

# **Wrexham Council**

## **Annual Governance Statement for the year ended 31 March 2024**

Mae'r ddogfen hon ar gael yn Gymraeg hefyd /

This document is also available in Welsh

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## Introduction and Certification

Corporate governance refers to the processes by which organisations such as the council are directed, controlled, led and held to account. It is also about culture and values – the way that elected members and employees think and act.

The council is committed to the principles of good governance as identified in the 'Delivering Good Governance in Local Government Framework 2016' – doing the right things in the right way, in a way which is timely, inclusive, open, honest and accountable. It acknowledges that it has a duty to have in place sound and proper arrangements for the governance of its affairs and is committed to keeping its governance arrangements under review and to improving governance on a continuing basis across the council as a whole.

This Annual Governance Statement (AGS) meets the requirements of the Accounts and Audit (Wales) Regulations 2014 which require a local authority to conduct a review at least once a year of the effectiveness of its system of internal control and include a statement reporting on the review with its published Statement of Accounts.

The AGS therefore presents an assessment of the extent to which the council has, for the year ended 31 March 2024, complied with its Code of Governance, how it has monitored and evaluated this during the year, and whether its arrangements remain fit for purpose.

The review provides good overall assurance that our arrangements continue to be regarded as fit for purpose in accordance with the governance framework requirements for Local Authorities within Wales. Opportunities to maintain and develop our governance arrangements have been identified and our agreed actions, which are owned by our Senior Leadership Team, will be reviewed bi-annually and reported to the Governance and Audit Committee.

Signed, on behalf of Wrexham Council:

Handwritten signature of Councillor Pritchard in black ink, consisting of a large 'M' followed by the name 'Pritchard' written in a cursive style.

**Councillor Pritchard**  
**Leader (May 2024)**

Handwritten signature of Ian Bancroft in blue ink, featuring a stylized 'I' and 'B' followed by a long horizontal flourish.

**Ian Bancroft**  
**Chief Executive (May 2024)**

# Section 1 - Identification of key governance arrangements

## 1.1 Description of our governance arrangements

The council's [Code of Governance](#) states the importance to the council of good corporate governance and sets out our own governance framework. It is based on the 7 'core principles' identified in the 'Delivering Good Governance in Local Government Framework 2016' which are designed to underpin the governance of all public sector bodies.

### Wrexham County Borough Council Governance Code

**Our commitment to good governance is made across the following core principles:**

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B. Ensuring openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D. Determining the interventions necessary to optimise the achievement of intended outcomes.
- E. Developing the Council's capacity, including the capability of its leadership and the individuals within it.
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Our code sets out in detail the arrangements we have in place to ensure that we adhere to these core principles. It sets out the systems and processes by which the council is directed and controlled and through which it accounts to, engages with and leads the community. It also includes our values and culture.

Across the council, there is a range of bodies and structures which fulfil an important role in developing and maintaining the governance framework:

#### Council

- All 56 Elected Members
- Approves the Council Plan.
- Agrees the Constitution, policy and financial frameworks.
- Terms of reference – Section 4 of the [Council's Constitution](#).

## **Executive Board**

- Primary decision making body of the Council.
- Comprises the Leader of the Council and Lead Members who have responsibility for specific portfolios.
- Terms of reference – Section 5 of the [Council's Constitution](#).

## **Key Governance Officers**

The Constitution sets out the functions of key governance officers, including the statutory posts of 'Head of Paid Service' (Chief Executive), 'Monitoring Officer' (Chief Officer – Governance and Customer) and 'Section 151 Officer' (Chief Officer – Finance and ICT) and explains the role of these officers in ensuring that processes are in place for enabling the Council to meet its statutory obligations and also for providing advice to Members, officers and committees on staff management, financial, legal and ethical governance issues.

## **Priority Boards**

- Focus on the achievement of the council's priorities as set out in the Council Plan.
- Report to elected members via corporate performance reporting arrangements.

## **Standards Committee.**

- Promotes high standards of conduct by elected and co-opted members and monitors the operation of the Members' Code of Conduct.
- Terms of reference – Section 8 of the [Council's Constitution](#).

## **Scrutiny Committees**

- Comprise non-Executive elected members.
- Review and scrutinise the decisions and performance of the council and Executive Board.
- Review and scrutinise the decisions and performance of other public bodies and partnerships as appropriate.
- Terms of reference – Section 7 of the [Council's Constitution](#).

## **Senior Leadership Team & Managers**

- Responsible for developing, maintaining and implementing the council's governance, risk and control framework.
- Contribute to the effective corporate management and governance of the council.

## **Governance Officers' Group**

- Ongoing review of the effectiveness of the governance framework.
- Accountable to Governance & Audit Committee and Senior Leadership Team

## **Internal Audit**

- Provide an independent opinion on the adequacy and effectiveness of internal control, risk management and governance arrangements.

- Delivers a programme of risk based audits, including counter-fraud and investigation.
- Identifies areas for improvement in the management of risk.
- Accountable to the Chief Officer Finance & ICT and the Governance & Audit Committee.

### **Governance & Audit Committee**

- A statutory committee providing independent assurance on the council's internal control environment.
- Considers external audit, inspection and regulators' reports, the council's Self-Assessment report.
- Terms of reference – Section 9 of the [Council's Constitution](#).
- External and independent assurance regarding the council's financial statements and arrangements in place to secure economy, efficiency and effectiveness in the use of resources to achieve the council's stated outcomes and statutory responsibilities.

### **External audit, regulation and inspection**

- External and independent assurance regarding the council's financial statements and arrangements in place to secure economy, efficiency and effectiveness in the use of resources to achieve the council's stated outcomes and statutory responsibilities.

## **Section 2 – Evaluation of the effectiveness of governance arrangements**

The council is required to undertake an annual review of the effectiveness of the arrangements it has in place to fulfil each of the principles of good governance and support the achievement of sustainable outcomes. In undertaking the review, the council considers assurance from a range of sources, and these are summarised in paragraph 3.1 below.

The annual review has been structured around the core principles of good governance, considering developments during the year, identifying gaps and opportunities for improvements. The review has been used to inform this overall assessment of our governance arrangements and to identify the significant governance issues for 2024-25. The conclusions and significant issues are set out in paragraph 3.2 below.

There is no official CIPFA definition of what constitutes a 'significant issue', however in the context of Wrexham Council, we consider that a significant issue might be defined as:

- New obligations required of the organisation / new challenges caused by the impact of the pandemic, restoration of business as usual activities;
- Issues that undermine or threaten the achievement of organisational objectives;
- A significant failure to meet the principles (and sub principles) of good governance;
- An area of significant concern to an inspector, external audit or regulator;
- An area recommended for inclusion by the Head of Internal Audit, one of the statutory officers, or an issue that has required formal action being taken by the Chief Finance Officer or Monitoring Officer;
- An issue that cuts across the organisation and required cooperation to address it;
- An issue that has resulted in significant public interest or has seriously damaged reputation; or,
- An issue that has required a significant diversion of resources.

### **2.1 Effectiveness of the assurance process underpinning the evaluation of effectiveness.**

The following provides a brief outline of the key sources of assurance considered in the review and their effectiveness during 2023-24

#### **Internal audit and audit assurances**

Internal audit is an independent assurance function that undertakes work that will inform the Head of Internal Audit's (HoIA) annual opinion on the overall adequacy of the council's framework of governance, risk management and control, including all its operations, resources and services and responsibilities in relation to other bodies. To do this, the internal audit service delivers scheduled programme of audits (Audit Plan) on a risk-based needs assessment.

Internal Audit's reporting arrangements comply with the requirements of the Accounts and Audit Regulations (Wales) 2014 and the Public Sector Internal Audit Standards (the Standards).

The Internal Audit Plan for 2023-24 was reported to GAC in [February 2023](#). 44 audits were planned, with a contingency included to allow for unplanned work to be carried out as necessary. In 2023-24, 93% of the Internal Audit Plan was completed along with 100% of the unplanned work that arose. There were 46 audits completed.

Quarterly summaries of all internal audit work undertaken identify areas of significant weakness in the organisation's framework of governance, risk management and control and are reported to Senior Leadership Team and Governance and Audit Committee.

### **Head of Internal Audit (HoIA) annual opinion and reference to any limitation of scope**

Based on internal audit findings, implementation/action plans received from management and other sources of assurance, including External Audit, Risk Management, the Council's Section 151 Officer and the Monitoring Officer, the Head of Internal Audit's opinion is **that in most of the areas examined, the Council's framework of governance, risk management and control is generally adequate and effective in achieving the Council's objectives.**

Internal Audit's work highlighted that the management within children's social care of commissioning of off-contract placements was as a general area for consideration in the Annual Governance Statement 2023-24. This is important due to high levels of expectation and increasing demands and costs in these areas, and is consistent with the assurances obtained through the financial management task and finish groups during the year.

In addition, the HoIA identified the following specific area as requiring further attention to ensure that there is compliance with the Council's framework of governance, risk management and control:

- Monitoring and reporting arrangements for the completion of mandatory training for employees.

A full account is available in the Internal Audit Annual Report which will be reported to the Governance & Audit Committee on [10<sup>th</sup> October 2024](#).

### **Governance & Audit Committee**

The Governance & Audit Committee (GAC) is a key component of the governance framework, providing a high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. During the year the committee met as scheduled, regularly reviewed its work programme to ensure that the committee's terms of reference were fulfilled, undertook relevant training and development, and has held a series of workshops to evaluate its impact and effectiveness.

The GAC is held to account by Council through an annual report. The annual report provides a comprehensive account of how the committee has met its Terms of



Reference. [GAC Annual Report 2022-23](#). (The annual report for 2023-24 will be agreed by GAC in September 2024)

### **External audit and inspection**

External audit and inspection is a key to our governance framework. During 2023/24, 'local' Audit Wales, CIW and Estyn reviews were reported to GAC (and other committees as appropriate) with all other reviews (regional, national, thematic) being included in a 6 monthly summary report to GAC.

At the end of 2023/24, in response to Audit Wales guidance issued to local authorities, this process has been revised: in 2024/25 all reviews and responses will be reported individually, and there will be an annual report to GAC on progress with actions to address recommendations.

An annual Assurance and Risk Assessment Review provides the opportunity for the council and its key regulators to consider a combined view of the key risks, challenges and opportunities facing the authority, and contributes to the planned audit and inspection work for the coming year.

### **Audit Wales**

Audit Wales, our External Auditor, assesses the council's arrangements for delivering continuous improvement, value for money, compliance with the sustainable development principle, and ensuring that public money is properly accounted for.

Audit Wales has certified that it has issued an unqualified true and fair opinion on our financial statements 2021/22. Audit Wales has yet to certify its opinion on our financial statements for 2022/23 as sign-off has been delayed by technical adjustments arising from national work on historical valuation bases. Overall feedback from Audit Wales has however been positive and certification is expected by October 2024.

Audit Wales' Annual Audit Plan sets out the planned programme of audit work for each year based upon its assessment of the financial and operational risks facing the council. The results of this work are published in an Annual Audit Summary. The annual summary for 2023 will be published following certification of our 2022/23 financial statements.

### **Estyn (Her Majesty's Inspectorate for Education and Training in Wales)**

continued to monitor the council's progression of its Post Inspection Action Plan (PIAP) put in place to address the shortcomings identified during the [2019 Estyn inspection](#) of the council's education services. Feedback from a monitoring visit in November 2022 was positive and recognised the evaluation work which had been undertaken by the Council. Following a full inspection in summer 2023 the council was judged to have made sufficient progress with regard to the recommendations from the 2019 Estyn core inspection to be removed from the follow-up category of 'causing significant concern' and only one secondary school remains in measures. The PIAP has been replaced by a Priority Improvement Plan which will inform improvement planning in the Education and Early Intervention Department until 2025.

Care Inspectorate Wales (CIW) undertook a Performance Evaluation Inspection (PEI) of both adults' and children's social services in [June 2022](#). The report of this inspection acknowledged improvement in both adults' and children's services since 2019 and recognised the council's commitment to continued improvement. The PEI was followed by an improvement check visit between 24<sup>th</sup> October and 2<sup>nd</sup> November 2023. CIW published findings from this visit in a letter in [January 2024](#). The letter recognised improvements made in many area across both services since the 2022 inspection and called for these to be sustained. The letter made detailed recommendations at operational and systemic levels relating to both services and called for an increased focus on further improvement in adult services going forward.

Monitoring reports on all the above inspections were presented to scrutiny, Executive Board and GAC.

The **Annual Assurance and Risk Assessment Review** (Audit Wales, Estyn and CIW) was held in January 2023 and helped inform the audit and regulatory work in 2023-24.

A summary of all external regulatory reports was reported to Governance and Audit Committee in [September 2023](#) and [February 2024](#). In response to Audit Wales guidance issued to local authorities, the GAC reporting process was revised towards the end of 2023/24. All reviews and responses will now be reported individually, and there will be an annual report to GAC on progress with actions to address recommendations.

### **Compliance with Financial Management Code**

A key goal of the Financial Management (FM) Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. Actions to achieve full compliance with the Code were completed in July 2022.

### **Chief Officer assurances**

Chief Officers undertake an assessment of governance within their services each year and complete an Internal Control Assurance Statement (ICAS). These are reviewed to identify any governance issues either within a specific service or across the organisation which need to be addressed. This year's Chief Officer assurance review did not identify any systemic issues for inclusion as a significant issue.

### **Ongoing review of effectiveness of arrangements - Governance Officer Group**

The council is committed to improving governance on a continuing basis across the council as a whole, through a process of ongoing evaluation and review, culminating in an annual review which informs the AGS. The Governance Officer Group (GOG), consisting of officers who lead on key areas of the governance framework, as well as service representatives, meets quarterly to lead on this work: it reviews the governance arrangements and effectiveness by core principle, identifies areas for improvement, and monitors and reports on progress with the AGS actions. GOG reports to Senior Leadership Team (SLT) and GAC at [quarter 2](#) and quarter 4 (annual review). GOG is a key contributor to the annual review and the preparation of the AGS.

## **Management of Risk**

Chief Officers and designated senior managers are responsible for identifying the risks to the planning and delivery of services and the achievement of the council's priorities and these are recorded in service risk registers, along with the controls in place to manage the risks. Risk management operated as intended during 2021-22.

Risk registers are reported to Senior Leadership Team and Governance and Audit Committee twice a year. GAC takes an active interest in the effectiveness of risk management arrangements.

The council's Priority Boards, have also identified those risks within service risk registers which relate to the achievement of the council's priorities, to enable these to be managed.

## **2.2 Evaluation of the effectiveness of governance arrangements in supporting the achievement of sustainable outcomes and fulfilling the principles of good governance, and the identification of significant governance issues.**

This section sets out each of the 7 principles of good governance and their supporting definitions (A-G), along with the assessment of our effectiveness and any significant issues identified for inclusion in the AGS action plan.

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

“Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they achieve. They have the overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.” (CIPFA/SOLACE)

### **Assessment:**

**The council has good resources and processes in place to support high standards of behaviour, ethical standards and adherence to the rule of law. There is an ongoing need to promote and monitor uptake of support and training and ensure that it is used effectively to endorse the principles of good governance. The council is actively working to enable a supportive and respectful council, with Elected Members and officers who develop a good understanding of their roles and responsibilities.**

### **Significant issues for inclusion in AGS Action Plan:**

1: Improve culture, values, behaviours and ways of working in public meetings with a focus on actions to embed the new values and behaviours and improve ways of working.

2: Consider and mitigate implications of Council decision not to adopt Local Development Plan (LDP) and the subsequent legal decisions and actions.

**Principle B: Ensuring openness and comprehensive stakeholder engagement.**

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

**Assessment:**

**The council continues to involve the public and its stakeholders in its future service planning and has good processes in place to embed its involvement principles throughout the organisation. Ongoing focused work continues to deliver improvement in GDPR compliance rates. The council has established an excellent record of ensuring its information is accessible. Decision-making continues to be open and transparent with committee meetings being webcast and adherence to the Council’s Public Participation Strategy.**

**Significant issues for inclusion in AGS Action Plan:**

- None

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

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

**Assessment:**

**The Well-being of Future Generations Act is embedded in council planning processes. The Council’s well-being objectives (2023-28) have been developed using the Act’s ‘sustainable development principle’, which is embedded across the organisation. Objectives are focused on statements that provide clarity of outcomes the council is aiming to achieve, and are underpinned by outcome focused measures that will demonstrate progress towards these objectives. New impact assessment arrangements to support good decision making have been developed and will be embedded in the coming year.**

**Significant issues for inclusion in AGS Action Plan:**

- None

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

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

#### **Assessment:**

**Overall the council has performed well in relation to this principle. Processes are in place to identify and implement interventions and to support services where additional resource is required. Insight, the new corporate performance and risk management system, is now live and improves our ability to analyse and report on achieving our priorities and risks and determining necessary interventions. There is a continuing ambitious approach to ensuring that current and future economic opportunities are maximised, and a clear focus on financial resilience and planning for the future in order to ensure the council’s long term sustainability within the context of increased financial and resource pressures.**

#### **Significant issues for inclusion in AGS Action Plan:**

3: Embed decarbonisation across the organisation.

### **Principle E: Developing the council’s capacity, including the capability of its leadership and the individuals within it.**

“The council must have appropriate structures and leadership, as well as people with the right skills, qualifications and mind-set to operate efficiently and effectively and achieve the intended outcomes within the specified periods. It must ensure it has both the capacity to fulfil its own mandate and to make certain there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which the council operates will change over time, there will be a continuous need to develop the council’s capacity, as well as skills and experience of individual staff members. Leadership will be strengthened by the participation of people with many different types of backgrounds reflecting the structure and diversity of communities.” (CIPFA/SOLACE)

#### **Assessment:**

**The council continues to work to ensure that Wrexham is an ‘Employer of Choice’ in a highly competitive market. It recognises to need to ensure that its Change Programme is designed in a way that considers the pressures placed on recruitment and retention, and is able to focus on service areas that become a pressure point, as required.**

**The council's well-being support to its workforce, recognised by a Gold Corporate Health Standard awarded in March 2023, continues, with a strong corporate commitment to support employee well-being.**

**The council has shown commitment to the development of an effective council, with a range of training available to both members and workforce; however it has identified an ongoing risk in relation to elected member take up of core training and key governance training opportunities, as well as the need to improve assurance around workforce training (mandatory modules).**

**The council welcomes the potential benefits of working in partnership to increase capacity to achieve shared objectives and improve services, but recognises the complexities that can sometimes be involved to ensure that duplication is minimised and value for money maximised.**

**Significant issues for inclusion in AGS Action Plan:**

4. Ensure that the Change Programme is designed to consider the pressures placed on recruitment and retention within the organisation and is able to focus on service areas that become a pressure point, as required.
5. Improve elected member take up of core and key governance e-learning.

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

“The council needs to ensure that it has implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important parts of this system and crucial to the achievement of outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes. It is essential that the council has a culture and structure for scrutiny as a key part of accountable decision-making, policy making and review.”  
(CIPFA/SOLACE)

**Assessment:**

**The internal control environment operated largely as planned during the year and the Head of Internal Audit's Opinion for 2023-24 is that in most of the areas examined, the Council's framework of governance, risk management and control is generally adequate and effective in achieving the Council's objectives. Improvements to governance arrangements and processes, and the clarity and timeliness of our strategic approach in terms of financial management have received positive feedback from our regulator. The council has established a Change Programme to ensure that the council plans, both operationally and politically, to deliver its priorities in a challenging economic environment.**

**Significant issues for inclusion in AGS Action Plan:**

6. Financial resilience due to increased pressure on service budgets due to high levels of expectation and increasing demands and costs within the context of forecast lower Welsh Government settlement.

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

“Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only on actions completed, but also on ensuring that stakeholders are able to understand as the council plans and carries out its activities in a transparent manner. Both internal and external audit contribute to effective accountability.” (CIPFA/SOLACE)

**Assessment:**

**The council maintained good practices in transparency reporting and internal audit throughout the year, including corporate reporting according to timescales and the adherence to quality controls for reports, as well as reporting on the effectiveness of our governance arrangements culminating in the AGS.**

**Significant issues for inclusion in AGS Action Plan:**

- None



## Section 3 Significant Issues and Actions during 2023-24

### 3.1 Action taken to address significant issues identified in previous year's AGS.

#### Issue 1: Principle A

#### Culture, values, behaviours and ways of working in public meetings.

##### Focus of Actions:

- Leadership seminar (Members, Chief Officers, and Heads of Service) – a continued focus on values, behaviours equality, diversity and inclusivity and follow up programme.
- Embedding ways of working shared in the council induction.
- Embedding updated values and behaviours in the new Council Plan.
- Codes of Conduct.

##### Progress 2023/24:

- Updated values and behaviours have been included in the Council Plan (2023-28).
- Work commissioned through WLGA to progress values and behaviours continues to be delivered, including coaching for Group Leaders and Chief Executive. Group Leaders' meetings established and continuing.
- Proposal for a Member-led development programme to embed corporate values across the organisation has been co-designed by Group Leaders, Chief Executive and WLGA representatives. Initial member and officer workshops are scheduled for July 2024. Programme will be rolled out to all Members and a large number of officers, with progress updates reported to Democratic Services Committee.
- There was a general improvement in values and behaviours between elected members in public meetings by the end of 2023-24, in comparison with the period 2022-23. Some difficulties with Planning Committee meetings continued due to behaviours of non-committee members, highlighting the need for values and behaviours to be transferrable across members' roles.
- Audit Wales' 'Review of governance arrangements with a specific focus on the Planning Service at Wrexham Council (January 2024), also reflected these concerns in its recommendations regarding the Member / Officer relationships, and understanding roles and responsibilities. Audit Wales was satisfied with our response to the recommendations, which included ongoing focus in these areas, with workshops to be convened both for Members of the Planning Committee and for all Members; evaluation to identify further support required for 24-25; and further follow up work including internal audit and commissioned specialist support.
- The council's work with WLGA to address the findings of the review and implement the actions continues to be progressed.



**Conclusion: This remains a significant development area for the council, and ongoing work with the WLGA and implementing the agreed actions to address Audit Wales' recommendations will be the focus in 2024-25.**

## Issue 2: Principle A

### Consider and mitigate implications of Council decision not to adopt Local Development Plan (LDP).

#### Focus of Actions

- Explore options to respond to any decisions that Welsh Government or law courts make about the Council not adopting the LDP.
- Explore options for working without an LDP in place.

#### Progress 23/24:

During the year, the council focused on managing and preparing for the potential financial and operational challenges as a result of not having an LDP in place. Following a High Court Judgement, the Council adopted the LDP in December 2023. There is now in appeal in place against this decision, so although the Council has an LDP in place and can plan on this basis, the ability to implement LDP related decisions remains difficult and time consuming because of the ongoing differing views about the validity of the LDP.

**Conclusion: Retain as a significant issue for 24-25.**

## Issue 3: Principle D

### Secondary school performance

#### Focus of Actions:

- Continue to progress Post Inspection Action Plan (PIAP)
- Estyn Full Inspection (Summer 2023)

#### Progress 2023/24:

The Estyn Monitoring Inspection in July 2023 judged that we had made sufficient progress in relation to the 2019 Estyn Core Inspection recommendations, and as a result we have been removed from the follow-up category of causing significant concern. A Priority Improvement Plan has now replaced the Post Inspection Action Plan, and will inform the Education and Early Intervention Department's improvement planning for the next two years (2023-2025).

At the end of 2023-24, one secondary school remains in measures.

**Conclusion: Good progress has been made. Remove as a significant issue for 24-25.**

## Issue 4: Principle D

## Prioritise and embed De-carbonisation across the organisation

### Focus of Actions:

- Senior Leadership Team Leadership Plan for Decarbonisation.
- Departmental working groups and workshops, and identification of work stream/theme leads.
- Progress reporting to Developing and Decarbonising the Environment Board, Homes and Environment Scrutiny and Executive Board.
- Instigation of the Cross Party Working Group
- Consideration of resources in budget setting and action planning.

### Progress 2023/24:

- Senior Leadership Team (SLT) sessions to explore leadership and strategic response to decarbonisation have fed into decarbonisation planning.
- Carbon Impact Assessment developed and has been included in the Integrated Impact Assessment (from May 2024) to embed the importance of decarbonisation across the authority.
- Annual report to Executive Board provides a comprehensive position statement and sets our priorities for 2024-25 in support of addressing Audit Wales recommendations. Theme leads and working groups established and regular reporting to Decarbonisation Board and scrutiny committees established.
- A cross party working group has been established, meeting every 2 months.
- Resources for decarbonisation considered as part of budget setting 2024-25. To continue to achieve a downward trajectory in our carbon production / emissions, the main challenge moving forward will be to properly embed decarbonisation into the council's everyday service delivery and integrate effective decarbonisation Themes into our work, drawing on existing service budgets.
- To supplement this officers will continue to identify any alternative funding streams, from a variety of sources, to continue decarbonising our activities as a council and to offset our own carbon emissions.

**Conclusion: Embedding decarbonisation across the organisation, using existing service budgets, and securing alternative funding sources to supplement this, remains a significant issue for 24-25.**

## Issue 5: Principle E

### Improve Recruitment and Retention

#### Focus of Actions:

- Organisation & Workforce Development Strategy (People Strategy) – to include work streams to mitigate against recruitment and retention issues being experienced in some services.
- Social Care Recruitment & Retention Plan.
- Council-wide Job Fair to promote council opportunities (June 2023)

#### Progress 2023/24:

- The importance of our workforce has been recognised by the identification of 'Supporting a Highly Skilled and Engaged Workforce, Focused on Delivering Services' as one of 6 council priorities in the Council Plan (2023-27).
- The 'People Strategy' (Organisation & Workforce Development Strategy) was approved by [Executive Board March 12 2024](#) . The strategy sets our direction to ensure that we have the right people in the right place with the right skills, who are supported to achieve and fulfil their potential so that the council can deliver its services. Work to develop and deliver action plan that sits behind the Strategy will begin in 2024-25 (quarter 1)
- We have continued to promote the benefit of our flexible/modern ways of working in order to ensure that Wrexham Council is an 'Employer of Choice' in a highly competitive market place: we have started to see an increase in applications for vacancies across the organisation. We still need to focus efforts on key areas e.g. social care and other specialist officer roles, as market forces continue to cause difficulties for us.
- A Task and finish group within HR&OD has been established to focus on recruitment, retention, Job Fairs (Council, Wrexham University and Coleg Cambria) and other employers' events. A new recruitment programme has been launched for our Apprenticeship scheme and Environment Traineeship (start Sept 24). Our Plan to support social care recruitment and retention has shown an improvement in numbers coming through, with a successful Grow Our Own (3 year) scheme in place) and improved remuneration.
- Financial projections for 2024/25 onwards have an, as yet, unclear impact on the size and capacity of workforce. At the end of 24-25, Executive Board established a Change Programme to support service delivery and financial stability (2025/26 – 2026/27).
- Retention will remain a significant issue for 24/25 and work remains a priority for difficult to recruit areas across the organisation. Various initiatives will continue within these areas to manage the risk going forward while the organisation goes through the Change Programme.

**Conclusion: Retain as a significant issue in 2024-25 with a focus on ensuring that the Change Programme is designed to manage the pressures placed on recruitment and retention within the organisation and is able to focus on service areas that become a pressure point, as needed.**

## **Issue 6: Principle E**

### **Improve Elected Member take up of core training and key governance e-learning modules**

#### **Focus of Actions:**

- Legal, Democratic & Registration Services and Workforce Development will work with elected members to improve take up and accountability.
- Quarterly monitoring by Democratic Services Committee.

#### **Progress 2023/24:**

- Workforce Development has continued to work with elected members and Group Leaders to raise the profile of core training and how to access key governance e-learning modules.
- Figures throughout the year as reported to Democratic Services Committee have seen an improvement but remain low.
- Individual members' difficulties accessing the e-learning portal are being addressed in Q4.

**Conclusion: Retain as a significant issue as there remains an unacceptably low level of completion of the available core training and key governance e-learning modules.**

## Issue 7: Principle F

**Financial resilience due to increased pressure on service budgets due to high levels of expectation and increasing demands and costs, particularly in social care.**

### Focus of Actions:

- Appraisal of budget planning and monitoring processes in light of continued challenging economic environment.
- Medium Term Financial Planning (MTFP)
- Quarterly reporting to Executive Board.

### Progress 2023/24:

- Audit Wales gave positive feedback in relation to the improvements to governance arrangements and processes, and the clarity and timeliness of our strategic approach for 2024/25.
- The council proactively commissioned a review under the WLGA's improvement offer programme to assess the 2023-24 budget position and to ensure that lessons were learned from the financial situation that arose at the end of 2022/23. This was reported to Executive Board [February 2024](#) – it provided assurance that the fundamentals of financial reporting are sound, while highlighting areas for learning. The council embraced these areas, responded fully and is making good progress with implementation, including:
  - Focus on improving demand forecasting.
  - Focus on Social Care and Environment & Technical through Task & Finish Group working.
  - Management and monitoring of potential in-year pressures.
  - Enhanced reporting.
  - Support from WLGA.
  - MTFP enhancements made and MTFP regularly updated.
- Our budget outturn 2023/24 was in line with projections and strategy, and the budget 2024/25 was approved.
- Task & Finish work focused on Social Care and Environment & Technical established and ongoing.
- Establishment of a Change Programme to support service delivery and financial sustainability over the next two years (focussing primarily on 2025/26)

and 2026/27, but including the unallocated savings target within the 2024/25 budget).

- Internal Audit highlighted the management within social care of commissioning of off-contract placements was a general area for consideration in the AGS 2023-24.

**Conclusion: Retain as a significant issues in 2024-25. The public sector funding environment remains particularly challenging for the future, considering the latest estimates of government funding, compared with the significant growth in costs and demand pressures. The improvements made in 2023-24 relate to areas within our gift – the risk to the Authority as a result of the overall financial climate remains significant.**

## **Issue 8: Principle F**

### **Management of contracts (Health & Safety Governance Framework)**

**Focus of Actions:** Internal Audit follow up

#### **Progress 2023/24:**

- There has been a marked improvement in this area evidenced by improvement with procedures and compliance and training.
- Internal Audit provided improved assurance level (Yellow) in 23/24.
- Further compliance work to be carried out as part of the 2024/25 Internal Audit plan to ensure that current practices become embedded.

**Conclusion: Further compliance work will be carried out as part of the 2024/25 Internal Audit plan to ensure that the current practices are becoming embedded, however this does not need to be retained as a significant issue.**

## **Section 4 Significant Issues and Actions during 2024-25**

### **4.1 Action plan to address the significant governance issues.**

The effectiveness of our governance arrangements are reviewed throughout the year, culminating in an annual review. The review has identified six significant issues to be addressed in 2024-25, along with key actions to be undertaken to secure improvement.

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

**Significant Issue 1 Improve culture, values, behaviours and ways of working in public meetings with a focus on actions to embed the new values and behaviours and improve ways of working.**

Associated risk

C09 - There is a risk that the Council is destabilised due to political (internal or external) events and developments

- GC 008 – Members or officers breach ethical codes.

Mitigation actions

- Continue to work with WLGA to embed values and behaviours and equality, diversity and involvement across the organisation.
- Implement agreed actions to address Audit Wales' 'Review of governance arrangements with a specific focus on the Planning Service at Wrexham Council' recommendations. (January 2024):
- Recommendation 1: To ensure that Members adhere to all policies and procedures relating to conduct and have full regard for the risks of going against professional officer advice.
- Recommendation 2: Ensure that Members demonstrate an understanding that roles and responsibilities vary across different council committees and adhere to these roles, to ensure that discussions at committees are relevant and proportionate to a committee's purpose.

**Significant Issue 2 - Consider and mitigate implications of Council decision not to adopt Local Development Plan (LDP) and the subsequent legal decisions and actions.**

Associated risk

- C07 - There is a risk that the Council fails to comply with its statutory and governance requirements

Mitigation actions

- Retain and seek advice from Planning Barrister to deal with the appeal.

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

### **Significant Issue 3 - Embed De-carbonisation across the organisation**

#### Associated risk

- C04 - There is a risk that revenue and capital resources are insufficient to achieve stated priorities and meet obligations at a time of increasing demand for services.

#### Mitigation actions

- Continue to integrate decarbonisation Themes into the council's everyday service delivery, drawing on existing budgets.
- Identify and secure funding streams from alternative sources, to continue to decarbonising our activities as a council and to offset our own carbon emissions.
- Reviewing outcome measures associated with decarbonisation to support our ability to measure the effectiveness of our decarbonisation work.
- Continue to work in collaboration with partners across the region and across Wales on mutually beneficial projects to reduce carbon emissions locally in the council, our local communities and across Wales.

## **Principle E: Developing the council's capacity, including the capability of its leadership and the individuals within it.**

### **Issue 4 - Ensure that the Change Programme is designed to consider the pressures placed on recruitment and retention within the organisation and is able to focus when needed on service areas that become a pressure point.**

#### Associated risk

- C05 - There is a risk that the Council lacks the knowledge, skills, capacity, culture and ability to modernise in order to continue to meet its priorities and responsibilities.

#### Mitigation actions

- Change Programme governance arrangements – ensure that business cases for any service change include consideration of impact, including those areas where recruitment and retention has been identified as a pressure areas. (Q1)
- Actions to support recruitment and retention for specific planning roles (Q2)
- Build on recruitment and retention plans in social care to ensure continued positive impact.
- Continue with work to support Wrexham as an 'Employer of Choice'.
- Establish and launch a management training and development programme to support development and retention of employees. (October 2024)

### **Significant Issue 5 - Improve elected member take up of core and key governance e-learning**

#### Associated risk

- C05 - There is a risk that the Council lacks the knowledge, skills, capacity, culture and ability to modernise in order to continue to meet its priorities and responsibilities

#### Mitigation actions

- Quarterly monitoring by Democratic Services Committee.
- Information on e-learning completions to be shared with Group Leaders.
- Workforce Development to prioritise 3 modules per quarter for all members to complete, with a target for all key governance e-learning to be completed by Q4 2024/25.
- Ongoing support for members (monthly drop in sessions and support for using the Learning Platform).

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

#### **Significant Issue 6 - Financial resilience due to increased pressure on service budgets due to high levels of expectation and increasing demands and costs within the context of forecast lower Welsh Government settlement.**

#### Associated risk

- C04 - There is a risk that revenue and capital resources are insufficient to achieve stated priorities and meet obligations at a time of increasing demand for services

#### Mitigation actions

- Change Programme focused on in year unallocated savings 24-25.
- Change Programme 2025/26 – 26/27.
- Continue with improved governance and reporting arrangements made during 2023-24, including Task & Finish arrangements for Social Care and Environment.
- Improved management within children's social care of commissioning of off-contract placements.