policies note to the General Fund.

Transactions Relating to Post-employment Benefits

The Joint Committee recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge it is required to make against council tax (via the councils' contributions) is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

NOTE 22 – PENSION COSTS (continued)

Change in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability	Net (liability) /asset	
	31 March 2025	31 May 2025
	£'000	£'000
Fair Value of plan assets	29,888	32,638
Present value of funded obligations	(23,764)	(21,982)
Effect of the asset ceiling	(6,124)	(10,656)
Opening Position as at 1 April	**0**	**0**
Service Cost		
- Current service cost*	(802)	(84)
- Past service cost (including curtailments)	(807)	(739)
- Effect of settlements**	0	(11,623)
Total Service Cost	**(1,609)**	**(12,446)**
Net interest		
- Interest income on plan assets	1,483	308
- Interest cost on defined benefit obligation	(1,186)	(208)
- Interest on the effect of the asset ceiling	(297)	(99)
Total Net Interest	**0**	**1**
Total Defined Benefit Cost Recognised in Profit or (Loss)	**(1,609)**	**(12,445)**
Cash flows		
- Participants' contributions	0	0
- Employer contributions	1,618	950
- Benefits paid	0	0
Expected closing position	**9**	**(11,495)**
Remeasurements		
- Changes in financial assumptions	4,135	400
- Changes in demographic assumptions	44	0
- Other experience	211	0
- Return on assets excluding amounts included in net interest	(164)	340
- Changes in the effect of the asset ceiling	6,421	10,755
Total remeasurements recognised in Other Comprehensive Income (OCI)	**10,647**	**11,495**
Fair value of plan assets	32,638	0
Present value of funded obligations	(21,982)	0
Closing Position at the end of the financial year	**10,656**	**0**

* The current service cost includes an allowance for administration expenses of 0.6% of payroll.

** Notes the financial impact of the end of the agreement between GwE and the Gwynedd Pension Fund on 31 May 2025.

NOTE 22 – PENSION COSTS (continued)

Pensions assets and liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plan is as follows:

	31 March 2025 £'000	31 May 2025 £'000
Fair value of plan assets	32,638	0
Present value of obligations	(21,982)	0
Subtotal	**10,656**	**0**
Effect of IAS 19/ IFRIC 14	(10,656)	0
Net Asset/(Liability)arising from Defined Benefit Obligation	**0**	**0**

The actuarial valuation of the Joint Committee's pension scheme liabilities and pension reserve shown on the Balance Sheet reports a net asset or liability of zero.

At 31 May 2025, with GwE having come to an end, there was no liability or asset recognised.

At 31 March 2025, the Joint Committee's Actuary, Hymans Robertson LLP, determined that the fair value of the Joint Committee's pension plan assets outweighed the present value of the plan obligations resulting in a pension plan asset. IFRIC 14 and IAS 19 Employee Benefits require that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling, which is capped at £0

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The Joint Committee's actuary calculated the asset ceiling as the net present value of future service costs less net present value of future contributions. The calculated asset ceiling at 31 March 2025 resulted in greater future service contributions than future service costs so the economic benefit is limited to zero. The Joint Committee relies and places assurance on the professional judgement of the Actuary and the assumptions used to calculate this actuarial valuation.

NOTE 22 – PENSION COSTS (continued)

Fair Value of Employer Assets

The asset values below are at bid value as required under IAS 19.

Asset Category	At 31 March 2025				At 31 May 2025			
	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total		Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total	
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
Equity Securities								
Consumer	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0
Energy and Utilities	0	0	0	0	0	0	0	0
Financial Institutions	0	0	0	0	0	0	0	0
Health and Care	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Debt Securities								
Other	0	0	0	0	0	0	0	0
Private Equity								
All	0	1,762	1,762	5	0	0	0	0
Real Estate								
UK Property	0	2,077	2,077	6	0	0	0	0
Overseas Property	0	0	0	0	0	0	0	0
Investment Funds and Unit Trusts								
Equities	0	18,025	18,025	55	0	0	0	0
Infrastructure	0	963	963	3	0	0	0	0
Other	0	9,592	9,592	29	0	0	0	0
Derivatives								
Inflation	0	0	0	0	0	0	0	0
Cash and cash equivalents								
All	0	219	219	1	0	0	0	0
Totals	**0**	**32,638**	**32,638**	**100**	**0**	**0**	**0**	**0**

NOTE 22 – PENSION COSTS (continued)

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, life expectancy and salary levels. Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females.

Both the Gwynedd Pension Scheme and Discretionary Benefits liabilities have been estimated by Hymans Robertson, an independent firm of actuaries. Estimates for the Gwynedd Pension Fund were based on the latest full valuation of the scheme as at 31 March 2022. The significant assumptions used by the actuary in the following table have had a significant impact on the values of the assets and liabilities as follows:

	31 March 2025	31 May 2025
Financial Assumptions	**% p.a.**	**% p.a.**
Pensions Increase Rate	2.75	2.75
Salary Increase Rate	3.25	3.25
Inflation Rate	2.75	2.75
Discount Rate	5.80	5.90
Long-term expected rate of return on all categories of assets	5.80	5.90
Take-up option to convert annual pension into retirement lump sum		
for pre-April 2008 service	65	65
for post-April 2008 service	65	65
Mortality assumptions	**Years**	**Years**
Longevity at 65 for current pensioners		
Men	21.6	21.6
Women	24.1	24.1
Longevity at 65 for future pensioners		
Men	22.6	22.6
Women	25.6	25.6

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. In order to quantify the impact of a change in the financial assumptions used, the actuary has calculated and compared the value of the scheme commitments as at 31 May 2025 on varying bases. The approach taken is consistent with that adopted to derive the IAS 19 figures provided in this note.

To quantify the uncertainty around life expectancy, the actuary has calculated the difference in cost to the Joint Committee of a one-year increase in life expectancy. For sensitivity purposes this is assumed to be an increase in the cost of benefits of broadly 3-5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

NOTE 22 – PENSION COSTS (continued)

Impact on the Joint Committee's Cash Flows

One of the objectives of the scheme is that employer contributions should be kept at as constant a rate as possible. Funding levels are monitored on an annual basis.

The contributions paid by the Joint Committee are set by the Fund Actuary at each triennial valuation, or at any other time as instructed to do so by the administering authority. The contributions payable over the period up to 31 May 2025 are set out in the Rates and Adjustments certificate. For further details on the approach adopted to set contribution rates for the Joint Committee, please refer to the 2022 actuarial report dated 28 March 2023.

Impact on 2025/26

The total contributions from the GwE Joint Committee to the Local Government Pension Scheme in 2025/26 for the two months up to the end of 31 May 2025, when the GwE service ended, was £119k.

As the Actuary's report is based on estimates and due to timing issues, adjustment of £818k in 2025/26, ((£812k) in 2024/25), to bring the position in the Scheme based on the Actuarial figures in line with the closing position as at 31 May 2025. This variance has been treated as Actuarial Gains and Losses on Pension Assets and Liabilities.

NOTE 23 – EVENTS AFTER THE REPORTING PERIOD

The Statement of Accounts was authorised by the Head of Finance on 02 April 2026. Events taking place after this date are not reflected in the financial statements or related notes. Where events taking place before this date provided information about conditions existing at 31 May 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect its impact.

As part of the winding up of GwE, a surplus in the pension fund valuation was identified as of GwE's termination date of 31 May 2025. This amount was calculated to be £9,384k. From this total, the Gwynedd Pension Fund designated that £5,129k was due to the six authorities as an exit credit. The Gwynedd Pension Fund arranged payments to the authorities based on contributions made over the lifetime of the Joint Committee. This matter was unrelated to GwE's operations and, consequently, does not appear in the accounts above.

Glossary

Actuarial Gains and Losses – For a defined benefit pension scheme, the changes in actuarial surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

Asset – Items of worth that are measurable in terms of value.

- A current asset will be consumed or will cease to have material value within the next financial year.
- A non-current asset provides benefit to the Joint Committee and to the services it provides for a period of more than one year.

Balances (or Reserves) – These represent accumulated funds available to the Joint Committee. Some balances (reserve) may be earmarked for specific purposes for funding future defined initiatives or meeting identified risks or liabilities.

Capital Expenditure – Expenditure on the procurement of a non-current asset, which will be used in providing services beyond the current accounting period or expenditure that adds to, and not merely maintains, value of an existing non-current asset.

CIPFA (Chartered Institute of Public Finance and Accounting) – The professional institute for accountants working in the public sector.

Creditors – Amounts owed by the Joint Committee for work done, goods received or services rendered, for which payments have not been made by the end of that accounting period.

Current Service Cost – The increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period.

Debtors – Amount owed to the Joint Committee for work done, goods received or service rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

Defined Benefit Scheme – A pension or other retirement benefit scheme other than a defined contribution scheme.

Defined Contribution Scheme – A pension or other retirement benefit scheme into which an employee pays regular fixed contributions as an amount or as a percentage of pay, and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employees benefits relating to the employee Service in the current and prior periods.

Effect of Settlements – Marks the end of the agreement between GwE and Gwynedd Pension Fund.

Fair Value – The price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial Instruments – Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.

General Fund – This is the main revenue fund of the Joint Committee, and it includes the net cost of all services financed by local taxpayers and Government grants.

Impairment – A reduction in the carrying value of a fixed asset below its carrying value (due to obsolescence, damage or an adverse change in the statutory environment).

International Financial Reporting Standards (IFRS) – A suite of accounting standards used across the world. They must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Inventories – Amounts of unused or unconsumed stocks held in expectation of future use. They are categorised as goods or other assets purchased for resale, consumable stores, raw materials and Components, Products and Services in intermediate stages of completion and finished goods.

Investment Property – Property that is held solely to earn rentals or for capital appreciation, or both.

Liability – Amounts due to individuals or organisations which will have to be paid at some time in the future.

Related Parties – Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

The report of the Auditor General for Wales to the members of Cyngor Gwynedd

Opinion on financial statements

I have audited the financial statements of GwE Joint Committee for the two months ended 31 May 2025 under the Public Audit (Wales) Act 2004.

GwE Joint Committee's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of GwE Joint Committee as at 31 May 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of GwE Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

I note that the GwE Joint Committee formally ceased operations on 31 May 2025, with its functions and services transferred to the six constituent local authorities. In line with Practice Note 10, the continued provision of service approach applies in the public sector context, whereby the going concern basis remains appropriate if the underlying services are expected to continue, even if the entity itself ceases to operate.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters
In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the two-month period to 31 May for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance

Matters on which I report by exception
In the light of the knowledge and understanding of GwE Joint Committee and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements
As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error; and
- assessing GwE Joint Committee's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by GwE Joint Committee will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements
My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit for Cyngor Gwynedd and those charged with governance, including obtaining and reviewing supporting documentation relating to GwE Joint Committee's policies and procedures concerned with:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud management override.
- Obtaining an understanding of GwE Joint Committee's framework of authority as well as other legal and regulatory frameworks that GwE Joint Committee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of GwE Joint Committee.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee of Cyngor Gwynedd and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the GwE Joint Committee's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit
I certify that I have completed the audit of the accounts of GwE Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

ANNUAL GOVERNANCE STATEMENT

This statement meets the requirement to produce a Statement of Internal Control pursuant to Section 5 of the Accounts and Audit (Wales) Regulations 2014 (as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

Part 1: SCOPE OF RESPONSIBILITY

1.1 GwE was established as a Joint Committee to be a regional school effectiveness and improvement service by the 6 North Wales local authorities in 2013 by undertaking the functions that are detailed in an agreement between the Joint Committee and the authorities. In the agreement, the Councils agreed to work together in a partnering relationship to establish a Regional School Effectiveness and Improvement Service to be accountable to, and undertake the statutory functions of the Councils in respect of school improvement and effectiveness.

1.2 The vision was to establish a Regional School Effectiveness and Improvement service to be accountable to, and undertake the statutory responsibilities of the six local North Wales Authorities in respect of the duties to monitor, challenge, provide support services for curriculum, continued professional development and management of schools, and in addition provide services that can be commissioned by schools and local authorities.

1.3 GwE 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.

1.4 In discharging this overall responsibility, GwE 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.

1.5 On December 18th, 2023, Jeremy Miles, then Minister for Education and Welsh Language halted the Middle Tier Review accepting the interim findings as final. On December 19th, 2023, the Welsh Government rationalised pre-16 education grants that were allocated to Local Authorities and Regional Consortia into the Local Authority Education Grant (LAEG). On January 31st, 2024, Jeremy Miles, Minister for Education and Welsh Language published a written statement: *The next stage in the review of school improvement - the roles and responsibilities of education partners in Wales*. This statement outlined changes to school improvements arrangement in Wales with the regional consortia model being replaced by a partnership model between two or more Local Authorities.

1.6 Following the Welsh Government decision to amalgamate the main education grants under one heading, the Local Authority Education Grant (LAEG) from 2024-25 onwards, the grant has been paid to the Local Authorities to manage and delegate funding directly to schools. The requirements, risks, terms and conditions of the grant are now the sole responsibility of the individual Local Authorities. To ensure continuity of support to schools while the review progresses, Welsh Government noted that they expected any current regional working arrangements to continue during this time and be facilitated through the specific grant funding to support curriculum and professional learning in schools. The 'Curriculum for Wales' and 'Professional Learning and Leadership' elements of the 'Reform' LAEG were fully transferred to GwE by all 6 regional Authorities to deliver support on these aspects whilst meeting the terms and conditions of the grant. The GwE Budget for 2024-25 also reflects a decision by the six Local Authorities to reduce their contribution to the core service by 10%.

1.7 These decisions have had a significant impact on the service provided by GwE and school improvement arrangements in North Wales from April 1st, 2024. Specifically:

- GwE has changed from being a 'regional joint service' to a commissioned service.
- GwE is a client providing a differentiated commission to the Local Authority.

- The strategic direction for school improvement is provided by the Chief Education Officers who are held accountable by local scrutiny arrangements.
- GwE had to strictly adhere to the commission defined by the Local Authorities which is captured in the individual Commissioning Agreement for the Financial Year 2024-25.

1.8 This statement details the arrangements that have been in place for the financial year 2024-25 and in the context of the above changes.

Part 2: THE PURPOSE OF THE GOVERNANCE FRAMEWORK

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

2.2 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.

2.3 The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of GwE'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.

2.4 The governance framework described above has been in place at GwE for the year ended 31 March 2024 and up to the date of approval of the 2024-25 statement of accounts.

Part 3: GOVERNANCE ARRANGEMENTS AND THEIR EFFECTIVENESS

3.1 The GwE Management Board monitors matters of governance, raising a wider awareness of these, and promoting a wider ownership of the Annual Governance Statement.

3.2 To demonstrate good governance, GwE must show that it is complying with the core (and supporting) principles contained within the Framework for Delivering Good Governance in Local Government (CIPFA / Solace, 2016). This statement has been prepared in accordance with those principles.

3.3 An outline is given of the Governance Areas and GwE's arrangements to deal with these, and the effectiveness of these arrangements, in the remainder of this section of the Annual Governance Statement.

3.4 This statement details the arrangements that have been in place for the financial year 2024-25 and in the context of the changes outlined in Part 1.

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

How we do this:

- GwE follows the host authority (Gwynedd Council) operating rules, which details how decisions need to be made and the procedures to be followed to ensure they are efficient, transparent and available to local people.
- The GwE Inter Authority Agreement have agreed to the following principles of good governance:
    - Openness and Trust
    - Commitment and Drive
    - Skills and Creativity
    - Effective Relationships
    - Developing and Adaptive
    - Reputation and Standing
    - Reasonableness of Decision Making
    - Necessary Consents
    - Members and Officers' Commitments
- The voting members of the GwE Joint Committee are governed by the Code of Conduct of their relevant Council. The Codes of Conduct for Councillors and employees within the Constitution of the host authority are built upon the principles of openness, transparency and honesty
- The following service and personal values are embedded within the service and have been set to enable the service to achieve the vision and objectives for delivery. These include:
    - Respect;
    - Trust;
    - Wellbeing;
    - Innovate and inspire;
    - Support and collaborate;
    - Cymru a'r Gymraeg
- Staff are expected to demonstrate the highest standards of the service behaviors and values.

- GwE, supported by the host authority, has procedures in place to ensure the Joint Committee meetings are conducted effectively and decision making is effective.
- All meetings of the Joint Committee during 2024-25 have been held virtually via Zoom. Guidance has been produced for Members in relation to attending virtual meetings.

Principle B	Ensuring openness and comprehensive stakeholder engagement
Assessment	Assured

How we do this:

- The Joint Committee meetings are open meetings, and all papers are published on the host authority (Gwynedd Council) website and the GwE website.
- The Joint Committee meetings have a forward calendar of meetings set out for the year ahead.
- GwE encourages stakeholder engagement and feedback via a broad range of communication and engagement methods. Examples include: attendance at Headteacher Federation meetings; cluster groups; weekly bulletin; networks, social media etc.
- Openness and comprehensive stakeholder engagement is ensured through:
    - Joint working ensuring strong governance and regional consistency in support, messaging and guidance given to schools.
    - Establishing clear lines of communication with key stakeholders.
    - Reports for the Joint Committee
    - Sharing regular updates and ensure contact and support.
    - Sharing information, key messages and work streams with LAs / Elected Members.
    - Updating key stakeholders on various GwE matters.
    - Sharing regional information and ensure consistent messages.
    - Ensuring consistency as regards national and regional information.
    - Ensuring effective communication.
    - Liaising with key stakeholders.

- Teamwork, joint working and collaboration has also been at the heart of the work with schools. GwE has encouraged schools to collaborate through sharing practice and co-constructing areas that need improving. We have invested in various cluster models, alliances and networks, and encouraged schools to find a range of appropriate partners to deliver improvement and changes. All schools in the region are part of a cluster or a forum where they can come together to discuss operational issues as well as sharing best practice. This joint work facilitated by GwE staff has been very successful and sets a very strong infrastructure in place for future work.
- The region has also looked outward for good practice in terms of identifying effective peer review models as well as encouraging our schools to develop and evolve their own practice. GwE believe that peer engagement should closely complement the dimensions identified within the OECD publication 'What Makes a School a Learning Organisation'. The principles within sit within all Professional Learning and across GwE.

- Critical to the development of the learning organisation work, there are four transversal themes which run throughout to include Trust, Time, Technology and Thinking Together. These have been fundamental in developing GwE's approach to developing strong partnerships as trust underpins the relationships needed internally and externally for learning organisations to thrive.
- There has been agreement with Headteachers on a series of regional principles for peer engagement. A model of peer review and improvement planning was agreed (the Schools

Partnership Programme [SPP]), approved by the Management Board and Joint Committee. All GwE SIAs have received continuous training and support on peer review, facilitation, mentoring and coaching and a programmes is in place to offer SPP training to all 405 regional schools and the Referral Units.

Principle C	Defining outcomes in terms of sustainable economic, social and environmental benefits
Assessment	Assured

How we do this:

- Each Local Authority has a detailed Business Plan and a Commissioning Agreement agreed upon by the head of service and the core lead.
- GwE Business Plans with each Local Authority embrace the Terms and Conditions of the Reform grant. The plans outline how and when each priority will be met and set expectations in terms of the next steps. The plans note the support and provision available to all regional schools in terms of the 'Curriculum for Wales' and 'Professional Learning and Leadership' elements.
- The GwE Professional Learning Offer responded specifically to the terms and conditions of the grant, and offered a provision to support these aspects. The Offer was to all practitioners in north Wales in the form of a regularly updated catalogue GwE Professional Offer.
- GwE has reported to the Joint Committee and the Local Authorities on the Reform element of the grant in 2024-25.
- The clear and robust accountability framework in a key strength in GwE. Detailed business plans address all aspects of the work of GwE. Plans are fully costed, with clear success criteria and milestones for delivering objectives.
- Staff on all levels fully understand their responsibility for continued improvement and accountability. Ongoing issues are referred to GwE Senior leaders in a timely manner.
- Self-evaluation is a strong feature in GwE and the self-evaluation process is cyclical and ongoing. Great emphasis is placed on accountability and continuous review, and there is consistent emphasis on progress in line with priorities.
- GwE have also developed an Evaluation and Impact Strategy so that it can clearly evaluate and capture impact of its work in line with its core school improvement function and to enable it to fully meet the expectations as outlined in the School Improvement Guidance. The purpose of the strategy is to articulate clearly how GwE will engage in ongoing evaluation processes in line with its commitment to developing a culture of continuous improvement as a learning organisation. The self-evaluation processes will draw upon a range of sources that are both qualitative and quantitative which support schools in working towards the national priorities.
- There are rigorous and comprehensive arrangements in place to identify and manage risks on a local, regional and national level. The risk register is a live document, which is kept under regular review to identify increasing risks or risks which are no longer deemed as high level. It is presented to the Joint Committee on an annual basis and when new risks are identified, of which the Joint Committee needs to be made aware.

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

How we do this:

- GwE has procedures in place to ensure the Joint Committee meetings are conducted effectively and that decision making is effective. A series of reports have been produced and shared with the Management Board and the Joint Committee during the year.

- Visits by Estyn HMI through the Regional Consortia Link Inspector were held during the year.
- GwE has an agreed Inter Authority Agreement (IAA) that sets out clearly how the Joint Committee operates and how decisions are made and procedures need to be followed to ensure efficiency, transparency and accountability.
- The Joint Committee is a joint committee constituted by the Councils under section 101(5) and 102(1) of the Local Government Act 1972 and section 20 of the Local Government Act 2000. Meetings of the Joint Committee are subject to the provisions of the Local Government Act 1972 including the provisions on access to information and meetings held in public.
- Members of the Joint Committee and the public have the full benefit of access to the Joint Committee papers and supporting information.
- The Joint Committee meets a minimum of three times a year.
- The IAA identifies the following two categories of decisions together with the means by which they will be taken:
    - 'Joint Committee Matter' – being a matter which is to be decided upon at a quorate (3 voting members) meetings of the Joint Committee by those present and entitled to vote and any such decision will be binding on all the Councils;
    - 'Matter Reserved To The Councils' – being a matter which will have to be referred to each Council for decision and, for the avoidance of doubt, any such matter will not be dealt with by the Joint Committee (as the case may be) until the matter has been determined by all of the Councils. If the Councils fail to reach the same decision in respect of such matter then the matter shall be referred under Dispute Resolution as a dispute for resolution.
- The terms of reference and delegated powers of the Joint Committee are to promote joint working in the delivery of the Service through:
    - facilitating constructive partnership working;
    - engaging with key interested bodies and stakeholders when appropriate;
    - carrying out such other activities calculated to facilitate, or which are conducive to the successful delivery of the Service;
    - to oversee the management of the Service and ensure that the Service is provided and performs in accordance with the expectations of the Partner Authorities as reflected in the Full Business Case, Inter Authority Agreement and agreed Annual Business and Commissioning Plans;
    - to approve the budget for the Service on an annual basis;
    - to approve the business plan for the Service on an annual basis;
    - to monitor and manage the risks associated with the Service;
    - to ratify requests from the Service for additional budget funding from individual Councils;
    - to approve the staff structure of the Service;
    - to appoint the Managing Director of the Service;
    - to decide on disciplinary action against the Managing Director;
    - where required, to determine or arrange for the determination of appeals in relation to Human Resources matters.
- The Joint Committee is supported by a Management Board with the following terms of reference:
    - Co-construct the annual Business Plan, including the individual appendices to identify specific requirements at individual LA Level;
    - Monitor progress against the priorities and outcomes identified in the Business Plan on a regular basis;

- Have arrangements in place to make sure that GwE financial controls and systems are robust;
- Provide professional advice to the Joint Committee with regard to the appointment of the Managing Director;
- Regularly report to the Joint Committee.

- Self-evaluation is a strong feature in GwE and the self-evaluation process is cyclical and ongoing. Great emphasis is placed on accountability and continuous review, and there is consistent emphasis on progress in line with priorities.

- The consortium has effective financial management processes in place. Communication and consultation on financial arrangements is effective, and GwE staff, the host local authority and Joint Committee all review the core funding and grant expenditure on a regular basis.

- Through the self-evaluation process, the link between the business planning process and decisions regarding financial planning is strengthened as the work streams that underpin the business plan clearly note the resources to be used.

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

How we do this:

- GwE staff have re-purposed their work appropriately over the last few years to continue to deliver effective services and support for all their communities of schools during and after the pandemic.
- Communication and engagement within the leadership structure of GwE has been regular and clear.
- GwE have kept true to their vision and values as an organisation that is continually learning.
- The OECD's transversal themes of Trust, Thinking together, Time and Technology have remained at the heart of the work with schools and partners.
- The service in its entirety has re focused several times to meet the needs of the range of stakeholders. The ability to be flexible and agile and to work effectively together in different teams, often cross sector, has had significant impact on organisational behaviour and external perception. At the heart of the refocusing has been the need to ensure that the well-being of school leaders, their staff and learners is paramount to the decision-making and ensuring that the right level of support, operational or professional, can be directed accurately by the service.
- The consistency and quality of challenge and support to schools is good. Regular training, support and discussions ensure that Supporting Improvement Advisers' knowledge and understanding of national and local developments, and the implications of this on their roles, is good.
- Quality Assurance processes continue to develop and evolve in line with national developments and principles. The Professional Review process has continued during the year which take into account training or development needs.
- Members also of staff have access to appropriate induction tailored to their role with ongoing training and professional development.
- The health and well-being of children and the workforce continues to be a priority, and doing all we can to support the well-being of our school staff, children and young people across the region.
- Messages and information are communicated clearly and on a regular basis to all employees. Generic, purposeful and effective support programmes are offered.

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

How we do this:

- The clear and robust accountability framework in a key strength in GwE. Detailed business plans address all aspects of the work of GwE. Plans are fully costed, with clear success criteria and milestones for delivering objectives.
- Self-evaluation is a strong feature in GwE and the self-evaluation process is cyclical and ongoing. Great emphasis is placed on accountability and continuous review, and there is consistent emphasis on progress in line with priorities.
- Each Local Authority has a detailed Business Plan and a Commissioning Agreement agreed upon by the head of service and the core lead.
- GwE Business Plans with each Local Authority embrace the Terms and Conditions of the Reform grant. The plans outline how and when each priority will be met and set expectations in terms of the next steps. The plans note the support and provision available to all regional schools in terms of the 'Curriculum for Wales' and 'Professional Learning and Leadership' elements.
- The consortium has effective financial management processes in place. Communication and consultation on financial arrangements is effective, and GwE staff, the host local authority and Joint Committee all review the core funding and grant expenditure on a regular basis.
- There are arrangements in place to identify and manage risks on a local, regional and national level. The risk register is a live document, which is kept under regular review to identify increasing risks or risks which are no longer deemed as high level. It is presented to the Joint Committee on an annual basis and when new risks are identified, of which the Joint Committee needs to be made aware.

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

How we do this:

- The regional service evaluates its work regularly and uses information effectively to ensure that areas for improvement are identified swiftly and are firmly addressed via detailed business planning.
- The Joint Committee meetings are open meetings and all papers are published on the host authority (Gwynedd Council) website and the GwE website.
- GwE is a 'relevant body' which must maintain an adequate and effective system of internal audit of its accounting records and system of internal control. In order to comply with these statutory requirements, the internal audit service of the host authority is provided to GwE in accordance with the Public Sector Internal Audit Standards ("PSIAS"). The Standards are relevant to every internal audit service provider for the public sector, whether internal, shared service or external.

Part 4: SIGNIFICANT GOVERNANCE ISSUES

4.1 The above assessment indicates that there are no issues which are a significant governance issue.

Part 5: GOVERNANCE MATTERS IDENTIFIED

5.1 No governance issues were identified in 2024/2025.

Part 6: OPINION

We are of the opinion that the governance arrangements described above offer strong assurance that our governance arrangements work well.





GwE Lead Officer

Date: 21/05/2025

EUROS DAVIES

GwE HEAD OF SERVICE

Vice-Chair of GwE Joint Committee

Date: 21/05/2025

COUNCILLOR PHIL WYNN

WREXHAM COUNTY BOROUGH COUNCIL

Archwilio Cymru
Audit Wales

Audit of Accounts Report – GwE Joint Committee

Audit year: 2025-26

Date issued: September 2026

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Introduction



Catherine Mealing-Jones

Auditor General for Wales

I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of the GwE Joint Committee's (the Joint Committee) final two months of operations up to 31 May 2025, prior to the transfer of its services back to the local authorities in north Wales. My team have already discussed these findings with the Assistant Head of Finance, Sustainability and Developments.

My team have substantially completed the audit work as set out in my Audit Plan dated April 2026.

Since my Audit Plan, I have updated materiality to reflect the 2025-26 accounts. I have not identified any new audit risks. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared, and give a true and fair view, in all material aspects. My proposed audit opinion and basis for it is outlined on page 16.

It is the responsibility of the those charged with governance, i.e. the Governance and Audit Committee, Cyngor Gwynedd to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my gratitude to the officers and staff of Cyngor Gwynedd as host authority for their cooperation throughout the audit process which has been invaluable in completing this audit effectively.

Your audit at a glance



We intend to issue an **unqualified opinion** on the accounts

See **Appendix 4**



There are no **other significant matters** to report

See **Audit findings**



There are no **uncorrected misstatements** in the accounts, which we wish to draw to your attention

See **Audit findings**



We are aiming to certify your accounts on **30 September 2026**, following approval by the Governance and Audit Committee of Cyngor Gwynedd on 29 September 2026, which is in line with the deadline of 30 September 2026.

Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:

Materiality	Reporting threshold (trivial)
Set at 2% of gross expenditure (excluding pensions' effect of the settlement) based upon 2025-26 draft financial statements	Set at 5% of materiality
£33,000	**£1,650**

There are some areas of the accounts that may be of more importance to the user of the accounts. We confirm lower materiality levels for these

Remuneration report	Related party disclosures
£1,000	£10,000

Audit Findings

Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of Joint Committee's financial reporting process.

There were no such issues identified during the audit.

Proposed audit opinion

Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 3**.

Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 4,** the contents of which are in line with our standard request for representations.

Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

Exhibit 1: My local audit team

Engagement Lead	Matthew Edwards matthew.edwards@audit.wales
Audit Manager	Yvonne Thomas yvonne.thomas@audit.wales
Audit Lead	Siwan Glyn siwan.glyn@audit.wales

Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement for the audit of GwE Joint Committee accounts. Exhibit 2 lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

Exhibit 2: Audit risks identified following issue of my Audit Plan

Audit risk	Work done	Outcome
Risk of management override The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team: • tested the appropriateness of journal entries and other adjustments made in preparing the financial statements; • reviewed accounting estimates for bias; and • evaluated the rationale for any significant transactions outside the normal course of business.	My audit work did not identify any instances of management override of controls.

Cessation of the Joint Committee The Joint Committee ended in its current form on 31 May 2025, with services being transferred back to the local authorities in North Wales. There is a risk that the financial statements have not been prepared on an appropriate basis, are not accurate and complete, and do not adequately explain the cessation of the Joint Committee and the transfer of services.	The audit team: • reviewed the narrative report, notes to the accounts, and accounting policies for clarity, accuracy and completeness; and • ensured that the cessation date, transfer arrangements, and financial consequences were transparently disclosed.	See Appendix 2 for details of my findings in relation to the cessation of the Joint Committee.

Valuation of pension fund and settlement amount The Local Government Pension scheme (LGPS) pension fund valuations as reflected in the financial statements are material estimates. The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation, including economic conditions such as interest rate levels. On cessation of operations on 31 May 2025, the LGPS pension position was settled, resulting in a £nil closing balance. Due to the judgment and estimation involved, there is a risk that the valuation and pension settlement amount has not been appropriately calculated, recognised, or disclosed, leading to a potential material misstatement.	The audit team: • evaluated the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary's work; • assessed the competence, capabilities and objectivity of the actuary who carried out the valuations; • assessed the accuracy and completeness of the information provided by the Authority to the actuary to estimate the valuation and settlement figure; • tested the accuracy of the pension fund valuation and disclosures in the financial statements with the actuarial report from the actuary; • assessed the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor's expert) and undertaking any additional procedures required; • assessed whether the pension transactions relating to the cessation of the Joint Committee were treated correctly.	See Appendix 2 for details of my findings in relation to the valuation of pension fund and settlement amount.

Senior Officer Remuneration Remuneration paid to senior officers continues to be of high interest and is material by nature. Therefore, there is a that as even low value errors in the disclosure could result a material misstatement.	The audit team: • ensured that remuneration disclosed was consistent with supporting evidence; • ensured that amounts paid were consistent with those approved by the Joint Committee; and • ensured that disclosures were complete based on the team's knowledge and were prepared in accordance with requirements.	My audit work did not identify any issues with the disclosures of Senior Officer Remuneration

Related Party Disclosures The financial statements must disclose any related party relationships along with the transactions and balances between the Joint Committee and the other body/party. The Joint Committee has many relationships that could be considered a related party, for example, Cyngor Gwynedd as host authority. However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature. The cessation of the Joint Committee means there may be difficulty obtaining declarations from members and officers who have left the Joint Committee. There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.	The audit team: • reviewed the Joint Committee's process for identifying related party relationships and associated transactions and balances; • undertook procedures to confirm the completeness of related party relationships; and • ensured disclosures were complete, accurate, consistent with evidence and are in accordance with the Local Government Code.	My audit work did not identify any issues with the disclosures of Related Parties

Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts area	Explanation
Disclosure only	**Annual Governance Statement (AGS)**	GwE did not prepare an AGS for 2025/26 on the basis that it ceased operations on 31 May 2025, and governance arrangements remained unchanged from 2024/25. This was not compliant with the Accounts and Audit Regulations 2015, which requires an entity to undertake an annual review of its internal control and prepare an AGS for each financial year, approved prior to the Statement of Accounts. The 2024-25 AGS was taken to those charged with governance to approve the extension of the 2024-25 AGS to cover the two-month period to 31 May 2025.
£10,656,000	**Note 15.1 Pensions Reserve / Note 22 Pensions Cost** **Not**	A £10.656m discrepancy was identified between the opening pension reserve (Note 15.1) in the 2025-26 IAS 19 actuarial report and the opening balance disclosed in the financial statements due to the omission of an asset ceiling

		adjustment from the actuary report. The opening balance in the financial statements was confirmed as correct. As a result, the IAS 19 actuarial report was revised to reflect the correct opening position, and the resulting misstatements in pension reserve movements were corrected. This also resulted in a number of consequential amendments to pension-related entries and disclosures and entries throughout the financial statements.
Various – disclosure only	**Various**	In addition to enhanced disclosures relating to the cessation of the Joint Committee, a number of narrative, formatting and grammatical improvements were also made to the financial statements.

Appendix 3 – Proposed audit report

Proposed audit report

The report of the Auditor General for Wales to the members of the Governance and Audit Committee of Cyngor Gwynedd in respect of GwE Joint Committee

Opinion on financial statements

I have audited the financial statements of GwE Joint Committee for the two months ended 31 May 2025 under the Public Audit (Wales) Act 2004.

GwE Joint Committee's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of GwE Joint Committee as at 31 May 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'.

My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of GwE Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

I note that the GwE Joint Committee formally ceased operations on 31 May 2025, with its functions and services transferred to the six constituent local authorities. In line with Practice Note 10, the continued provision of service approach applies in the public sector context, whereby the going concern basis remains appropriate if the underlying services are expected to continue, even if the entity itself ceases to operate.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material

inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the two-month period to 31 May for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of GwE Joint Committee and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error; and
- assessing GwE Joint Committee's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by GwE Joint Committee will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit for Cyngor Gwynedd and those charged with governance, including obtaining and reviewing supporting documentation relating to GwE Joint Committee's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud management override.
- Obtaining an understanding of GwE Joint Committee's framework of authority as well as other legal and regulatory frameworks that GwE Joint Committee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of GwE Joint Committee.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee of Cyngor Gwynedd and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the GwE Joint Committee's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of GwE Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Appendix 4 – Letter of representation

Final letter of representation

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Date

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements of GwE Joint Committee for the two-month period ended 31 May 2025 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects the GwE Joint Committee and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.
The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures, are appropriate to

achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor, accounted for, and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements.

Representations by the Governance and Audit Committee

We acknowledge that the above representations made by management have been discussed with us. We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee of Cyngor Gwynedd on 29 September 2026.

We confirm that we have taken all necessary steps to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Dewi Aeron Morgan Head of Finance, Cyngor Gwynedd	Chair of the Governance and Audit Committee, Cyngor Gwynedd
29 September 2026	29 September 2026

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board acts as a link to our Board on audit quality. For more information see our latest audit quality report.



Our People

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality
Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

Supporting you

Audit Wales has a range of resources to support the scrutiny of Welsh public bodies, and to support them in continuing to improve the services they provide to the people of Wales.

Visit our website to find:



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Information on our upcoming work and forward work programme for performance audit.



Data tools to help you better understand public spending trends.



Details of our Good Practice work and events including the sharing of emerging practice and insights from our audit work.



Our newsletter which provides you with regular updates on our public service audit work, good practice, and events.

Archwilio Cymru
Audit Wales

Audit Wales

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Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Cyllid / Finance
Pennaeth Cyllid / Head of Finance: Dewi Morgan

Final Letter of Representation

Gofynnwch am/Ask for: Dewi Morgan
☎ (01286) 682684
✉ dewiaeronmorgan@gwynedd.llyw.cymru
Ein Cyf / Our Ref: DAM/BME
Eich Cyf / Your Ref:

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

29 September 2026

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements of GwE Joint Committee for the two-month period ended 31 May 2025 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects the GwE Joint Committee and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- Our r knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor, accounted for, and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements.

Representations by the Governance and Audit Committee

We acknowledge that the above representations made by management have been discussed with us. We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee of Cyngor Gwynedd on 29 September 2026.

We confirm that we have taken all necessary steps to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Dewi Aeron Morgan	
Head of Finance, Cyngor Gwynedd	Chair of the Governance and Audit Committee, Cyngor Gwynedd
29 September 2026	29 September 2026

MEETING:	**GOVERNANCE AND AUDIT COMMITTEE**
DATE:	**29 SEPTEMBER 2026**
TITLE:	**TREASURY MANAGEMENT QUARTERLY UPDATE**
PURPOSE:	**CIPFA's Code of Practice requires that the prudential indicators are reported on a quarterly basis**
RECOMMENDATION:	**RECEIVE THE REPORT FOR INFORMATION**
AUTHOR:	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

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1. Introduction

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi- annual and annual outturn reports.

This quarterly report provides an additional update up to 30 June 2026 and includes the requirement in the 2021 Code of quarterly reporting of the treasury management prudential indicators.

The Council's Treasury Management Strategy for 2026/27 was approved at Full Council on 5 March 2026. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy.

2. External Context

2.1 Economic Background

The main story for the quarter was the continuation of the Middle East conflict, started on 28th February with strikes by Israel and the US on Iran. The conflict led to the closure of the Hormuz Strait, a waterway through which around 20% of the world's oil and liquified natural gas (LNG) flows, resulting in sharp rises in energy and other commodity prices. Towards the end of the quarter, the US and Iran came to an agreement to negotiate a peace settlement, which prompted a reduction in energy commodity prices, albeit remaining higher than pre-war.

Coming close on the heels of the last energy price shock in 2022 following Russia's invasion of Ukraine, central bank policymakers and financial markets reacted quickly to reflect the new reality for monetary policy. In the UK, the CPI inflation rates was widely expected to fall back to 2% in April, with changes to government energy policy announced in the Budget reducing energy bills and

therefore headline inflation rates. Instead, the sharp rise in petrol prices arising from the war maintained the CPI rate well above target at 2.8%.

Having been primed to cut Bank Rate from 3.75%, the Bank of England's Monetary Policy Committee (MPC) instead help Bank Rate stead throughout Q1 2026/27. While sending hawkish signals with each monetary policy decision, and the voting split changing from a 9-0 hold in March to a 7-2 hold in June, the majority appear to believe that the UK economy and labour market are soft enough to absorb the price shock without producing the persistent inflationary conditions seen in 2022, which led to Bank Rate rising to 5.25%. This appears to be backed up by business surveys towards the end of the quarter suggesting that business pricing pressures, while elevated, are abating.

Against expectations, UK headline consumer price inflation (CPI) decreased over the quarter, from an annual rate of 3.3% in March to 2.8% in May, but still well above the Bank of England's 2% target. The core measure of inflation also decreased, from 3.1% to 2.6% over the same period. Upside pressure in inflation generally reflected fuel prices, but many other categories experienced disinflation, providing some evidence that higher energy prices were not immediately feeding into a wider subset of products.

Inflation will rise from July, however, as the retail energy price cap is increased by 13%. Expectations range from inflation rising to 3.5% to 4.0% and the MPC's resolve to maintain Bank Rate at 3.75% will likely be tested as this point.

Data released during the period showed the UK economy expanded by 0.6% in the first quarter of the calendar year, following three previous quarters of weaker growth. However, monthly GDP data showed a contraction of 0.1% in April as weaker confidence affected spending and investment decisions. PMI data indicated that softer growth was also likely in May and June, with the services PMI denoting a small contraction in activity from both months.

Labour market data showed a continued softening in employment conditions, as weaker private sector earnings growth was reported for the period February to April 2026. The unemployment rate for April was 4.9%, PAYE employment was down over the year and the number of vacancies continue to fall. The looser labour market is supporting the MPC's decision not to tighten monetary policy, with the likelihood of wage growth rising in line with inflation appearing remote.

Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate remain at 3.75%, and that the BoE would focus on the spare capacity in the economy, notably the labour market, rather than the upside risk of persistent inflation. The balance of risks over the near term, however, is deemed to be to the upside as signs of second round inflationary effects will prompt policymakers to raise interest rates. Over the medium term, the balance of risk for Bank Rate shifts to the downside, with tighter monetary policy, higher prices and weaker growth presenting downside risks for inflation.

The US Federal Reserve also held interest rates steady the period, maintaining the Fed Funds Rate at 3.50%-3.75%. The decision in June was the sixth consecutive month where no changes were made to the main interest rate. US CPI jumped to 4.2% in May on the back of higher gasoline prices, raising the possibility that policy under new Fed Chair Kevin Warsh may lean to higher rather than lower rates.

The European Central Bank hiked rates in June, the first rise since September 2023. ECB noted heightened uncertainty in the near-term from the effects of the war, including higher inflation and potentially weaker growth. The June move to 2.40% represented an insurance move in order to maintain inflation around the 2% target.

2.2 Financial markets

After the sharp deterioration early in the quarter, sentiment in financial markets showed signs of improvement during the period as hopes for an end to the war increased. However, bond and equity markets remained volatile. Early in the period bond yields rose sharply due to tighter monetary policy expectations, but yields have steadily declined as it became apparent central banks, including the Bank of England, were not going to immediately hike rates. Equity markets sold off sharply in March but have seen gained back some of the previous declines, particularly in US markets, where AI-related sentiment remains strong.

Political uncertainty in the UK due to poor local election results for the Labour party placed upward pressure on medium and longer-term gilt yields. The eventual resignation of Keir Starmer and likely accension of Andy Burnham reduced some uncertainty and prompted a decline in yields.

Over the quarter, the 10-year UK benchmark gilt yield started at 4.86% and ended at 4.75% having hit 5.20% in late April. The 20-year gilt yield was more stable, starting at 5.45% and finished at 5.40%. The Sterling Overnight Rate (SONIA) averaged 3.73% over the quarter to 30th June.

2.3 Credit review

Arlingclose maintained its advised recommended maximum unsecured duration limit on the majority of the banks on its counterparty list at 6 months. The other banks remain on 100 days.

During the quarter, Fitch upgraded numerous banks due to a rating methodology change, which placed greater emphasis on resolution regimes, loss-absorbing debt buffers and depositor protection. It also changed the reference obligations used for Issuer Default Ratings and introduced more differentiated notching between deposits, senior preferred, senior unsecured and senior non-preferred debt ratings.

Credit default swap prices on UK banks spiked in April following escalation in the Iran war, but eased back throughout the rest of the quarter.

European banks' CDS prices followed a fairly similar pattern, albeit some German banks are modestly higher compared to the previous quarter. Trade tensions between Canada and the US caused Canadian bank CDS prices to rise over the quarter and remain elevated compared to earlier Q1 2026.

Overall, at the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress.

As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

3. Treasury Management Summary

On 30th June 2026, the Council had net investments of £11.4m arising from its revenue and capital income and expenditure.

The Council pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

	31.3.26 Balance £m	**Movement £m**	**30.6.26 Balance £m**
Long- term borrowing	69.4	0.0	69.4
Short-term borrowing	4.5	0.0	4.5
PFI	6.3	0.0	6.3
Total borrowing	**80.2**	**0.0**	**80.2**
Short-term investments	(47.3)	(3.6)	(50.9)
Cash and cash equivalents	(48.7)	8.0	(40.7)
Total investments	**(96.0)**	**4.4**	**(91.6)**
Net borrowing/ (investment)	**(15.8)**	**4.4**	**(11.4)**

4. Borrowing Activity

No new borrowing was undertaken in the first quarter of 2026/27. This strategy enabled the Council to reduce net borrowing costs (despite foregoing investment income) and reduce overall treasury risk.

	31.3.26 Balance £m	**Movement £m**	**30.06.26 Balance £m**
PWLB	73.1	0.0	73.1
Other	0.8	0.0	0.8
Total borrowing	**73.9**	**0.0**	**73.9**

The Council's main objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with a secondary objective of flexibility to renegotiate loans should the Council's long-term plans change. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer- term stability of the debt portfolio and, where practicable, to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

5. Treasury Investment Activity

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held for the Pension Fund. During the period, the Council's investment balances ranged between £61.2m and £128.8m due to timing differences between income and expenditure.

Treasury Investment Position

	31.3.26 Balance £m	**Movement £m**	**30.06.26 Balance £m**
Banks & building societies (unsecured)	1.2	1.5	2.7
Local Authorities	8.0	(3.0)	5.0
Money Market Funds	47.5	(9.5)	38.0
Debt Management Office	27.1	6.5	33.6
Pooled Funds	12.2	0.1	12.3
Total investments	**96.0**	**(4.4)**	**91.6**

6. Treasury Management Prudential Indicators

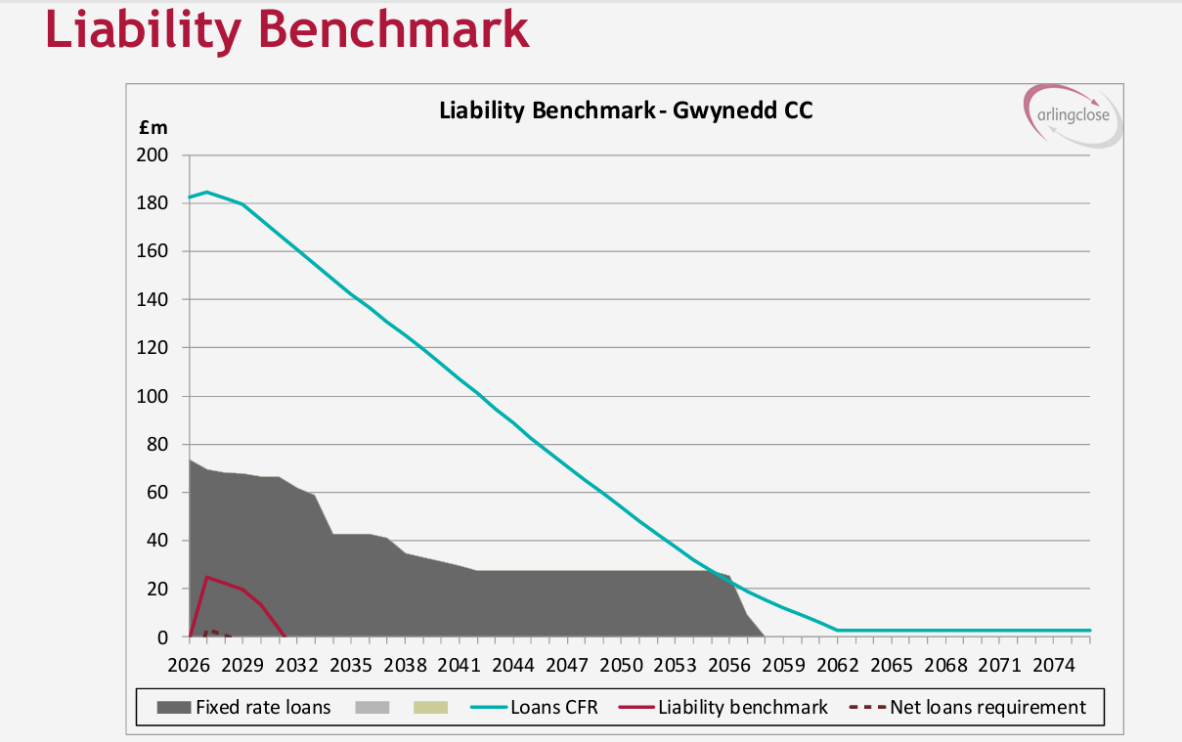
As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

1. **Liability Benchmarking:** This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £21.5m required to manage day-to-day cash flow.

	31.3.26 Actual £m	**31.3.27 Estimate £m**	**31.3.28 Estimate £m**	**31.3.29 Estimate £m**
Loans CFR	182.3	184.7	182.1	179.6
Less: Balance Sheet resources	(204.4)	(181.5)	(181.5)	(181.5)
Net loans requirements	(22.1)	3.2	0.6	(1.9)
Plus: Liquidity allowance	21.5	21.5	21.5	21.5
Liability benchmark	**(0.6)**	**24.7**	**22.1**	**19.6**
Existing borrowing	**73.9**	**69.4**	**68.1**	**68.0**

The table shows that the Council expects to remain borrowed above its liability benchmark. This is because the Council holds reserves, and cash outflows to date have been below the assumptions made when the loans were borrowed.

Following on from the medium-term forecast above, the long-term liability benchmark assumes no new capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on a 50 year straight line method. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



The chart shows that there is no need to borrow long- term based on current projections.

2. **Maturity Structure of Borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing were:

	30.6.26 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	9%	25%	0%	✓
12 months and within 24 months	2%	25%	0%	✓
24 months and within 5 years	3%	50%	0%	✓
5 years and within 10 years	45%	75%	0%	✓
10 years and above	41%	100%	0%	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

3. **Long-term Treasury Management Investments:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2026/27	2027/28	2028/29	No precise date
Actual principal invested beyond year end	£13m	£0	£0	£0
Limit on principal invested beyond year end	£40m	£20m	£20m	£20m
Complied	✓	✓	✓	✓

Additional indicators:
The Council measures and manages its exposures to treasury management risks using the following indicators:

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the time-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment and taking the arithmetic average, weighted by the length of each investment. Unrated investments are assigned a score based on their perceived risk.

	30.06.26 Actual	2026/27 Target	Complied
Portfolio average credit score	4.26	A score of 6 or lower	✓

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	30.6.26 Actual	2026/27 Target	Complied
Total cash available within 3 months	£79.2m	£10m	✓

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates was:

	30.6.26 Actual	2026/27 Limit	Complied
Upper limit on one year revenue impact of a 1% rise in interest rates	£738,800	£1,105,508	✓
Upper limit on one year revenue impact of a 1% fall in interest rates	£738,800	£1,105,508	✓

7. Recommendation

To receive the report for information.

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**29 SEPTEMBER 2026**
TITLE	**OUTPUT OF THE INTERNAL AUDIT SECTION**
PURPOSE OF REPORT	**TO OUTLINE THE WORK OF INTERNAL AUDIT FOR THE PERIOD TO 20 SEPTEMBER 2026**
AUTHOR	**LUNED FÔN JONES – AUDIT MANAGER**
ACTION	**TO RECEIVE THE REPORT, COMMENT ON THE CONTENTS AND SUPPORT THE ACTIONS THAT HAVE ALREADY BEEN AGREED WITH THE RELEVANT SERVICES**

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1. INTRODUCTION

1.1 The Global Internal Audit Standards, Standard 11.3, Communicating Results state *"the chief audit executive must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate."*

1.2 Furthermore, Standard 15.1, Final Engagement Communication states *"the chief audit executive must disseminate the final communication to parties who can ensure that the results are given due consideration."*

1.3 The following report summarises the work of Internal Audit for the period from 1 April 2026 to 20 September 2026.

2. WORK COMPLETED DURING THE PERIOD

2.1 The following work was completed in the period from 1 April 2026 to 20 September 2026.:

Description	Number
Reports on Audits from the Operational Plan 2026-27	11

Further details regarding this work are found in the body of this report and in the enclosed appendices.

2.2 Audit Reports

2.2.1 The following table shows the audits completed in the period from 1 April 2026 to 20 September 2026, indicating the relevant assurance level and a reference to the relevant appendix.

TTITLE	DEPARTMENT	ASSURANCE LEVEL	APPENDIX
Harbours Statement of Accounts 2025/26	Finance	High	Appendix 1
Welsh Church Fund	Economy and Community	High	Appendix 2
Lloyd George Museum Accounts	Economy and Community	High	Appendix 3
Cefn Rodyn	Adults. Health and Wellbeing	Limited	Appendix 4
Hafod Mawddach	Adults. Health and Wellbeing	Limited	Appendix 5
Tan y Marian – Follow-up	Adults. Health and Wellbeing	Satisfactory	Appendix 6
Plas Hedd – Follow-up	Adults. Health and Wellbeing	High	Appendix 7
Plas y Don – Follow-up	Adults. Health and Wellbeing	Satisfactory	Appendix 8
Direct Payments	Adults. Health and Wellbeing	Limited	Appendix 9
Siop Galwch Acw – Follow-up	Adults. Health and Wellbeing	Satisfactory	Appendix 10
Cegin Arfon – Follow-up	Adults. Health and Wellbeing	Satisfactory	Appendix 11

2.2.2 The general assurance levels of audits fall into one of four categories as shown in the table below.

LEVEL OF ASSURANCE	**HIGH**	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.
	SATISFACTORY	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.
	LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduces new controls to reduce the risks to which the service is exposed.
	NO ASSURANCE	Controls in place are considered to be inadequate, with objectives failing to be achieved.

3. ROOT CAUSE CATEGORY

3.1 In accordance with the requirements of the Global Internal Audit Standards, Standard 14.3 Evaluation of Findings, ***"internal auditors must evaluate each potential engagement finding to determine its significance. When evaluating potential engagement findings, internal auditors must collaborate with management to identify the root causes when possible, determine the potential effects, and evaluate the significance of the issue".***

3.2 The Internal Audit Service has identified 10 main categories for root cause analysis:

1. Governance

Definition: How clearly the service is governed, including roles, responsibilities, decision-making authority, statutory duties, and risk/control arrangements.

Examples of Audit Findings: unclear governance structures; outdated policies; responsibilities not assigned; gaps in statutory compliance; weak oversight or scrutiny.

2. Process & Procedures

Definition: How well processes are designed, documented, understood, and followed consistently.

Examples of Audit Findings: procedures not followed; steps missing; reliance on 'custom and practice'; poor segregation of duties; controls bypassed.

3. Accountability

Definition: Clarity and acceptance of ownership for decisions, tasks, risks, and compliance across the service.

Examples of Audit Findings: unclear task ownership; failure to escalate; avoiding responsibility; weak management oversight; decisions deferred.

4. Assurance & Monitoring

Definition: How effective performance, quality, risk and compliance are checked, monitored and reported.

Examples of Audit Findings: repeated issues not identified; weak KPI reporting; supervisory checks are infrequent, undocumented or inconsistent; ineffective supervision.

5. Resources

Definition: Whether the service has enough people, capacity, skills, time, and funding to deliver statutory and operational duties.

Examples of Audit Findings: vacancies; staff overstretch; insufficient cover; only urgent tasks completed; lack of funding for service demand.

6. People, Skills & Training

Definition: Whether staff have the skills, training, supervision and competency required to deliver services safely and effectively.

Examples of Audit Findings: expired training; inadequate induction; missing competency checks; insufficient expertise; skills gaps.

7. Systems, IT & Digital Tools

Definition: How well systems support reliable, efficient and compliant service delivery (accuracy, access, automation, integration).

Examples of Audit Findings: outdated systems; manual workarounds; lack of reminders; poor system access; no integration with partners.

8. Information Management & Record Keeping

Definition: How well information is recorded, stored, shared and controlled.

Examples of Audit Findings: missing records; inconsistent documentation; no audit trail; version control issues; poor information sharing.

9. Communication & Coordination

Definition: Effectiveness of communication within teams, across services, and with external partners.

Examples of Audit Findings: breakdowns at handover; unclear instructions; poor coordination; partners not informed; delayed escalation.

10. Risk Management & Culture

Definition: How the service identifies and manages risks, and how culture supports openness, learning and improvement.

Examples of Audit Findings: known risks ignored; resistance to change; staff fear reporting issues; repeated problems normalised.

4. WORK IN PROGRESS

4.1 The following work was in progress as at 20 September 2026:

- Supply Teachers *(Education)*
- Pollution Control *(Environment)*
- Building Control Invoicing and Recovery Arrangements *(Environment)*
- Procurement – Category Management - People *(Corporate Services)*
- Health and Safety – Departmental Arrangements *(Corporate)*
- Lone Working *(Corporate)*
- Council Tax – Recovery and Write-off of Debts *(Finance)*
- Beach Management Plan *(Economy and Community)*
- Cist Gwynedd *(Economy and Community)*
- Balchder Bro *(Economy and Community)*
- Glyn Rhonwy *(Economy and Community)*
- Bryn Blodau *(Adults, Health and Wellbeing)*
- Canolfan y Gwystl – Follow-up *(Adults, Health and Wellbeing)*
- Bereavement Service *(Highways, Engineering and YGC)*
- Legionella *(Housing and Property)*
- Housing Support Grant *(Housing and Property)*
- Commissioning Arrangements – Housing Support Grant *(Housing and Property)*

5. RECOMMENDATION

5.1 The Committee is requested to accept this report on the work of the Internal Audit Section in the period from 1 April 2026 to 20 September 2026, comment on the contents in accordance with members' wishes, and support the actions agreed with the relevant service managers.

Appendix 1

HARBOURS STATEMENT OF ACCOUNTS 2025-26

Assurance Level	*Definition*
High	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

1. Background

1.1 The Harbours Act 1964 requires that Gwynedd, as a harbour authority, prepares an annual statement of accounts relating to Pwllheli, Porthmadog, Abermaw and Aberdyfi harbour activities.

2. Purpose and Scope

2.1 The purpose of the audit was to confirm the accounts on the Harbours' annual accounting statement for the 2025-26 financial year, as well as to confirm that appropriate internal controls were in place.

3. Main Findings

3.1 Assurance can be given that the Harbours' accounting statement for the 2025-26 financial year was appropriate. Based on the tests carried out, it was seen that there was an appropriate audit trail for the figures and that the internal controls could be relied upon to achieve their objectives. Appropriate accounts have been kept and bank reconciliations are made as part of Council wide bank reconciling.

3.2 Based on the tests carried out it was found that a sample of payments were supported with appropriate invoices or receipts, and that VAT had been properly treated. There was also an appropriate trail for a sample of other transactions, such as internal transfers.

3.3 Staff costs are administered through Cyngor Gwynedd's Payroll Unit where PAYE and National Insurance requirements have been appropriately applied. These staffing costs are appropriately recorded in the statement.

3.4 The fixed asset figure on the accounting statements is supported by an asset register.

WELSH CHURCH FUND

Assurance Level	*Definition*
High	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

1. Background

1.1 The Welsh Church Fund derives from the Welsh Church Act 1914. Cyngor Gwynedd administrates the fund and allocates the interest as annual grants to registered charities in Gwynedd in order to promote and support activities which will benefit the people of Gwynedd and enrich the local communities. Organisations such as local Eisteddfodau, activities within the arts, education, leisure and sports, conservation, and charities that support sick or disabled individuals can apply for the grant. It's possible to apply for any amount, but individual grants will tend to be up to £5,000.

2. Purpose and Scope

2.1 The purpose of the audit was to conduct the independent examination of the Welsh Church Fund accounts for the 2025-26 financial year, in accordance with the requirements of the Charity Commission.

3. Main Findings

3.1 In accordance with the requirements of the Charity Commission, an independent audit of the accounts must be carried out if the fund's annual income is over £25,000. Fund money was invested in order to attract interest, so the income threshold was exceeded in the 2025-26 financial year.

3.2 Assurance can be given that the Welsh Church fund accounts for the 2025-26 year are appropriate. Based on the tests carried out, an appropriate audit trail for the figures were seen.

Appendix 3

LLOYD GEORGE MUSEUM ACCOUNTS

Assurance Level	*Definition*
High	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

1. Background

1.1 The Lloyd George Museum and his childhood home, Highgate, Llanystumdwy, traces the life of the former Prime Minister of the UK. The museum is a registered charity and is administrated by Cyngor Gwynedd with help from Friends of the Museum who support and assist with the development of the museum and its educational use. Because the museum's income exceeded the threshold of £25,000, the trustees' accounts and annual report for 2025-25 must be submitted to the Charities Commission, including an independent examiner's report of the accounts.

2. Purpose and Scope

2.1 The purpose of the audit was to complete the independent examiner's report on the museum's 2025-26 accounts, giving assurance that the accounts presented to the Charities Commission is correct. This was done by reconciling the accounts with the Council's main accounting system and reviewing a sample of transactions.

3. Main Findings

3.1 Based on the tests carried out, an appropriate audit trail for the figures were seen and so the independent examiner's report was completed to state this.

Appendix 4

CEFN RODYN

Assurance Level	*Definition*
Limited	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

1. Background

1.1 Cefn Rodyn is located in the town of Dolgellau and is registered to provide residential care for up to 21 residents aged 55 and over, who have different needs, including dementia.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that suitable arrangements were in place for the proper management and maintenance of the home and in accordance with relevant regulations and standards. To achieve this, the audit covered reviewing that the home's arrangements were adequate in terms of administration and staffing, budgetary management, procurement of goods and receipt of income, health and safety, and performance monitoring as well as ensuring that the service users and their belongings were protected.

3. Strengths

3.1 The home was visited on Friday, April 24th, 2026. There was a lovely atmosphere in the home with staff and residents chatting lively. Everyone was eagerly looking forward to the Dolgellau Carnival to be held the following week, where staff and residents would take part in the parade. Everyone's excitement and enthusiasm was infectious, and it was enjoyable to see the residents practising their dance throughout the visit. The Manager's love and pride for her work and for the home was evident from hearing the enthusiasm in her voice as she guided the Auditor around. It was very evident that the residents were enjoying themselves and receiving the full attention of the staff.

4. Risks and Procedures

Number	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Inadequate monitoring arrangements result in a failure to identify staff failing in their duties when reviewing risk assessments, and to keep complete records resulting in a failure to protect residents.	Dedicate time to regularly review a sample of care plans, to ensure that the content is up to date, and staff are completing their duties as expected.	12	Assurance and Monitoring
R02	Lack of training and opportunities to maintain/practice timesheet related tasks resulting in staff receiving under/over payments, which can result in financial losses for the Council.	Arrange relevant training for senior officers to enable them to complete tasks relating to salaries correctly in the absence of the Manager.	15	People, Skills and Training
R03	Failure to conduct fire tests in a timely manner resulting in a failure to protect staff, residents, and visitors.	Remind staff to conduct fire testing in a timely manner.	6	Processes and Procedures
R04	Failure to accept policies and complete mandatory modules resulting in a failure to protect staff, residents and visitors, and a failure to meet Cyngor Gwynedd's requirements.	Ensure that staff complete the Council's mandatory E-learning modules and read and accept the Safeguarding Policy.	6	People, Skills and Training
R05	Staff incompetent to carry out their duties which may result in a risk to the life of residents.	Ensure that all staff responsible for dispensing medication complete a competency test annually and read and accept the Medication Policy.	9	People, Skills and Training
R06	Failure to carry out stock checks and to keep records of the numbers of all medicines can result in a under/over stocking, and failure to identify theft.	Establish effective arrangements for carrying out stock checks of all medicines, delegating the task to qualified members of staff, with regular reviews by management.	12	Information Management and Recording

HAFOD MAWDDACH

Assurance Level	*Definition*
Limited	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

1. Background

1.1 Hafod Mawddach home is located in the town of Barmouth and is registered to provide residential care for up to 31 residents aged 18 and over, who have different needs, including dementia.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that suitable arrangements were in place for the proper management and maintenance of the home and in accordance with relevant regulations and standards. To achieve this, the audit covered reviewing that the home's arrangements were adequate in terms of administration and staffing, budgetary management, procurement of goods and receipt of income, health and safety, and performance monitoring as well as ensuring that the service users and their belongings were protected.

3. Strengths

3.1 The home was visited on Friday, May 22nd, 2026. The staff were very welcoming and enthusiastically interacted with the residents. The residents were clearly familiar with the staff and comfortable in their company. It was a pleasure to see and hear their playful conversations. This brought vitality to the home and the feeling that it was an enjoyable place to live.

4. Risks and Actions

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Failure to report the correct number of hours worked by staff resulting in staff receiving incorrect salaries, and financial losses to the Council.	Investigate the March 2026 pay errors, working with the Payroll Service to recover any overpayments. Ensure accuracy when entering working hours, checking the records again before publishing.	20	Processes and Procedures

No.	Risk	Agreed Action	Risk Score	Root Cause Category
R02	Lack of monitoring leads to a failure to identify and act on unauthorised expenditure against the budget.	Investigate any salary payments made from the home's budget in error, ensuring to carry out detailed monthly checks on expenditure against the budget from now on.	9	Assurance and Monitoring
R03	Lack of training can lead to a failure to respond promptly and effectively to issues relating to first aid.	Ensure that a high percentage of staff in the home receive up to date first aid training.	6	People, Skills and Training
R04	Failure to accept policies and complete mandatory modules result in a failure to protect staff, residents and visitors, and a failure to meet Cyngor Gwynedd 's requirements.	Ensure that staff complete the Council's mandatory E-learning modules and read and accept the Safeguarding Policy. Enquire with the E-learning Officer about the possibility of receiving monthly reports on staff progress in relation to the completion of e-learning modules, to allow for better monitoring, and to present them to staff in a campaign to encourage them to complete training promptly.	6	People. Skills and Training
R05	Lack of control over household property can lead to failure to identify theft, and inadequate records for insurance purposes.	Ensure that the home has an up-to-date Asset Register, arranging annual reviews and when equipment is purchased/disposed of.	12	Accountability
R06	Failure to keep proper records of each resident's personal items can result in items going missing or stolen, leading to emotional distress, and possibly insurance claims against the Council.	Arrange for appropriate records to be kept of each resident's personal items, including photographs.	9	Processes and Procedures
R07	Failure to identify the risks that may arise and to respond to them promptly and effectively results in a failure to protect staff and residents.	Ensure that the home has current generic risk assessments, which are reviewed at least every year. Remind relevant staff to sign off when reviewing resident risk assessments, conducting random checks.	20	Accountability

No.	Risk	Agreed Action	Risk Score	Root Cause Category
R08	Failure to keep complete records of visitors can result in unauthorised persons gaining access to the home, and inadequate records for fire purposes.	Staff reminded that departure times need to be signed and confirmed on all occasions, stressing to pass the message on to any visitors. Relocate the poster reminding visitors and staff to complete the Visitor Book, choosing a prominent location.	6	Processes and Procedures
R09	Failure to conduct fire tests in a timely manner, results in a failure to protect staff, residents, and visitors.	Ensure that fire tests are carried out in a timely manner, with a view to delegating the task to specific members of staff.	6	Accountability

TAN Y MARIAN FOLLOW-UP

Assurance Level	*Definition*
Satisfactory	Controls are in place to achieve their objectives but there are aspects of the arrangements that need tightening to further mitigate risks.

1. Background

1.1 An Internal Audit of Tan y Marian Home has been carried out as part of the 2025/26 plan, to ensure that suitable arrangements are in place for the proper management and maintenance of the home and in accordance with relevant regulations and standards.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that the agreed actions resulting from the latest full audit were implemented in a timely manner to mitigate the risks identified. To achieve this, the audit encompassed reviewing supporting records and documentation, as well as conducting a site visit.

3. Strengths

3.1 Overall, it was found that the home had made an effort to mitigate the risks highlighted in the full audit, and that the new Manager was proactive in ensuring that such failures did not happen again. It was found that significant work had been carried out to ensure effective arrangements for the recording of any incidents resulting from an error with medication, and for the disposal of medications. Similarly, a current copy of the Medication Policy is available to staff, with 33% of staff providing medication having already read it, which is considered acceptable given the size of the policy, and the difficulty in freeing up staff to read it.

4. Risks And Actions

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Failure to review and update care plans in a timely manner leads to failure in identifying the needs of residents, which can lead to a failure to provide quality care.	Ensure that care plans are reviewed at least every 3 months.	12	Assurance and Monitoring

No.	Risk	Agreed Action	Risk Score	Root Cause Category
R02	Failure to keep proper records of residents' personal items can lead to a failure to identify theft, leading to "emotional distress".	Ensure that a current record of residents' belongings, in the form of a list or photographs, is kept in their care plans.	6	Assurance and Monitoring
R03	Staff not registering in a timely manner leading to failure to comply with SCW requirements and leading to jeopardise the quality of care and create safeguarding risks for vulnerable individuals along with enforcement action and damage to the reputation of the Council.	Keep proper records of staff registration dates, regularly monitoring and reminding staff when renewals are required.	9	Assurance and Monitoring
R04	Failure to keep proper records of staff training leads to failure to effective monitoring, with staff ineligible to perform their duties.	Continue to update the training spreadsheet, ensuring timely renewal of any completed training, in particular, First Aid, Medication, Fire, Moving and Handling, and Safeguarding. Ensure that the Digital Champion supports staff in completing e-learning modules and accepting policies, monitoring progress.	9	Assurance and Monitoring
R05	Lack of regular supervision and evaluation leading to a failure to review/assess competence, and to give staff the opportunity to express concerns.	Ensure that all staff receive supervision every 3 months and an annual evaluation.	6	Processes and Procedures
R06	Failure to carry out fire tests in a timely manner in lead to a failure to protect residents, staff and visitors.	Continue to train staff to conduct fire tests in a timely manner.	6	People, Skills and Training

PLAS HEDD FOLLOW-UP

Assurance Level	*Definition*
High	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

1. Background

1.1 An Internal Audit of Plas Hedd Home was carried out as part of the 2025/26 plan, to ensure that suitable arrangements were in place for the proper management and maintenance of the home and in accordance with relevant regulations and standards.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that the agreed actions resulting from the latest full audit were implemented in a timely manner to mitigate the risks identified. To achieve this, the audit covered reviewing supporting records and documentation, as well as conducting a site visit.

3. Main Findings

3.1 Of the 6 agreed actions from the original audit, all were found to have been implemented.

3.2 The home was visited on Wednesday, 15th July. For a sample of 4 residents, it was found that their pocket money received regular reconciliations, with the amount within the wallet agreeing with the records on each occasion, with receipts present for all expenditure.

3.3 A sample of 10 staff members were selected for checking their medication training records. For everyone in the sample responsible for providing medication, they were found to have completed relevant training in the last 3 years, as well as a competency test in the last year.

3.4 Similarly, the staff members in the sample had completed a large number of the Council's mandated e-learning modules, with the Manager keeping appropriate records of everyone who has read a paper copy of the Council's Safeguarding Policy. Of the 10 in the sample, 7 had read the policy since the full audit. It is noted that 2 of the sample are on long-term sick leave, and the latter has been new to the home for two months.

PLAS Y DON FOLLOW-UP

Assurance Level	*Definition*
Satisfactory	Controls are in place to achieve their objectives but there are aspects of the arrangements that need tightening to further mitigate risks.

1. Background

1.1 An Internal Audit of Plas Y Don Home was carried out as part of the 2025/26 plan, to ensure that suitable arrangements were in place for the proper management and maintenance of the home and in accordance with relevant regulations and standards.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that the agreed actions resulting from the latest full audit were implemented in a timely manner to mitigate the risks identified. To achieve this, the audit covered reviewing supporting records and documentation, as well as conducting a site visit.

3. Strengths

3.1 The home was visited on Tuesday, 14th of July. It is noted that the Manager has only worked here since April 2026, but that significant work has been undertaken to respond to the risks identified in the full audit.

3.2 For the 3 Care Plans checked during the visit, all had been reviewed within the last 3 months as expected, including current risk assessments, as well as detailed records of the residents' property.

3.3 A sample of 4 members of staff were selected to review their evaluation and supervision records, all had recently been supervised, and 2 had been evaluated. It was found that a dedicated matrix was in place to ensure that all staff members received timely sessions.

3.4 For the same sample of staff, it was verified that the hours worked for May 2026 according to the work rota agreed with the hours paid. They agreed on every occasion.

4. Risks and Actions

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Visitors failing to confirm the time and signing when leaving home can lead to a failure to protect residents, staff and other visitors, with wrong information possibly being shared with the fire service in the event of a fire.	Remind staff to sign and confirm time when leaving home.	6	Processes and Procedures

DIRECT PAYMENTS

Assurance Level	*Definition*
Limited	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

1. Background

1.1 1774 of Direct Payments were made from the period April 2025 to March 2026. amounting to the equivalent of £2.7million. There has been an encouragement to increase the numbers over the last few years to reduce reliance on traditional care through the Council. Direct Payments (DP) are paid to an eligible person that meets the criteria and an assessment from Social Services. There are two ways to pay DP which are 'managed' and 'non-managed'. Managed means that a third party controls the money for the client, i.e. is responsible for paying the carers' salaries and taxes as an employer. These who are 'non-managed' are responsible for managing DP themselves i.e. the money is paid directly to the suitable person.

2. Purpose and Scope

2.1 Following part one of the Direct Payments audit in November 2025, The purpose of the audit was to ensure that suitable arrangements were in place to process Direct Payments (DP) and to check compliance with the relevant regulations such as the Care and Support (Direct Payments) (Wales) Regulations 2015 and the Social Services and Well-being (Wales) Act 2014, and reporting on operations for monitoring DP use, as well as the actions agreed in part one of the DP audit. To achieve this, the audit encompassed reviewing the arrangements for establishing DP agreement, ensuring that applications were processed in a timely and accurate manner against the care assessment and reviewing the DP usage monitoring arrangements. The audit did not include reviewing the financial assessments carried out by the Care Finance Team as this was beyond Direct Payments processes.

3. Strengths

3.1 A new Team Leader is reviewing the current processes and has implemented new arrangements for managing new DP cases and risks such as distributing new DP contracts. An experienced member of staff was seen responsible for processing DP applications following the hours agreed and allocated by the Social Workers and these are placed on a monthly schedule. In addition, a new officer has been employed and is accountable for monitoring the use of DP and balances and is to report significant balances to the relevant officers/team for review.

4. Risks and Actions

No.	Risk	Agreed Action	Risk Score	Root Cause Category
R01	A DP applicant is unaware of their responsibilities and expectations in order to agree to receive DP, which can lead to failure to effectively and efficiently administer and monitor the use of DP, non-compliance by the applicant and possible financial losses to the Council.	Distribute a formal agreement and establish new arrangements for new DP. Agreements are signed prior to establishing the payments. Review prepaid card distribution arrangements with the current provider and possibly new providers.	6	Process & Procedures
R02	Direct Payments being misused, the Council failing to take enforcement action/holding individuals accountable, resulting in misuse of public funds with no implications, financial losses to the Council and the possibility of fraud not being detected.	Ensure that individuals who are already in receipt of payments receive the new agreement, that there is a procedure for communication, distribution and agreeing responsibilities in place.	9	Accountability
R03	Vulnerable adults/children not receiving the appropriate care or DP overpayments accruing resulting in financial losses to the Council.	If there is evidence that there is over 12 weeks' worth of package in accrual on the direct payments account, the DP team will contact the relevant social worker/team to implore them to review the situation to investigate the reasons for the accrual. This may lead to a review of the individual's situation.	8	Resources
R04	A lack of accountability for monitoring, verifying and reporting the use of DP resulting in a failure to properly identify and report developments and/or anomalies, which may lead to the possibility of false payments and/or misuse of public funds and financial losses to the Council.	Monitoring policy/arrangements in place. Formally documenting DP monitoring actions so that accountable officer(s) can be identified for monitoring and following up on monitoring DP balances and DP usage. Staff to save documents to a central drive and use a general mailbox for receiving DP evidence. Establishing a process for reporting DP statistics and status so that any discrepancies can be identified and dealt with promptly and by the relevant social service officers/team accountable for managing the DP funds.	12	Risk Management & Culture

Appendix 10

SIOP GALWCH ACW FOLLOW-UP

Assurance Level	*Definition*
Satisfactory	Controls are in place to achieve their objectives but there are aspects of the arrangements that need tightening to further mitigate risks.

1. Background

1.1 An Internal Audit of Siop Galwch Acw had been carried out as part of the 2025/26 plan, to ensure that suitable arrangements are in place for the proper management and maintenance of the shop and in accordance with relevant regulations and standards.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that the agreed actions resulting from the latest full audit were implemented in a timely manner to mitigate the risks identified. To achieve this, the audit covered reviewing supporting records and documentation, as well as conducting a site visit.

3. Strengths

3.1 Since the full audit, it has been found that an up-to-date register has been compiled of all the store's assets, and that effective arrangements are in place for the prompt reconciliation and banking of income.

4. Risks and Actions

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Lack of regular supervision and evaluation of staff leading to a failure to review/assess competence, and to give staff the opportunity to express concerns.	Ensure that all staff receive supervision every 3 months, and an annual evaluation.	6	Processes and Procedures
R02	Failure to carry out fire tests in a timely manner resulting in a failure to protect consumers, staff and visitors.	Ensure that fire tests are carried out in a timely manner, and appropriate records are kept.	9	Processes and Procedures

CEGIN ARFON FOLLOW-UP

Assurance Level	*Definition*
Satisfactory	Controls are in place to achieve their objectives but there are aspects of the arrangements that need tightening to further mitigate risks.

1. Background

1.1 An Internal Audit of Cegin Arfon was carried out as part of the 2025/26 plan, to ensure that suitable arrangements were in place for the proper management and maintenance of the kitchen and in accordance with relevant regulations and standards.

2. Purpose and Scope

2.1 The purpose of the audit was to ensure that the agreed actions resulting from the latest full audit were implemented in a timely manner to mitigate the risks identified. To achieve this, the audit covered reviewing supporting records and documentation, as well as conducting a site visit.

3. Strengths

3.1 Since the full audit, it has been found that an up-to-date register has been compiled of all kitchen inventory, that an attendance notice board is being used for fire purposes, and that effective arrangements are in place for the processing and retention of invoices.

4. Risks and Actions

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R01	Lack of regular supervision and evaluation leading to failure to review/assess competence, and to give staff the opportunity to express concerns.	Ensure that all staff receive supervision every 3 months.	6	Processes and Procedures
R02	Failure to properly train staff may result in a failure to protect service users and customers.	Arrange for all staff to complete Food Hygiene training every 3 years.	6	People, Skills and Training

No.	*Risk*	*Agreed Action*	*Risk Score*	*Root Cause Category*
R03	Failure to accept Council policies and not completing mandatory training, leading to a failure to comply with Council requirements.	Remind staff of the need to complete the Council's mandatory e-learning modules. Ensure that all staff read the Safeguarding Policy.	9	People, Skills and Training
R04	Failure to protect monies and giving consideration to insurance conditions can lead to financial losses.	Consider better arrangements for cash storage and banking, such as investing in a suitable safe to enable storage of more than £500.	12	Resources

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**29 SEPTEMBER 2026**
TITLE	**REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP**
PURPOSE OF THE REPORT	**TO REPORT ON THE MEETING HELD ON 1 SEPTEMBER 2026**
AUTHOR	**LUNED FÔN JONES – AUDIT MANAGER**
ACTION	**TO ACCEPT THE REPORT**

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1. INTRODUCTION

1.1 A meeting of the Working Group was held on 1 September 2026 with the Deputy Chair of the Governance and Audit Committee, Dewi Lewis, Councillors Geraint Parry, Ioan Thomas and Menna Baines, Gwawr Owen (Senior Auditor) and Luned Fôn Jones (Audit Manager) present.

1.2 It was decided at the Governance and Audit Committee held on 21 May 2026 to further discuss the following audits at a meeting of the Controls Improvement Working Group:

TITLE	DEPARTMENT	AUDIT ASSURANCE LEVEL
School Transport Follow-up	Education / Environment	SATISFACTORY
Breakfast Clubs – Follow-up	Education	LIMITED
Fire Arrangements	Corporate	SATISFACTORY
Category Management – Environment – Follow-up	Highwys, Engineeering and YGC	LIMITED

1.3 Relevant officers attend to discuss the reports and the Audit Manager explained that the Controls Improvement Working Group is an opportunity to ask the relevant officers about the findings of the recent audits as time does not allow for such in-depth detail in the Committee.

1.4 The full audit reports were distributed to members of the Controls Improvement Working Group.

2. MAIN FINDINGS

2.1 ***School Transport Follow-up***

2.1.1 The main findings of the audit were as follows:

Of the 5 operations agreed from the original audit, 4 were found to have been implemented, the conclusions are reported below. As a result, a revised agreed action plan is presented attached to this report.

The Transport Co-ordinator confirmed that the Transport Team are still not notified when there is a significant change in a child's circumstances, i.e. a change that would affect their right to receive free transport. While the schools report similar changes in the SIMS system, which are then fed into the Synergy system (to which the Transportation Team has access), without the change being highlighted, thousands of records would have to be checked to identify changes. The Systems Support Officer explained that SIMS is in the process of being replaced by a new system, Bromcom, which will allow better monitoring of the data. In the meantime, he noted that it is possible to run reports from Synergy of any significant changes to share with the Transportation Team. By the time the draft report was released, it was confirmed that arrangements had been put in place where the Transport Team receive a monthly report, automatically generated from the Synergy system, highlighting any children who had changed schools. It was reported that the report had enabled the Transport Team to identify two children already where their journeys needed to be changed.

For the period 01/04/25-02/02/26 it was found that 3,371 post-16 travel tickets were provided. From the sample of 20 reviewed in detail, it was found that the applicants all live in Gwynedd, and at least 3 miles away from school or college, making them eligible for the ticket. The Education Transport Manager confirmed that consideration had been given to reintroducing a fee for post-16 travel tickets, but that the Council did not favour the idea.

It was found that the Transport Team is now preparing reports to the School Group Accountant every term, stating the number of new bus passes issued, i.e. following the loss of a bus pass. For the period September-December 2025, 26 tickets had been provided, with only £10 of income recorded in the ledger. Passes are £5 each. It is assumed that the schools do not collect the income, or that it is incorrectly referenced. No response had been received from the Group Accountant by the time the draft report was released.

2.1.2 Debbie Jones, Assistant Head of Department - Education Services, Robert John Jones (Education Transport Manager) and Gerwyn Jones (Assistant Head – Environment) were welcomed to the meeting)

2.1.3 The discussion was initiated by receiving an update on progress on the original agreed actions. The Assistant Head – Education Services explained that the Department has been working towards publishing a policy for around a year now in order to meet current statutory requirements and guidance. The draft policy was submitted to Cabinet on 20 January 2026 with a request for permission to hold a consultation on the policy.

2.1.4 It was explained that consultation was required at least 12 months before introducing a change to some or all of the discretionary elements of the policy and explained that the Education Transport Manager had been holding sessions at colleges and schools across the county, including opinion gathering sessions. It was expressed that the comments received were evaluated in order to assess whether any changes to the policy were needed.

2.1.5 Following the results of the consultation, a draft policy was published on 9 June 2026 and on 15 September 2026 the Policy was presented to Cabinet – the report to Cabinet states *"Subject to the consideration of the contents of the Report and the Appendices, together with the outcomes of the consultation and engagement activities, the Cabinet is requested to make a decision on the adoption of a new Education Transport Policy, which will come into effect on 1 September 2027."*

2.1.6 The monitoring arrangements and agreements relating to the Alcohol and Drugs Policy were discussed in the Working Group. A new Corporate Policy has been established but the policy does not currently apply to third parties.

2.1.7 Officers explained that legislative change is a slow process, and the relevant agreements usually last for around 5 to 7 years and it is necessary to ensure that the agreements remain appropriate throughout their life. This is considered a high-risk area, and the service implements mitigation measures where possible to ensure that arrangements are as robust as practically possible. It was also noted that it is not feasible to monitor all agreements on a weekly basis but that monitoring programmes and processes are in place.

2.1.8 Councillor Geraint Parry suggested that the current regime of using two systems and entering data twice is not ideal and that investing in one integrated system would offer a more efficient approach, reduce duplication of work and provide better management information.

2.1.9 It was enquired on the number of cases where it was necessary to call the Police following an allegation of an employee of a company under the influence of alcohol or drugs but the specific information was not available at the time and the Assistant Head – Environment would send the information for the attention of the Audit Manager.

2.10 In relation to the DBS checks, it was explained to the Working Group that the process has recently been simplified. Discussion has been ongoing over the last few months, and staff have been receiving safeguarding training through online resources. Members of the Working Group enquired about the level of monitoring being carried out and if there is a risk that an individual may be without a proper DBS and continue to drive school buses. The Education officers explained that this is not in line with the requirements of the agreements, and that ongoing communication with operators is an important part of the management and monitoring arrangements.

2.11 It was also discussed that there is also a need to improve the information system. The service is currently in the process of moving away from SIMS, with the primary schools having already switched to the Bromcom system, and the piloting of the secondary schools will soon begin. Since the audit, significant work has been done to clean up and improve the quality of the data. The Assistant Head – Education Services explained that a transport system used by Powys Council, which offers much wider functionality, but with an estimated cost of around £70,000, was considered. As the Bromcom system is relatively new, there is potential to add more functions to the system in the future. It is hoped that it will develop into an effective system for managing school data.

2.12 The Working Group expressed satisfaction that the necessary actions had been taken, with the hope that the new policy will be in force by this time next year. The officers explained that the Environment and Education departments are working closely together to identify areas for improvement and review existing arrangements.

2.13 The officers were thanked for attending the meeting and for explaining the current situation and the ongoing work being done.

2.2 ***Breakfast Clubs – Follow-up***

2.2.1 The main findings of the audit were as follows:

Of the 10 actions agreed from the original audit, 6 were found to have been implemented, the conclusions are reported below. As a result, a revised agreed action plan was presented.

As in the full audit, the breakfast clubs of Waunfawr, Gwaun Gyfni, and Dolbadarn schools were visited to carry out the follow up. For the 3 schools, records relating to children with allergies ranged from document to document, i.e. kitchen records disagreeing with those of the Catering Team, making it difficult to identify all children with allergies. Not only did the names disagree, but also the type of foods the child had an allergy to.
On one occasion, it was found that the school had provided documentation in relation to a pupil with an allergy, but that the kitchen had not acted as there was no supporting medical evidence. In addition, it was found that 2 of the 3 schools did not display pictures of children with allergies on the kitchen wall, as stated in the Allergy Policy. In discussion with the Education Catering and Cleaning Service Manager, it was discovered that the previous Manager had been instructed by the Data Protection Team not to display pictures of the children, but that the policy had not been updated to reflect that. It was acknowledged that the policy was complex, and some of the content was now irrelevant. It was confirmed that meetings had been held with the Welsh Local Government Association, as well as enquiries to neighbouring authorities to formulate a new, simpler policy, which would place more emphasis on the receipt of supporting medical evidence.

Although the Allergy risk assessments seen in the Allergy Folders during the visits were not up to date, copies, reviewed in the last year, were received by the Education Catering and Cleaning Services Manager. It was noted that each school's folders would be updated with the current assessments as soon as possible.

It is expected that separate equipment is available for the provision of food to children with allergies, i.e. a purple plate, bowl, and cup. Although the full audit revealed that the kitchen at Ysgol Dolbadarn did not have purple bowls, it was found that this was still the case during the most recent visit. It was confirmed that the School Catering and Cleaning Team Leader had ordered bowls prior to the release of the draft report. It is noted that consideration has been given to the provision of separate eating utensils for children with allergies, but that the Public Protection service has confirmed that sterilisation alone is adequate.

As for the content of the breakfast, foods ordered must be as set by the Government. There are four categories, and one option must be provided from each category. The categories are: Milk or yogurt-based beverages, Cereals, Fruit and Vegetables, and Bread. At the time of the full audit, juice was being provided as the fruit option. Since then, the juice has been replaced, offering a drink of water or milk in its place. In Waunfawr school a bowl of fruit was spotted at the entrance to the kitchen, with several children asking for fruit during the session. In Gwaun Gyfni and Dolbadarn schools, although the staff noted that fruit was available to any child who requested any, it was found that the fruit bowls were hidden out of the children's view, and that the quality of the fruit was also poor. The Education Catering and Cleaning Service Manager noted that they had struggled with suppliers recently, where orders were not being fully received, and the quality of the food was poor.

Despite being involved in fire drills in the schools since the full audit, it was found that kitchen staff remained without access to the Council's E-learning portal to complete mandatory modules.

2.2.2 Haydn Jones (Education Catering and Cleaning Service Manager) joined the Assistant Head – Education Services to discuss the findings of the audit.

2.2.3 The Audit Manager explained that the Education Catering and Cleaning Service Manager was new to the post and the audit had been carried out prior to his appointment.

2.2.4 All of the agreed actions contained in the revised Action Plan were discussed.

2.2.5 **Failure to review and update guidance and policies results in staff being unsure of their duties, and inconsistencies in the arrangements of different kitchens, which can lead to a failure to identify children and allergies, and a failure to protect staff and pupils.** The Catering and Cleaning Service Manager explained that the biggest risk in this area is the management of food allergies. Although a policy is currently in place, it was recognised that it is complex and does not provide the clarity that is required. The intention is to develop a new policy, but as there is not enough specialist experience within the service to develop the policy independently, collaborative work is being carried out with other partners. It was noted that there is no national template available to Welsh schools that clearly defines the requirements, and therefore collaborative work is being done to develop a suitable policy for the whole of Wales. Work is expected to start before Christmas, with a first draft to be prepared by the end of the year. As part of the new arrangements, medical evidence will be required to confirm that a special diet is required. Schools will collect this information on behalf of the service, and the data will be recorded on the Bromcom system and kept secure.

2.2.6 **Failure to share current guidance and information results in staff being unaware of their duties.** The Education Catering and Cleaning Service Manager explained that there is a need to improve the transfer of information and communication with the schools. It is expected that the new arrangements will be in place by this time next year.

2.2.7 **Failure to review and update the contents of the Allergy Folder, in particular risk assessments, results in a failure to protect staff and pupils, with staff acting on historical information.** It was noted that folders and risk assessments relating to allergies and related issues are available. Two files are kept in each kitchen, namely an allergy file and a procedural manual. It was recognised that risk assessments can be complex, and it would be best to have the new policy in place before any further work in this area is completed. It was confirmed that the current risk assessments are available and the cooks are aware of their location and use.

2.2.8 **Failure to provide children with allergies with the appropriate equipment, resulting in failure to identify children with allergies, risk of reaction, and failure to comply with the Allergy Policy.** The team has worked to ensure that the appropriate equipment, including plates and bowls of a specific colour, is available in all schools. Mixed feedback has been received, with some stating that this highlights the fact that the child has needs. However, the general view is that it is better to have additional measures in place than to take a risk that may result in a child becoming ill or losing a life. The Technical Officer visits schools and discusses arrangements directly with parents where necessary.

2.2.9 **Failure to offer fruit during the breakfast club sessions results in failure to comply with Welsh Government requirements.** The Catering and Cleaning Service Manager – Education confirmed that fruit bowls are now available at the proper locations.

2.2.10 **Failure to comply with the Council's requirements by not completing mandatory E-learning modules.** Funding has been secured to provide laptops to all schools. Discussions have been held with the IT service to identify the requirements, and a pilot scheme is underway in three secondary schools before the new arrangements are rolled out more widely. This work will be carried out in partnership with the Council's training team. It was noted that the lack of access to systems and training is a challenge that can be seen across the Council. Reaching all relevant staff is difficult and involves a significant use of resources. However, work has been undertaken to increase awareness, and a number of new appointments have been made during the year, including a Business Officer, Support Officer and apprentice. The officers explained that these additional resources have enhanced the service's ability to focus on areas of development and increase capacity. With the funding now secured, the piloting work has commenced and a programme is now in place to develop the digital system. It was noted that there was a lot of training work ahead of them but in order to deliver all the planned work within the timeframe, more resources would be required. Members of the Working Group suggested that further consideration should be given to this issue as part of the service's resource planning.

2.2.11 The Assistant Head – Education Services and the Catering and Cleaning Service Manager were thanked for the progress and plans underway to improve controls.

2.3 ***Fire Arrangements***

2.3.1 The main findings of the audit were as follows:

The impact of inadequate fire management arrangements can be serious, and for this reason it is essential that the Council follows the Corporate Fire Safety Policy by recognising its responsibilities as an employer, and it is committed to ensuring, as far as is reasonably practicable, the safety of its workers, as well as the safety of any other person who may be affected by fire hazards. Fire risks have been included on the corporate risk register.

Site managers have been appointed for each property, and they are responsible for creating and maintaining a safe day-to-day working environment at the site. The Housing and Property Department's Safety and Compliance Team visit the properties annually to carry out checks, identify deficiencies, arrange repair work, and offer support to the site manager. The Safety and Compliance Team follows the Regulatory Reform (Fire Safety) Order 2005 (amended 2023), which means that a thorough fire risk assessment must be carried out for

each property whenever there is a change in use or site manager, followed by annual inspections.

A sample of 6 properties was selected from the Council's insurance database. The sample included offices of various sizes, a Youth Centre, a Library, and a Secondary School. Inspection records of the Safety and Compliance Team were reviewed for these properties, encompassing a wide range of fire management and prevention arrangements, as well as other matters such as legionella and asbestos.

One property was excluded from the sample as it is used and managed by an external organisation. At the time of the audit, no inspection report was available for one property because the visit took place in April 2025 and the staff member had since left before completing the report. Reports are expected to be submitted within six weeks of the visit. For three other properties, it was found that thorough inspections had been carried out and that findings and recommendations had been made. Some of the recommendations included receiving and recording fire training, arranging Portable Appliance Testing for electrical equipment, removing obstructions from evacuation points, and placing fire procedure notices in appropriate locations. Some Internal Audit Service visits of external establishments such as care homes also include fire management elements, and findings have included failures to carry out and record equipment tests as frequently as expected. The Corporate Health & Safety Team also visit properties to review the contents of their blue boxes, namely the property's fire test records, fire plan etc

It was found that Site Managers had been designated for each property in the sample. A Site Management training course is available which provides the necessary knowledge and skills for managers to deal with health and safety matters relating to fire, among other topics. Although all site managers in the sample had attended the course (except one who had recently been appointed), training records in MODS suggest that a considerable amount of time can pass before attending the course after being appointed to the role. Refresher courses are available to remind managers of the arrangements, and if the managers have not completed the refresher course within 3 years, they must retake the original course.

A Fire Awareness e-module is available on the e-Learning Portal, but it was noted that several site managers had not completed it, nor had they read the Corporate Fire Safety Policy. Completing the module and accepting the policy is something every member of staff should do, but it is recognised that the Site Management course surpasses the e-learning module.

It is the Site Manager's responsibility to act on the Safety and Compliance Team's recommendations, but progress is not followed up until the next annual visit. However, some of the actions are the responsibility of the Housing and Property department, and the department says that they prioritise these actions based on risk.

Departmental Health and Safety forums are a good opportunity to discuss fire related matters, and the Finance Department has already discussed and circulated an email encouraging staff to read and complete the Fire Awareness e-learning module, as well as committing to discuss PAT testing, which, according to the Council's Portable Electrical Appliance Testing Procedure, is the responsibility of the department, although this does not appear to be widely known.

For the final property in the sample, the Pencadlys offices, the most recent inspection records, September 2023, were received. No inspection has been carried out since then due

to ongoing work, such as office moves and the redevelopment of the former reception area. Normally, this would require several thorough fire risk assessments for each change, but the Safety and Compliance Team has decided to work collaboratively with the offices team while the work continues, and the fire risk assessment is intended to be carried out soon. However, the Corporate Health & Safety Team is of the opinion that periodic assessments should have taken place.

Following a meeting of the Corporate Forum, weaknesses in the arrangements for evacuating the main offices in a fire emergency were highlighted. The risk is included on the corporate risk register and is one of the weaknesses highlighted in the 2023 audit. This stems from the fact that offices of this size require fire marshals to be responsible for identifying who is present on the day, but hybrid working is undermining the effectiveness of the current arrangements.

2.3.2 Gareth Wyn Jones (Statutory Maintenance and Compliance Manager – Housing and Property) and Gail Warrington (Health, Safety and Wellbeing Advisory Services Manager – Corporate Services) were welcomed to the Working Group.

2.3.3 The Statutory Maintenance and Compliance Manager – Housing and Property explained that the last risk assessment at HQ was conducted in 2023. It was explained that he had had a discussion with Karen Moseley-Jones (Office and Cleaning Manager), who confirmed that the refurbishment work on the building was now almost complete, except for one meeting room. As a result, a full new risk assessment is planned to be arranged. As the floor layout of the building has changed significantly, the plans will need to be updated before the assessment is carried out. This work is expected to be completed before Christmas.

2.3.4 The Health, Safety and Wellbeing Advisory Services Manager emphasised the need for a culture change in this area. Site Managers have specific responsibilities under the Health and Safety Policy and are required to carry out a number of statutory and operational tasks. As part of these arrangements, a blue box has been set up at each site, containing relevant information and documents. Ad-hoc checks are carried out in some buildings when resources allow, and basic arrangements have now been put in place.

2.3.5 A challenge remains in identifying and keeping an up-to-date record of Site Managers. At present, there is no formal system that can provide a list of new managers who have been appointed in the last six months. Information about new appointments is often only obtained through informal communication. While responsibilities are clearly defined at all levels within the Council, awareness of these requirements needs to continue to be raised.

2.3.6 Site Managers are required to regularly complete and renew their relevant e-learning training. Emphasis has been placed on the importance of completing this training, and the issue has been discussed in numerous forums, including performance challenge forums. Emails have been sent to services asking managers to ensure that training requirements are met. However, it has been noted that a change of culture is needed to strengthen ownership and accountability in this area.

2.3.7 The portable appliance testing (PAT) arrangements were also discussed. Work was carried out to understand what is being done at departmental level, as not everyone is aware that it is the responsibility of individual departments to organise this work. With the financial pressures and cuts that have taken place over the last few years, there is a need for a clearer understanding of the current situation and associated risks. It was also recognised that changing established practice takes time and requires significant commitment from staff and management. It was explained that previous procurement arrangements included a framework for PAT testing work, but it was recognised that it was difficult to monitor all aspects of compliance and therefore key activities needed to be prioritised. It was also explained that PAT testing arrangements have become more complex since more staff started working from home.

2.3.8 The Site Manager's responsibilities include maintaining and updating the contents of the blue box, managing fire arrangements, asbestos and legionella, ensuring that information is available on gas and electricity switch-off locations, and maintaining building evacuation arrangements. In offices, the role will be undertaken by a dedicated Site Manager, while in other settings such as leisure centres the role will be undertaken by designated site managers. In each school, the Headteacher is the Site Manager.

2.3.9 It was emphasised that control over all aspects of these responsibilities cannot be centralised. Site Managers themselves must recognise and undertake their duties. If a Site Manager is found not to be carrying out his/her responsibilities properly, he/she should be assessed as having the necessary resources, training and support before taking any further action.

2.3.10 In addition, fire training arrangements and compulsory courses require further review to ensure that the right people receive the most relevant training. The IOSH course was cited as an example, noting that attendance is not always sufficient. Although the number of courses available has tripled, around 40% of places remain vacant, although services often express concern about a lack of provision. Again, this was recognised as reflecting the need for a culture change.

2.3.11 Finally, it was confirmed that annual audits are being carried out and that a review of fire safety arrangements is only one part of this process. However, the question was raised as to whether once a year inspection is frequent enough to ensure that risks are identified and managed in a timely manner.

2.3.12 The officers were thanked for attending the Working Group and for an open discussion on the issues highlighted in the audit and the work being done.

2.4 ***Category Management – Environment – Follow-up***

2.4.1 The main findings of the audit were as follows:

Four actions were agreed as part of the original audit in April 2025, one with a risk score of 6, two with a risk score of 12, and one with a risk score of 9. It was found that the actions had been partially implemented and the findings are reported below, however, ongoing work is in place to develop systems in order to prioritise value for money and retain benefits locally. As a result, a revised agreed action plan was prepared.

The original internal audit identified that one of the risks to be mitigated was a failure to properly maintain and manage a register of all contracts to ensure they receive timely attention. The service intended to transfer all contracts to the K2 system so that contract status could be monitored, including identifying when relevant documents need to be renewed. However, the K2 system has not yet been fully developed, and the Highways, Engineering and YGC Department is currently the only department using it. It does not appear likely that development of the K2 system for use by other departments can begin for several months due to departmental workload. As a result, the Environmental Category Management Team decided to begin trialling a PowerApp system to monitor accreditations of contracted companies and their subcontractors, to ensure company details remain up to date. The intention is for the PowerApp system to go live by April 2026.

To date, the Environmental Category Management Team has transferred a list of subcontractors to the PowerApp system, along with the Tree Management framework as a starting point. Further work is required to fully develop the system, and a significant amount of time will be needed to input all relevant information and contracts. Once completed, the system will allow access to company contact details, contract status, accreditations, start and end dates, records of social benefits, insurance details, and any essential documents that require renewal. The system will flag expired documents and send automatic email notifications to companies. It is intended to establish a tile for each contract on the PowerApp system and share these with relevant departments once the system is fully implemented.

During the original audit, the Environmental Category Management Team intended to transfer all arrangements to the K2 system. However, it now appears that the K2 system is not suitable for all frameworks and contracts across all departments. Although the Highways, Engineering and YGC Department currently uses the K2 system, it requires individual licences, which can create barriers for managers in other departments. In contrast, the PowerApp system can be shared with all staff without such restrictions.

Another risk raised during the original audit was the potential failure to comply with the new Procurement Act 2023, which came into force in February 2025. The Act introduced several requirements to be embedded within processes, along with mandatory training for staff. The training status of members of the Environmental Category Management Team was reviewed, and evidence was received that one member of staff had completed the Government's "Transforming Public Procurement" course, with another officer currently working through the modules. However, one member of staff had not yet started the training due to absence but intends to begin the training in March 2026. In addition, the Category Team Manager has arranged for the Environmental Category team to attend further training (Pass Procurement) once a date becomes available.

Following a request from the Highways, Engineering and YGC Department, a training session was delivered to the Department's Management Team on 17 July 2025. Evidence was seen that the session provided information on the Council's procurement rules and arrangements, ensuring that all attendees had the same basic understanding of procurement. The session also highlighted the changes introduced by the Procurement Act, ensuring staff were aware of the new arrangements now in force. The Procurement Service confirmed that it is willing to provide this training to any team that requires it, and the Highways, Engineering and YGC Department has requested further sessions. The Procurement Service is currently developing a presentation for the Highways and Engineering teams, with the intention of delivering sessions shortly. YGC has also requested a further presentation, and a session has already been delivered at the beginning of February.

Corporate training is also underway, including the "Procurement and Contracting" training available on the Council's Learning and Development Framework. The Procurement Service confirmed that consultation with the Category teams will take place prior to the session, so that they are aware of and familiar with the content and can provide relevant comments and input. In addition, "Social Value and Sustainability" training is being provided to procurement officers, and the Category Management Team has already attended one of these sessions. The intention of the Procurement Service is to develop more training in the future to strengthen procurement understanding and skills across the Council.

2.4.2 Arwel Evans (Procurement Manager – Corporate Services) and Bethan Meira Owen Category Manager – Environment - Highways, Engineering and YGC) were welcomed to the meeting.

2.4.3 The Officers explained that the team is trying to cope with a very substantial programme of work, as there is a need to manage a wide range of contracts and procurement activities across the Council. The service is aware of the areas and goods that need to be purchased, as well as the need to manage new contracts and ensure that existing contracts that are expiring are renewed in a timely manner. Given the number of contracts in place across the Council and the relatively small size of the team, the work must be prioritised and which procurement activities need attention at specific times.

2.4.4 It was emphasised that the team is trying to make the best use of the resources available. The Environment – Highways Engineering and YGC category manager team have been working on introducing arrangements and systems to assist with contract management, but as there are only three members in the team, the work programme remains very extensive.

2.4.5 Monitoring contractors' accreditations, certificates and insurance is an important part of the work. Ensuring that all relevant documents are up to date creates a significant administrative burden, which increases as the number of contracts increases. As a result, discussions have been held with the IT service about developing a system that can monitor expiry dates and provide automatic notifications when insurance or contractor accreditations requires renewal.

2.4.6 Potential development was discussed using PowerApp, which would be able to provide an individual record for each contractor. Although agreements and procurement arrangements are already in place, it was noted that it was a challenge to ensure that all services across the Council consistently used the approved tendering arrangements and frameworks. The proposed system would be able to save contractor information, accreditations and insurance documents, as well as provide automatic alerts when records expire. Currently, only a small number of contracts are included, but it is envisaged that the system would significantly facilitate administrative work and contract management.

2.4.7 Reference was also made to the K2 system, which is used by the Highways, Engineering and YGC Department to manage frameworks and contracts. The system enables officers to record costs and relevant information, and restricts ordering to only suppliers that have been approved through the framework. If an officer wished to use a supplier who is outside the framework, the system would not allow this. However, there is currently no full assurance that all officers are using the system and frameworks consistently.

2.4.8 It was explained to the Working Group that the input of the necessary information into the system is significant work and relies heavily on the support of the IT service. The K2 system is mainly used by the Highways Service but in order to extend the use across the Council, a wider development, such as PowerApp, would be required. The new system has not yet been formally launched.

2.4.9 The current target is to introduce the new arrangements before December, although progress has been acknowledged to be slow due to the complexity of the work and the limited resources available.

2.4.10 The use of expenditure analysis as a means of gaining a better understanding of expenditure across the Council was also discussed. The use of a suitable system will enable the service to identify how much is being spent in different areas and support better decision-making around procurement and contract management.

2.4.11 In relation to training, it was noted that the service needed to ensure a clear understanding of the new arrangements and processes prior to the introduction of a wider training programme. Sessions have been held with management teams to provide an overview of the role and responsibilities of the procurement service. At the same time, corporate work is underway to develop more comprehensive training to improve awareness and compliance across the Council.

2.4.12 The Procurement Manager sent an update to the Audit Manager following the Working Group:

- It is intended to undertake an analysis of the financial year's expenditure (2026/27) to get a overview of the areas of expenditure the team is responsible for and compare it with the 2025/26 analysis.
- Continue to develop the K2 system and PowerApp to manage contracts, providing an update with the number of contracts that have transferred to the system by December 2026.

- Team Officers to complete training and 'procurement reform' modules by December 2026.
- Procurement and Contracts training is carried out through the learning and development framework.
- The procurement team to conduct review of the category team’s 'tree trimming and felling' agreement by October 2026.

2.4.13 The Officers were thanked for attending the meeting and for explaining the actions already in place and the proposed arrangements to mitigate the risks identified.

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**29 SEPTEMBER 2026**
TITLE	**INTERNAL AUDIT PLAN 2026/27**
PURPOSE OF REPORT	**TO GIVE THE COMMITTEE AN UPDATE ON PROGRESS AGAINST THE 2026/27 AUDIT PLAN**
AUTHOR	**LUNED FÔN JONES – AUDIT MANAGER**
ACTION	**FOR INFORMATION**

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1. INTRODUCTION

1.1 This report is a progress report on completion of the 2026/27 Internal Audit Plan.

2. SUMMARY OF PROGRESS AGAINST THE PLAN

2.1 The 2026/27 Internal Audit Plan is included in Appendix 1, with the status of the work as at 20 September 2026. The status of the work in the operational plan at that date was as follows:

Audit Status	**Number**
Planned	9
Field Work Started	14
Awaiting Review	4
Draft Report Issued	2
Closed	0
Final Report Issued	11
Total	**40**
Cancelled	**3**

2.2 The service aims to have 95% of the audits in the plan to be either closed or with the final report released by 31 March 2027. The quarterly profile of this indicator is as follows:

End of quarter 1	8%
End of quarter 2	20%
End of quarter 3	50%
End of quarter 4	95%

2.3 As seen from the table above, Internal Audit's actual achievement up to 20 September 2026 was **28%** - out of **40** individual audits contained in the amended 2026/27 plan, **11** had been released in a finalised version/completed or closed.

3. AMENDMENTS TO THE PLAN

3.1 Initially, an estimated 760 days of audit resources was available to complete the 2026/27 Audit Plan. This was based on the staff resources available, including reasonable allowances for 'non-productive' activities, such as annual leave, sickness, training, management, and meetings.

3.2 In accordance with best practice and the Global Internal Audit Standards, the Internal Audit Plan is subject to continuous review to ensure that it remain current and reflect changes in the business environment. To this end, the Audit Plan needs to be flexible, and the plan is reviewed and updated on a regular basis.

3.3 To reflect the above in the Audit Plan, it was decided to modify or cancel/delay the following audits:

Audits	Days	Amendment/Cancelled
Tan y Marian – Follow-up	+6	Additional
Siop Galwch Acw – Follow-up	+4	Additional
Cegin Arfon - Follow-up	+4	Additional
Canolfan y Gwystl – Follow-up	+4	Additional
Plas Hedd - Follow-up	+4	Additional
Plas y Don - Follow-up	+4	Additional
Total	**+26**	
Learning Disability Centres – Follow-up	-12	Cancelled
Residential Care Jomes – Follow-=up	-7	Cancelled
General Follow-up	-7	Adjustment
Total	**-26**	

3.4 It is inevitable that any audit plan will need to be flexible to be able to respond to emerging high-risk developments and issues. Therefore, conducting the audits will be dependent on a timely assessment of risks/priorities and any new developments or risks that emerge.

4. RECOMMENDATION

4.1 The Committee is asked to note the contents of this report as an update on progress against the 2026/27 audit plan, offer comments thereon and accept the report.

Department	Audit	Original Plan	Revised Plan	Actual Days	Remaining	Audit Status	Assurance Level
Education	Post-16 Provision in Schools Grant	5	0	0.3	**-0.3**	Cancelled	
	Additional Learning Needs	15	15	1.3	**13.7**	Planned	
	Schools - General	3	3	0.0	**3.0**		
	Safeguarding Policy	15	15	0.4	**14.6**	Planned	
	Supply Teachers	15	15	9.2	**5.8**	Awaiting Review	
	Heads' and Leadership Salaries	15	15	3.0	**12.0**	Planned	
Environment	Waste Services Administration	15	15	2.1	**12.9**	Planned	
	Pollution Control	15	15	2.4	**12.6**	Field Work Started	
	Street Works	20	20	0.0	**20.0**		
	Building Control Enforcement	15	15	0.0	**15.0**		
	Building Control Invoicing and Recovery Arrangements	15	15	3.8	**11.2**	Field Work Started	
Corporate Services	Procurement - Category Management - People	25	25	16.7	**8.3**	Field Work Started	
	Health and Safety - Accident Reporting	8	8	0.0	**8.0**		
Corporate	Advice & Consultancy and Supporting Ffordd Gwynedd Reviews	15	15	2.8	**12.2**	Field Work Started	
	Proactive Prevention of Fraud and Corruption and the National Fraud Initiative	40	40	2.1	**37.9**	Field Work Started	
	Whistleblowing Policy - Response to the adoption of a new policy	10	10	1.4	**8.6**	Field Work Started	
	Use of Consultants	25	25	0.0	**25.0**		
	General Follow Up	20	13	2.2	**10.8**		
	Emergency Planning and Continuity of Service	25	25	0.1	**24.9**	Planned	
	Health and Safety - Departmental Arrangements	8	8	3.7	**4.3**	Field Work Started	
	Lone Working	8	8	7.6	**0.4**	Field Work Started	
Finance	Payroll System	15	15	3.1	**11.9**	Planned	
	Harbour Statement of Accounts 2025-26	4	4	4.0	**0.0**	Final Report	High
	Council Tax - recovery and write-off of debts	15	15	21.1	**-6.1**	Awaiting Review	

Department	Audit	Original Plan	Revised Plan	Actual Days	Remaining	Audit Status	Assurance Level
	Treasury Management	15	15	0.1	**14.9**		
	Pensions Service	15	15	0.0	**15.0**		
Economy and Community	Welsh Church Fund	4	3	2.2	**0.8**	Final Report	High
	Community Hubs	12	12	0.0	**12.0**		
	Balchder Bro	12	12	0.0	**12.0**	Field Work Started	
	Cist Gwynedd	8	10	8.0	**2.0**	Awaiting Review	
	Sinage Schemes	10	10	0.0	**10.0**		
	Glyn Rhonwy	8	8	3.1	**4.9**	Field Work Started	
	Lloyd George Museum Accounts	4	3	2.5	**0.5**	Final Report	High
	Doc Fictoria	8	8	0.0	**8.0**		
	Hafan	12	12	1.5	**10.5**	Planned	
	Beach Management Plan	8	8	12.1	**-4.1**	Draft Report	Satisfactory
Adults, Health and Wellbeing	Cefn Rodyn	12	12	9.5	**2.5**	Final Report	Limited
	Hafod Mawddach	12	12	11.1	**0.9**	Final Report	Limited
	Bryn Blodau	12	12	10.2	**1.8**	Field Work Started	
	Residential Homes Follow-up	7	0	0.0	**0.0**	Cancelled	
	Tan y Marian Follow-up	0	6	5.8	**0.2**	Final Report	Satisfactory
	Plas Hedd Follow-up	0	4	4.0	**0.0**	Final Report	High
	Plas Y Don Follow-up	0	4	4.0	**0.0**	Final Report	Satisfactory
	Direct Payments	15	15	15.4	**-0.4**	Final Report	Limited
	Learning Disability Centres Follow-up	12	0	0.0	**0.0**	Cancelled	
	Mental Health Placements	25	25	0.0	**25.0**		
	Agency Staff Costs	20	20	0.0	**20.0**		
	Follow-up Siop Galwch Acw	0	4	4.0	**0.0**	Final Report	Satisfactory
	Follow-up Cegin Arfon	0	4	4.0	**0.0**	Final Report	Satisfactory
	Follow-up Canolfan y Gwystl	0	4	3.6	**0.4**	Draft Report	Satisfactory
Children and Supporting Families	Commissioning Arrangements in the Wake of New Legislation	15	15	0.0	**15.0**		

Department	Audit	Original Plan	Revised Plan	Actual Days	Remaining	Audit Status	Assurance Level
Highways, Engineering and YGC	Pricing Arrangements	15	15	0.0	**15.0**		
	Public Toilets	10	10	0.3	**9.7**	Planned	
	SuDS	15	15	0.0	**15.0**		
	Bereavement Service	15	15	6.6	**8.4**	Field Work Started	
Housing and Property	Legionella	15	15	18.2	**-3.2**	Awaiting Review	
	Smallholdings	15	15	0.0	**15.0**		
	Council Tax Premium Fund	5	5	0.1	**4.9**	Planned	
	Housing Support Grant	10	10	4.4	**5.6**	Field Work Started	
	Commissioning Arrangements - Housing Support Grant	15	15	0.4	**14.6**	Field Work Started	
Corporate Leadership Team	Care Cubed	15	15	0.0	**15.0**		
	Care Finance Team Arrangements	18	18	0.0	**18.0**		
		760	**755**	**218.4**	**536.6**		

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**29 SEPTEMBER 2026**
TITLE	**CYNGOR GWYNEDD'S ANTI-FRAUD, ANTI-BRIBERY AND ANTI-CORRUPTION STRATEGY AND RESPONSE PLAN**
PURPOSE OF REPORT	**TO UPDATE THE COMMITTEE ON THE COUNCIL'S ANTI-FRAUD AND ANTI-CORRUPTION WORK, AND TO PRESENT A WORK PROGRAMME FOR THE NEXT THREE YEARS**
AUTHOR	**LUNED FÔN JONES – AUDIT MANAGER**
ACTION	**TO ADOPT THE STRATEGY AND PLAN AND DECLARE SUPPORT FOR THEIR CONTENTS**

Introduction

1. The "**Risk of Fraud, Bribery and/or Corruption**" has been identified as one of the Council's corporate risks. Currently, this is considered to be of a **low risk** (score of 4) within the context of the Council's governance framework because of an **Impact score of 2** (A **significant** effect on the life or well-being of several residents (e.g. an effect on life or well-being, but falling within the expected range of day-to-day life) or a **visible** effect on many residents), and a **Likelihood score of 2** (the likelihood of it happening is low – but is still there). It is believed that the likelihood is low because internal controls are generally robust; this is confirmed by the work of Internal Audit.

2. Despite this, it is vital that we remain aware of the risk, as the Council has been the victim of major frauds in the past.

3. Cyngor Gwynedd, like any other public organisation that deals with a substantial amount of money, could be subject to attempts to defraud or to influence officers and / or members in a corrupt manner. This can be undertaken or attempted by individuals from outside the Council, by staff, by members or by a combination of these conspiring with each other.

4. In November 2025, the "Fraud Awareness" e-module was established on the e-learning Portal with the e-module available to staff and Members. The e-module was launched to coincide with the "Fraud Awareness Week", which is 16-22 November 2025. However, it must be noted that this e-module is not one of Cyngor Gwynedd's mandatory modules.

Strategy

5. The Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy forms a key part of the authority's governance framework, and its adoption, its promotion and its implementation are essential steps in gaining the confidence of the public with regards to protecting taxpayers' money. It reflects the Council's determination to protect itself from fraud and corruption and its intention is to ensure high standards of public accountability.

6. The Strategy provides an overview of the Council's policy towards fraud and corruption and those who perpetrate, or seek to perpetrate, fraud and corruption against Cyngor Gwynedd and the taxpayer. It is designed to:

- Explain what the Council means by fraud, bribery and corruption;
- Set out the standards that the Council expects from its Elected Members and employees;
- Encourage fraud prevention;
- Promote fraud detection;
- Show how the Council will investigate fraud, bribery and corruption;
- Promote fraud awareness.

Response Plan

7. In addition to the Strategy, the Fraud and Corruption Response Plan is to be read in conjunction with the Strategy, and sets out what staff and/or managers should do when they suspect that fraud or corruption is occurring, and the practical steps that the Council shall follow to deal with the matter.

8. The document sets out what the following should do when discovering or suspecting fraud, bribery or corruption:

- Staff
- Managers
- Auditors

9. The plan has been developed to give due attention and consideration to a number of other policies and working practices within the Council in order to ensure consistency, including:

- The local conditions of service
- Disclosure Policy ("Whistleblowing")
- Disciplinary Policy
- Financial Procedure Rules
- Internal Audit Charter

10. The Response Plan explains how the Council will act in order to investigate allegations of fraud, bribery or corruption, including how this connects with the Authority's Disciplinary Policy.

11. The plan also outlines how the Council will act and the options which must be considered, when sufficient evidence has been collected to support the allegation of fraud, bribery or corruption, including internal discipline and/or criminal or civil prosecution, or a combination of these.

Recommendation

12. The Governance and Audit Committee is asked to receive this report as an explanation of the Council's arrangements for investigating and preventing fraud and corruption within the organisation and to approve the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy and the Fraud and Corruption Response Plan.

CYNGOR GWYNEDD

ANTI-FRAUD, ANTI-BRIBERY AND ANTI-CORRUPTION STRATEGY

2026 – 2029

1. PURPOSE

The purpose of this document is to explain what the Council will do in 2026 – 2029 in order to minimise the risk of fraud and corruption, to investigate suspicions, and the steps we will take in response.

This document:

- Explains what the Council means by fraud, bribery and corruption;
- Sets out the standards that the Council expects from its Elected Members and employees;
- Encourages fraud prevention;
- Promotes fraud detection;
- Shows how the Council will investigate fraud, bribery and corruption;
- Promotes fraud awareness.

2. INTRODUCTION

In carrying out its functions and responsibilities, the Council has always adopted a culture of openness and fairness. The Council expects that Elected Members, employees, consultants, suppliers, contractors and other partner organisations will adopt the highest standards of propriety and accountability.

Cyngor Gwynedd will continue with a zero-tolerance attitude to Fraud, Bribery and Corruption.

3. DEFINITIONS

Fraud

The Fraud Act 2006 outlines a general offence of fraud and three ways of committing it:

- **Fraud by false representation** – where an individual dishonestly and knowingly makes a representation that is untrue or misleading.
- **Fraud by wrongfully failing to disclose information** – where an individual wrongfully and dishonestly fails to disclose information to another person when they have a legal duty to disclose it, or where the information is of a kind that they are trusted to disclose it, or they would be reasonably expected to disclose it.
- **Fraud by abuse of position** – where an individual who has been given a position in which they are expected to safeguard another person's financial interests dishonestly and secretly abuses that position of trust without the other person's knowledge.

Common types of fraud to which the Council could fall victim would include (the lists are not exhaustive):

Fraud by false representation:

- false or exaggerated travel claims or overtime claims,
- invoices presented for services not received,
- having alternative employment when "signed off" work by a GP,
- recording incorrect hours on the flexible hours scheme.

Fraud by wrongfully failing to disclose information

- Failure to disclose a relevant or unspent criminal conviction on an application form for a job,
- Contractors failing to disclose Health and Safety prosecutions on tender documents,
- Understating the value of Council assets before disposal to family, friends or one's self.

Fraud by abuse of position

- Where individuals within the organisation are entrusted with the care of public money, and their position within the organisation has facilitated the offence. Particular offences under this section would include theft from home care clients by their carers, or fraudulently awarding contracts to friends and / or family members.

In all of the above, the Fraud Act outlines two basic requirements which must be met before any of the above can be charged: the defendant's conduct must be dishonest and his/her intention must be to make a gain or cause a loss (or the risk of a loss) to another. Therefore, in terms of the behaviour that is pertinent to this Strategy:

- No loss or gains need to materialise – an intent to make a gain or cause a loss will be construed as an act of fraud
- A gain does not have to be for the person committing the act of fraud – it could be for another
- "Gain" and "loss" are as defined by Section 5 of the Fraud Act – it could be money or other property (whether real or personal, tangible or intangible), it could be permanent or temporary and:

  > a "gain" includes a gain by keeping what one has, as well as gain by getting what one does not have, and a "loss" includes a loss by not getting what one might get, as well as a loss by parting with what one has.

Internal and External Fraud

In this strategy, "Internal Fraud" is defined as fraud perpetrated by the Council's own employees or members, with an intention of causing a loss to Cyngor Gwynedd, and where the fraud has been perpetrated or facilitated as a result of an individual's or group of individuals' position within the organisation. "External fraud" is defined as fraud committed by individuals from outside the organisation, or from outside an employee's normal area of work, with a view to causing a loss to the Council.

In most cases, any fraudulent act would be easily identifiable as "internal" or "external" fraud, but in some cases the situation may be more ambiguous since an employee or member of the Council can commit external fraud as well as internal fraud against the authority. For example, a Council employee making a claim for a means-tested grant but deliberately withholding certain information that would affect the amounts of grant paid would be viewed as an "external fraud". However, should a member of staff who plays a part in the process of administering the grant take advantage of their employment to fraudulently divert grant monies to themselves, this would be seen as an "internal fraud".

Action:	**Hold regular workshops of relevant officers to discuss maters arising, emerging risks and share good practice**
Reason:	Whether fraud is internal, external or a combination of both, the types of fraud that are attempted, and the method of doing this, will develop over time. Workshops will provide an opportunity to identify what needs to be done to respond to this.

Benefit and Council Tax Reduction Fraud

Action:	**Collaboration with the Department for Work and Pensions to develop the work of investigating Council tax reduction fraud**
Reason:	Since 2014, responsibility for investigating offences relating to Housing Benefit fraud has transferred from the Council to the Fraud and Error Service within the Department for Work and Pensions. However, that service does not investigate and prosecute offences relating to the Council Tax Reduction Scheme. To that end, the Revenues Service conducts an exercise by using an experienced external company to "match" data.

Corruption and Bribery

Corruption is defined as "the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person".

Under the Bribery Act 2010, the following are offences:

- **Active bribery:** offering, promising or giving a bribe (Section 1).
- **Passive bribery:** requesting, accepting or agreeing to accept a bribe (Section 2).
- **Bribing a foreign public official:** This offence is more relevant to organisations operating internationally (Section 6).
- **Corporate offence of failing to prevent bribery:** commercial organisations which fail to prevent persons associated with them from bribing on their behalf (Section 7).

To be able to fully defend this offence, the Council puts procedures in place to prevent persons associated with it from bribing on its behalf.

The six principles of the procedures which should be in place are as follows (Ministry of Justice Principles):

1. **Proportionate procedures:** the procedures that are introduced should be proportionate to the bribery risks faced and to the nature, scale and complexity of the Council's activities. These procedures should also be clear, practical, accessible, effectively implemented and enforced.
2. **Top level commitment:** the Council and Cabinet should be committed to preventing bribery by persons associated with the Council. A culture in which bribery is never acceptable should be fostered.
3. **Risk assessment:** The nature and extent of exposure to potential external and internal risks of bribery is assessed. This assessment should be periodic, informed and documented.
4. **Due diligence:** due diligence procedures are applied in a proportionate and risk-based method, in respect of persons who perform or will perform services for, or on behalf of the Council to mitigate identified bribery risks.
5. **Communication (including training):** seek to ensure bribery prevention policies and procedures are embedded and understood throughout the Council.
6. **Monitoring and review:** procedures designated to prevent bribery are monitored and reviewed with improvements made where necessary.

Proceeds of Crime

The Proceeds of Crime Act 2002 provides for the confiscation or civil recovery of the proceeds from crime, which requires payment from the convicted individual based on the benefit obtained from their crimes. The Act allows the confiscation of money, material assets and hidden assets.

Examples of where this Act can be used by the Council are as follows:

- Planning enforcement.
- Environmental Health – fly tipping, illegal dumping of tyres.
- Housing – false claims from landlords.
- Animal Health – dog breeding licence.
- Trading standards – selling of fake goods.
- Staff – expenses fraud.

In order to proceed with a case under the Proceeds of Crime Act 2002, an individual (or group of individuals) must have been found guilty of an offence in court. Consideration must then be made on the ability of the individual to pay and the amount concerned.

Failure to Prevent Fraud Offence (Economic Crime and Corporate Transparency Act 2023)
The Economic Crime and Corporate Transparency Act 2023 introduced a new corporate criminal offence of "Failure to Prevent Fraud", which came into force on 1 September 2025. Under the offence, organisations may be held criminally liable where an employee, agent, contractor, subsidiary undertaking or other associated person commits a specified fraud offence intending to benefit the organisation (or, in certain circumstances, a client of the organisation), and the organisation cannot demonstrate that it had reasonable fraud prevention procedures in place. It is not necessary for senior managers or elected members to have been aware of, authorised or participated in the fraud for liability to arise. Although the offence applies directly to large organisations, the principles contained within the Home Office guidance represent recognised good practice for all organisations and provide a framework for strengthening organisational resilience against fraud.

Cyngor Gwynedd is committed to maintaining a strong anti-fraud culture and will continue to develop and review its arrangements in line with the six principles set out within the Home Office guidance:

1. Top-Level Commitment – demonstrating clear leadership and a zero-tolerance approach to fraud and corruption.
2. Risk Assessment – regularly assessing and documenting fraud risks across Council services and activities.
3. Proportionate Risk-Based Procedures – implementing appropriate controls and safeguards to prevent, detect and respond to fraud risks.
4. Due Diligence – undertaking appropriate checks on employees, suppliers, contractors and partners where fraud risks exist.
5. Communication and Training – ensuring that staff, Members and relevant third parties understand their responsibilities in preventing and reporting fraud.
6. Monitoring and Review – regularly reviewing the effectiveness of fraud prevention arrangements and making improvements where required.

4. CULTURE

The Council is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption. There is an expectation and requirement that individuals and organisations associated in whatever way with the Council will act with integrity and that elected members and employees at all levels will lead by example.

Action:	**Continue to subscribe to the CIPFA Counter Fraud Centre and make use of the facility, including the source identifying fraud risks, to ensure access to good practice**
Reason:	This service is a valuable source of good practice and relations with other bodies working in the field.

Various Codes of Conduct

"The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001" sets out an approach to work that is both honest and fair. Employees must act in line with the code at all times which includes the following General Principles:

- Accountability;
- Political Neutrality;
- Relations with Members, the Public and Other Employees;
- Equality;
- Stewardship;
- Personal Interests;
- Whistleblowing;
- Treatment of Information;
- Appointment of Staff;
- Investigations by Monitoring Officers.

The Council has a Code of Conduct for Members that sets out the following principles:

- Selflessness
- Honesty
- Integrity and Propriety
- Duty to Uphold the Law
- Stewardship
- Objectivity in Decision-making
- Equality and Respect
- Openness
- Accountability
- Leadership

together with the duty to disclose and register interests.

All Elected Members and staff are required to declare any offers of gifts or hospitality which are in any way related to the performance of their duties in relation to the Council in accordance with the Code of Conduct regarding Gifts and Hospitality which has been adopted by the Council.

Keeping an Overview

Action:	**Include an item on counter fraud work on the Governance and Audit Committee agenda at least once per annum**
Reason:	As "those charged with governance", the Governance and Audit Committee is required to maintain an overview of what is being done to deal with fraud and corruption. To that end, it is proposed to report on an annually, or more frequently as required, on the authority's anti-fraud activities.

Whistleblowing Policy

Employees have an important role to play in dealing with fraud and corruption and the Council will encourage staff to raise a concern about anything of public interest such as:

- Fraud or misuse of public funds
- Abuse or neglect towards customers or clients
- Corruption or abuse of authority
- Risk to health and safety
- Concealment of important information or malpractice
- Sexual harassment

Staff can do this in the knowledge that such concerns will be treated in confidence and properly investigated. Reporting procedures are outlined in the Council's Whistleblowing Policy. This scheme 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. Whilst the areas covered by the Council's Whistleblowing Policy will be far wider than fraud, bribery and corruption, the encouragement to report such behaviour is an essential part of this policy.

Systems of Internal Controls

In order to safeguard public funds, it is essential that employees comply with internal controls and systems that have been put in place by management to prevent fraud and corruption. When fraud or corruption has occurred due to weakness in the Council's systems and procedures, Heads of Department will ensure appropriate controls are implemented to prevent recurrence. In most cases, Internal Audit will review such controls as part of its overall assurance review, and should be given the support and co-operation of all managers and staff.

Managers have an additional responsibility for:

- Ensuring that staff for whom they are responsible are aware of the risk of fraud and corruption.

- Taking steps to prevent fraud and corruption through the use of appropriate internal controls and monitoring.

- Implementing agreed actions or Internal Audit recommendations.

- Encouraging staff to report suspected fraud, bribery and corruption as directed in the Council's Whistleblowing Policy.

Being Proactive

Action:	**Assess the possibility of using data better in order to identify and investigate fraud**
Reason:	Internal audit has set time aside in its annual audit plan in order to undertake proactive anti-fraud work. However, it is incumbent on all who carry out services to be alert to the risk of fraud. We will look into the possibility of units, either in conjunction with Internal Audit or separately, using the data they have – within the law – to search for suspicious patterns.

Co-operation with Investigators

All elected members and employees are expected to provide investigators with all assistance requested, and will provide a statement to the Police should they be required to do so.

5. PREVENTION OF FRAUD, BRIBERY AND CORRUPTION

The Council seeks to prevent fraud, bribery and corruption by:

- Raising awareness of the risk of fraud, bribery and corruption;
- Making Members and employees aware of their roles and responsibilities;
- Working with other agencies and bodies.
- Creating a culture where corruption and fraudulent behaviour is unacceptable behaviour.
- Seeking, where appropriate and in a proper manner, to publicise cases of fraud, bribery or corruption perpetrated against the authority

All Members and employees should be aware of the possibility that fraud, bribery, corruption and theft may exist in the workplace and be able to share their concerns with the appropriate people.

It is essential that the policies and procedures for raising concerns are clearly set out and made available to Members, employees and the public. The Council must regularly review and update these policies and procedures.

Both Members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Examples of such situations would include:

- Externalisation of services;
- Internal tendering;
- Planning; and
- Land issues.

Action:	**The Council will be alert to the risk of fraud with new developments within the Council**
Reason:	New developments, possibly, create new risks in terms of fraud. Where appropriate, the risk of fraud to be part of major projects risk assessment.

Internal Controls and Audit Assurance

Managing the risk of fraud, bribery and corruption is the responsibility of management, who must make sure that suitable levels of internal check are included in working procedures, in particular financial procedures. It is essential (where practically possible) that duties are specified and segregated, so that individuals cannot carry out a complete transaction without input and/or verification by another appropriate officer.

The Audit Manager is to be notified of all suspected or detected fraud, bribery, corruption or impropriety, to inform her opinion on the internal control environment and Internal Audit's work programme as well as to allow her to ensure appropriate action is taken.

Internal auditors are alert in all their work to minimise risks and exposures that could allow fraud, bribery or corruption to occur. Internal auditors are also alert to any indications that fraud, bribery or corruption may have been occurring and will advise the appropriate officers accordingly. However, audit procedures alone, even when performed with due professional care, cannot guarantee that fraud, bribery or corruption will be detected.

Recruitment

The Council must follow safe recruitment procedures when employing new staff or agency staff. This includes reviewing the previous employment records of potential staff with regard to their propriety, integrity and identity. This applies to both temporary and permanent staff. This may be done by the use of references from previous employers and review of qualification.

Inter-agency Co-operation

The Council is also committed to working and co-operating with other organisations to prevent organised fraud and corruption. Wherever possible, the Council will be prepared to develop and encourage the exchange of information (on national and local fraud and corruption activity) with other local authorities and external agencies, such as the Police, inter-authority audit officer groups, the Wales Audit Office and Government departments (including the Department of Work and Pensions). A leading example of this is the National Fraud Initiative (NFI) exercise that occurs every 2 years.

Due care in protecting the integrity and confidentiality of data is particularly important when exchanging information. Internal Audit will control and help exchanges of information.

6. DETECTION AND INVESTIGATION OF FRAUD, BRIBERY AND CORRUPTION

Under the Code of Conduct for Employees[1] and the Council's Financial Procedure Rules[2] employees must report any suspected cases of fraud or corruption to the Head of Finance and/or the Audit Manager, either directly or through their line manager. Reporting cases in this way is essential to the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy and makes sure that:

- Suspected cases of fraud, bribery and corruption are investigated properly;
- The Fraud, Bribery and Corruption Response Plan is carried out properly;
- There is a standard process for dealing with all suspected cases of fraud, bribery and corruption;
- The public and the Council's interests are protected;
- Any possible sanction (criminal, civil, disciplinary or a combination of all three) is not compromised.

[1] **Paragraph 20.8:** In the event that a qualifying employee becomes aware of activities which that employee believes to be illegal, improper, unethical or otherwise inconsistent with this Code, the employee should report the matter, acting in accordance with the employee's rights under the Public Interest Disclosure Act 1998, and with the relevant authority's confidential reporting procedure, or any other procedure designed for this purpose.

[2] **Rule 16.14.6:** Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or any arrangement to claim an inappropriate payment from the Council, or other property of the Council, the Head of Service or other officer making the discovery shall comply with the Council's Anti-fraud and Corruption Strategy and immediately notify the Head of Finance and/or Senior Manager Audit & Risk, who shall take such steps as he/she considers necessary by way of investigation and report.

In order to maintain compliance with both the Internal Audit Code of Practice and the Council's Financial Procedure Rules, Gwynedd Council's strategy for investigating suspected fraud, bribery and corruption is that all cases are to be referred to Internal Audit for investigation. The Audit Manager will work with management and other agencies to decide on the type and course of investigation. All investigations will be conducted pursuant to the Fraud and Corruption Response Plan.

The investigation will be undertaken in compliance with the Council's Disciplinary Policy and Procedure. Whereas the policy states that a formal investigation is not necessary for what the relevant line manager considers to be minor offences, no manager will view fraud, bribery, corruption or financial impropriety as a minor offence. Further, the Disciplinary Policy and Procedure also states that "how detailed the investigation is will be entirely dependent on the seriousness of the allegations". There will always be a presumption of formal action in cases of alleged fraud, bribery and corruption, and they will always be deemed as being sufficiently serious to warrant an official Internal Audit investigation.

The Disciplinary Policy and Procedure gives the following as examples of acts that constitute gross misconduct:

- Theft from the Council or any of the Council's clients.
- Serious fraud that would make the employee unsuitable to work with for the Council.
- Deliberate falsification of any records.
- A serious breach of confidence.

Steps under the Proceeds of Crime Act 2002 will also be considered where applicable.

7. TRAINING

The Council recognises that the continuing success of this Strategy and its general credibility will depend, in part, on the effectiveness of programmed training and responsiveness of employees throughout the organisation.

During the lifetime of the Strategy, training and events will be held that have been specifically tailored to increase staff awareness and understanding on the characteristics of fraud, bribery and corruption within their areas of work, and their responsibilities when dealing with suspicions.

The Council is also committed to training and developing employees who are involved in investigating fraud, bribery and corruption, and will provide suitable training.

Action:	**Being proactive by attending training events provided by professional bodies, and/or provide training jointly with other authorities in order to maximise effectiveness**
Reason:	It is essential that the skills of key officials are maintained, so that they are aware of the new risks, and investigate correctly.

8. CONCLUSION

Gwynedd Council is committed to tackling fraud, bribery and corruption; its response will be effective, organised and based on the principles included in this document.

The Council shall continue to review its rules and procedures, therefore it is essential that this Strategy is regularly reviewed to maintain its effectiveness and continued compliance with legislation.

CYNGOR GWYNEDD

FRAUD, BRIBERY AND CORRUPTION RESPONSE PLAN

1. INTRODUCTION

Cyngor Gwynedd is committed to sound corporate governance and to protecting the public funds with which it has been entrusted. However, the determined perpetrator will sometimes find a way around systems and procedures. Minimising any losses to fraud is an essential part of ensuring that the Council's resources are used for the purposes they are intended. To this end, the Council's Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy has been developed and maintained.

All managers need to be aware of what is required in the event of being notified of a suspected fraud. This Fraud Response Plan should be read in conjunction with the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy which sets out the process for staff who wish to notify any suspicions and notes how the Council's officers should respond. This Plan provides guidance on the action to be taken when a fraud is suspected or discovered and covers areas such as: to whom the fraud will be reported, responsibilities for actions, who will investigate the incident and how employees under suspicion will be dealt with.

It is vitally important that the Plan is followed by all concerned in order to ensure that the situation is handled professionally and to safeguard against the case being compromised. The use of the Plan may enable the Council to:

- prevent further loss,
- establish and secure evidence necessary for criminal and disciplinary action,
- notify the relevant authority, funding body and the Police,
- minimise and recover losses,
- take disciplinary action against those involved,
- review the reasons for the incident, the measures taken to prevent a recurrence and implement actions needed to strengthen procedures.

Further, this Plan aims to ensure that any investigation complies with the following Council policies and procedure:

- The Council's Staff Code of Conduct,
- The Council's Financial Procedure Rules,
- The Council's Whistleblowing Policy,
- The Council's Disciplinary Procedures.

Definitions

The definitions of "Fraud", "Internal and External Fraud", "Benefit Fraud" and "Corruption" are as found in the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy

Benefit Fraud

This Plan is not relevant to Benefit Fraud (as defined in the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy), for which separate procedures exist.

2. REPORTING A SUSPECTED FRAUD

Actions by Staff

Suspected fraud can be discovered in a number of ways. Examples are:

- A Council employee, by virtue of their post within the Council, becoming suspicious of time sheets, expenses claims, grant certificates, invoices etc presented for payment.
- A Council employee becoming suspicious of the activities of one or more of their colleagues.
- Irregularities discovered by an internal or external auditor during routine audit work.
- A Council member or employee being informed of an alleged fraud by external agencies or members of the public.

In all cases, it is important that staff feel able to report their concerns and that they are aware of the means by which they are able to do so. Suspicion of fraud will be treated seriously and will be reviewed and analysed in accordance with relevant legislation and the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy.

All staff should be aware that the Staff Code of Conduct and the Financial Procedure Rules (both of which are part of Gwynedd Council's Constitution) between them place an obligation on all employees to report suspected cases of fraud, corruption and irregularities to the Head of Finance, and/or the Audit Manager:

> **Staff Code of Conduct, Paragraph 20.8:** In the event that a qualifying employee becomes aware of activities which that employee believes to be illegal, improper, unethical or otherwise inconsistent with this Code, the employee should report the matter, acting in accordance with the employee's rights under the Public Interest Disclosure Act 1998, and with the relevant authority's confidential reporting procedure, or any other procedure designed for this purpose.
>
> **Financial Procedure Rule 16.14.6:** Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or any arrangement to claim an inappropriate payment from the Council, or other property of the Council, the Head of Service or other officer making the discovery shall comply with the Council's Anti-fraud and Corruption Strategy and immediately notify the Head of Finance and/or Audit Manager, who shall take such steps as he/she considers necessary by way of investigation and report.

However, the Council is fully aware that reporting these suspicions can be extremely stressful and traumatic (especially if the person under suspicion is the employee's line manager, or a colleague with whom they work on a daily basis, and/or with whom they share an office). As a result, a number of measures are in place in order to protect employees who report genuine concerns. In particular, the Public Interest Disclosure Act encourages people to raise concerns about malpractice in the workplace and helps ensure that organisations respond by:

- addressing the message rather than the messenger; and
- resisting the temptation to cover up serious malpractice.

Further guidance can be found in the Council's Whistleblowing Policy, which outlines the way in which any employee can report suspicions. However, the Whistleblowing Policy covers a far wider range of malpractice than fraud, corruption and financial irregularities. These other matters must be dealt with on their own merits and reported to the most appropriate place – usually to the relevant Manager, Assistant Head or Head of Department.

Any initial concerns and discussions that an employee may have will be treated sensitively and in complete confidence, and no-one should be afraid to raise them. There may be an innocent explanation for whatever the employee is concerned about - if this proves to be the case, then no further action will be needed and at least the concerns will have been aired.

A member of staff may choose to report their concerns anonymously and such anonymity will be respected. It should be noted that, if the report suggests criminal activity, and the case is to be pursued by police, the identity of the person reporting the details will be needed at a later date if criminal proceedings are to be pursued effectively; identification is preferred and will assist the investigation.

If anyone becomes aware of a suspected fraud or irregularity, their concerns should be written down as soon as is practically possible. A note should be made of all relevant details, such as what was said in phone or other conversations, the date, the time and the names of anyone involved. The matter should be reported immediately:

- **to their own Line Manager, Head of Department or Corporate Director who will contact the Head of Finance and/or the Audit Manager, or**
- **direct to the Head of Finance and/or the Audit Manager.**

When reporting their concerns, staff should arrange to hand over any notes they may have taken and any evidence gathered to the appropriate investigator. Confidentiality for all parties will be maintained in respect of reports made in good faith which cannot be substantiated following investigation.

Staff must not do any of the following:

- contact the suspected perpetrator in an effort to determine facts or demand restitution,
- discuss the case facts, suspicions, or allegations with anyone outside of Cyngor Gwynedd (including the Press) unless specifically asked to do so by the Audit Manager,
- discuss the case with anyone within the Council other than their own Line Manager, Head of Department, Corporate Director, Head of Finance and/ or the Audit Manager,
- attempt to personally conduct investigations or interviews or question anyone, unless asked to do so by the Audit Manager (acting in accordance with relevant legislation and codes of practice).

Action by Managers

If managers have reason to suspect fraud or corruption in their work area, they should do the following:

- Listen to the concerns of staff and treat every report received seriously and sensitively, making sure that all staff concerns are given a fair hearing. Managers should also reassure staff that they will not suffer because they have told them of their suspicions.
- Obtain as much information as possible from the member of staff, including any notes and any evidence they have that may support the allegation. Managers should not interfere with any evidence, and should and make sure it is kept in a safe place.
- Report the matter immediately to the Head of Finance and/or the Audit Manager. They must not try to carry out an investigation themselves or ask an individual to covertly obtain further information, as this may compromise evidence (thus preventing appropriate disciplinary or criminal action in due course).

Action by Auditors

If the council's internal auditors discover what they suspect to be fraud, corruption or improper conduct during the course of an audit, they must secure all evidence and make detailed notes of all evidence collected. They should then report their suspicions immediately to their team leader, who must in turn inform the Audit Manager at the earliest possible opportunity. The investigation process (section 4 below) will follow.

3. MALICIOUS ALLEGATIONS

If an allegation is made frivolously, maliciously or for personal gain, disciplinary action may be taken against the person making the allegation.

4. INVESTIGATION PROCESS

Internal Audit is responsible for initiating and overseeing all fraud investigations. Internal Audit will ensure that all investigations conform to the same standard and in accordance with legislation.

Under the Council's Disciplinary Policy and Procedure (Part 7.3 of the Local Conditions of Work), all alleged breaches of the Council's rules and standards will require an investigation to be held as soon as possible, unless the relevant line manager is of the opinion that the alleged offence is minor. However, in accordance with the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy, no manager should view allegations of fraud, corruption or financial irregularities as "minor offences", therefore an investigation will be held in all cases. The Disciplinary Policy and Procedure gives the following as examples of acts that constitute gross misconduct:

- theft from the Council or any of the Council's clients,
- serious fraud that would make the employee unsuitable for work with the Council,
- deliberate falsification of any records, or
- a serious breach of confidence.

Further, as outlined in the Strategy, a gain or loss does not have to materialise – an intent to defraud is sufficient to prompt an investigation.

The investigation procedure is **not** part of the disciplinary procedure; it is merely a process of gathering all of the facts related to the allegations, and this will be explicitly stated to any employee who is assisting the Council with such an investigation.

Investigation results will not be disclosed to, or discussed with, anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct, and to protect the Council from potential civil liability.

In cases where an individual is suspected of fraud which a subsequent investigation does not substantiate, it is important that the potential damage to the individual's reputation is minimised. Whoever originally reported the suspected fraud or irregularity will be informed that the investigation has revealed no wrongdoing.

Any necessary investigative activity will be conducted without regard to any person's relationship to the Council, position or length of service.

Once the investigation has been completed, Internal Audit will prepare a written report which states the facts discovered by the investigation. The report will avoid speculation and no statement shall be made that cannot be supported by the facts.

5. PROCEEDINGS

Where evidence exists to support the allegation of fraud or corruption, consideration will be given to "triple-tracking" the enquiry. That is, whether the steps to be taken should be criminal, civil, disciplinary or a combination of all three.

Disciplinary Action

Where evidence of fraud or corruption has been gathered, the Internal Audit report described above will always be used as a formal record of an investigation as defined in the Council's Disciplinary Policy and Procedure. Disciplinary procedures will be conducted by the relevant line manager, who will use the Internal Audit investigation report as major evidence; the investigating auditor(s) should be required to present the evidence at a disciplinary hearing. However, Internal Audit investigators will not form part of a disciplinary panel.

Criminal Action

In accordance with the Council's Financial Procedure Rules where, on consideration of the Internal Audit investigation report, the Monitoring Officer is of opinion that there is a breach of the criminal law, at the discretion of the Head of Finance the matter shall be reported to the Police for further investigation.

If an employee is involved, disciplinary action shall be taken as a matter of urgency in accordance with the Council's Disciplinary Procedures whether or not the matter is referred to the Police.

If the police decide that a formal investigation is necessary, all staff are expected to co-operate fully with any subsequent requests or recommendations. All contact with the police following their initial involvement will usually be via Internal Audit.

Civil Action

Where the Council has suffered loss, restitution will be sought of any benefit or advantage obtained and the recovery of costs will be sought from individual(s) responsible for fraud.

As a first step the individual concerned will be asked to make good the loss. It may be appropriate to consider recovering the loss from any monies due to the individual on termination (if the perpetrator is an employee). The advice of the Head of Finance and Legal Services should be sought before attempting to make recovery.

Where an employee is a member of Cyngor Gwynedd's pension scheme, and is guilty of fraud, the Council may be able to recover the loss from the capital value of the individual's accrued benefits in the Scheme, which are then reduced as advised by the actuary.

If the individual will not make good the loss, consideration should be given to taking civil action to recover the loss, subject to legal advice received. Since the misappropriated funds are taxpayer's money, the civil recovery can be as important as a successful prosecution.

Civil remedies can be used even if a criminal case fails, or if criminal charges have not been pursued, due to the differing burden of proof.

As a last resort, if on the basis of legal advice a civil remedy action is not pursued, the Council's Fidelity Guarantee (Criminal) Insurance Policy may be enacted to recover losses. However, in cases where fraud has occurred following particularly poor management or supervision the full amount may not be recovered. In any event, the Insurance & Risk Management Service must be kept informed from an early stage in the investigation in order to ensure that the insurance claims are dealt with as effectively and efficiently as possible.

Parallel Sanctions

There is no legal reason why the three types of proceedings listed above should not proceed at the same time, or at least overlap. The general approach of the courts is not to give automatic precedence to criminal proceedings. Other forms of proceedings should not be postponed until after the conclusion of the criminal hearing unless there is a real – not merely notional – danger that the disclosure of the defence in the civil action would, or might, lead to a potential miscarriage of justice (by, for example, enabling prosecution witnesses to prepare a fabrication of evidence). For case law, see *Jefferson v Bhetcha [1979] 1 WLR 898, 904* and *R v BBC, ex p. Lavelle [1983] 1 WLR 23, 39*.

6. LEARNING FROM EXPERIENCE

Where a fraud has occurred, management must make any necessary changes to systems and procedures to ensure that similar frauds will not recur. Where appropriate, Internal Audit will publish a "lesson learnt" report to highlight where there has been a failure of supervision, or a breakdown / absence of control. Such reports will provide recommendations to avoid further occurrences, both in the specific area where the fraud occurred and, where appropriate, within the wider context of the Council's administration.

Governance and Audit Committee Forward Programme to September 2027

22 October 2026

Implementation of Committee Decisions
Revenue Budget 2026/27 –End of August 2026 Review
Capital Programme 2026/27 –End August 2026 Review
Savings Overview: Progress Report on Realisation of Savings Plans
Treasury Management 2026-27 Mid-Year Review
Medium Term Financial Plan
Half Year Risk Report
Audit Wales Reports and Organisational Response
Recommendations and Proposals to Improve External Audit Reports
The Council's Complaints Handling Arrangements
Category Management
The Committee's Forward Programme

4 February 2027

Implementation of Committee Decisions
Asset Management Plan
Internal Audit Output
Internal Audit Plan 2026/27
Revenue Budget 2026/27 – End of November 2026 Review
Capital Programme 2026/27 – End of November 2026 Review
Savings Overview: Progress Report on Realisation of Savings Plans
Treasury Management Quarterly Update
Savings 2027/28
Capital Strategy 2027/28 (including Investment and Borrowing Strategies)
Budget 2027/28
Audit Wales Reports and Organisational Response
The Committee's Forward Programme
Recommendations and Improvement Proposals of External Audit Reports

15 April 2027
Implementation of Committee Decisions
Review of the Committee's Self-Assessment Work Programme
Half Year Risk Report
Internal Audit Products
Head of Internal Audit Annual Report 2026/27
Internal Audit Charter
Internal Audit Plan 2027/28
Audit Wales Reports and Institutional Response
The Committee's Forward Programme

May 2027
Election of Chair
Election of Vice-Chair
Implementation of Committee Decisions
Governance and Audit Committee Annual Report 2026/27
Gwynedd Harbours Draft Accounts for the Year ended 31 March 2027
Final Accounts 2026/27 – Revenue Outturn
Capital Programme 2026/27 – End of Year Review (position 31 March 2026)
Treasury Management Quarterly Report
Internal Audit Output
Head of Internal Audit Annual Report 2026/27
Audit Wales Work Plan
Audit Wales Reports and Organisational Response
The Committee's Forward Programme

July 2027
Implementation of Committee Decisions
The Committee's Development Programme
Statement of Cyngor Gwynedd's Accounts for the Year Ended 31 March 2027 (Subject to Audit)
Cyngor Gwynedd's Annual Governance Statement for 2026/27
Treasury Management 2026/27
Cyngor Gwynedd's Risk Management Arrangements
The Council's Complaints Handling Arrangements
Audit Wales Reports and Organisational Response
Cyngor Gwynedd Self-Assessment 2026/27
Recommendations and Improvement Proposals of External Audit Reports
The Committee's Forward Programme

September 2027

Implementation of Committee Decisions

Statement of Cyngor Gwynedd's Accounts for the Year Ended 31 March 2027 and the related audit

Gwynedd Harbours Final Accounts for the Year ended 31 March 2027 *(if required)*

Cyngor Gwynedd's Annual Performance Report and Self-Assessment 2026/27

Medium Term Financial Plan

Half Year Risk Report

Treasury Management Quarterly Update

The Council's Complaints Handling Arrangements

Audit Wales Reports and Organisational Response

The Committee's Forward Programme