

Annual Governance Statement

2025-2026



Table of Contents

Table of Contents.....2

1. Executive Summary3

2. Conclusion5

3. Governance Process5

4. Our assessment of effectiveness.9

5. How we have improved our governance arrangements in 2024-2025 12

6. Corporate Governance key results for 2025-26 13

7. Assurance Opinion on Corporate Governance Arrangements23

8. Where our governance needs to improve24

9. Forward Look on Governance.....25

10. Issues identified from last year (2024-2025).....26

11. Agreed action plan for matters to be considered during 2025/26.....27

1. Executive Summary

This Annual Governance Statement (AGS) provides a transparent and evidence-based assessment of the Council's governance arrangements for the year ending 31 March 2026, in line with the CIPFA/SOLACE Delivering Good Governance Framework (2016) and Delivering Good Governance Local Government framework addendum (2025) (The "CIPFA Framework").

The Council's Governance Framework brings together all the governance arrangements in one document and assures that there are clear governance arrangements in place. The governance arrangements will continue to evolve by considering changes to the Corporate Strategy.

The Annual Governance Statement is an assessment of the Council's governance arrangements and is used as a tool for corporate improvement, to evaluate strengths and weaknesses in the governance framework, and as part of an annual action plan.

The review of the 2025/26 AGS was assessed by the Chief Internal Auditor (Corporate Manager - Internal Audit) in February 2026 and provided **High** assurance that there was a sound system of scrutiny and robustness in place and that the systems and procedures in preparing the Governance Framework are satisfactory.

The Council is assessed as having a satisfactory framework of governance, risk management, and internal controls in place to manage the achievement of the organisation's objectives during the year, based on:

- the number, scope, and assurances from internal and external sources during the year to 31 March 2026, and
- the acceptance of actions by management (where available).

The Annual Governance Statement Review processes progress against the CIPFA Framework, and overall governance arrangements were found to be good.

The Council achieved this by:

- Acknowledging the responsibility of ensuring that there is a sound system of governance (incorporating the system of internal control) and reference to the authority's governance framework
- Referencing and assessing the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment.

The Council has made **good** progress during the year with recorded achievements against each of the seven core principles.

As part of our commitment to continuous improvement and resilience, the Council recognises the importance of anticipating future challenges and adapting our governance arrangements accordingly.

The following areas have been identified by the Governance Team as priorities for governance development in the coming year:

- Create a Governance Group
- Review the Annual Governance Framework review document
- Review the Annual Governance Statement template
- Review and update the Governance and Audit Committee terms of reference

Areas outlined for improvement are shown in the Action Plan (Section 11) for completion for 2025/26.

The Annual Governance Statement was presented to the Governance and Audit Committee at its meeting on 18 March 2026, where members noted the contents of the draft AGS, the high Assurance of the Chief Internal Auditor, and that Council had made good progress in delivering its governance improvement actions.

In consideration of the evidence presented to it, on 24.6.26 the Leadership Group has also concluded the Council's governance arrangements and internal controls are considered **good**.

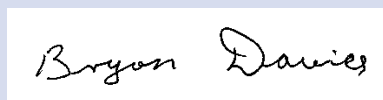
The overall operation of governance arrangements was considered fit for purpose for 2025/26.

The Leader of the Council and Chief Executive both acknowledge the importance of having a solid foundation of good governance and sound financial management.

They acknowledge the assessment outlined above and pledge their commitment to address the matters highlighted in this AGS and to further enhance the Council's governance arrangements.

The Leader and Chief Executive confirm they have been advised of the implications of the review by Leadership Group. Furthermore, the Governance and Audit Committee is satisfied that the steps outlined in this AGS will address the areas for improvement.

Signed on behalf of **Ceredigion County Council**

A handwritten signature in black ink on a white rectangular background. The signature reads "Bryon Davies" in a cursive script.

Leader of the Council

Date: 24th September, 2026

A handwritten signature in black ink on a white rectangular background. The signature reads "J. Elin Evans" in a cursive script.

Chief Executive

Date: 24th September, 2026

2. Conclusion

The Council's governance arrangements have been reviewed and assessed as fit for purpose, with no significant failures identified during the year.

The review confirms that the systems in place support effective decision-making, accountability, and the delivery of strategic objectives. Areas for improvement have been identified and are addressed through a focused action plan, ensuring that governance continues to evolve in line with best practice.

The Council remains committed to transparency, continuous improvement, and maintaining strong governance.

3. Governance Process

What is Governance?

"Governance is at the heart of public services. It underpins how resources are managed, how decisions are made, how services are delivered and the impact they have, now and in the future. It also infuses how organisations are led and how they interact with the public. Governance needs to be robust, but it must also be proportionate. Well-governed organisations are dynamic and take well-managed risks; they are not stagnant and bureaucratic." Corporate governance is the system by which an organisation is directed and controlled.

A good governance structure will include as a minimum:

- Clear governance standards by which an organisation will be governed
- Governance roles and responsibilities
- A mechanism for measuring an organisation's performance against its governance standards.

To be successful an organisation must have a solid foundation of good governance and sound financial management. Specific details of the Council's Governance arrangements are set out in the [governance-framework-eng.pdf](#)

What is an Annual Governance Statement?

The Council is required, each year, to produce an Annual Governance Statement ('AGS') (this document), which explains how the Council has complied with the seven core principles and sub-principles contained in its Governance Framework and also meets the requirement of The Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

The Annual Governance Statement is an assessment of the Council's governance arrangements and can be used as a tool for corporate improvement, to evaluate strengths and weaknesses in the governance framework and as part of an annual action plan. Ceredigion County Council ('the Council') acknowledges the responsibility for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively.

The AGS is an opportunity to undertake a rigorous annual assessment of governance and consider whether it truly is fit for purpose. It is an opportunity to take stock of governance, ensuring that the published AGS and associated improvement actions are based on robust evidence, collated throughout the year.

The scope of the AGS includes an assessment of:

- how effectively our arrangements meet the principles of good governance in practice.
- if and how our governance arrangements support the achievement of the Council's purpose, objectives and its outcomes.

- whether our governance arrangements, are operating effectively.

The review takes into account not just current demands but also anticipated challenges to ensure that the Council has sufficient resilience to flex and adapt, and be and sustainable in our governance

The Council continues to monitor and engage with the following areas:

- service and financial pressures in areas such as social care and housing,
- economic events impacting on funding and income generation,
- new legislation,
- devolution or structural change, including local government reorganisation,
- climate change and net zero,
- use of artificial intelligence in the Council's systems and processes.

Governance Framework

The [Governance Framework](#) comprises the arrangements put in place to ensure that the intended outcomes for all our stakeholders are defined and achieved, whilst ensuring that we always act in the public interest. It also sets out the way the Council meets that commitment in order to achieve the Council's vision and Corporate Well-being Objectives, brings together all governance arrangements and provides assurance that there are clear governance arrangements in place.

Constitution

The Council's [Constitution](#) sets out the governance arrangements (Standing Orders) for the Council and is revised regularly.

Corporate Strategy

The Council's [Corporate Strategy](#) sets out the Council's Corporate Well-being Objectives, which aim to improve and enhance the social, economic, environmental and cultural wellbeing of the citizens of Ceredigion and into which the Council will direct its resources.

The Council's vision is to deliver value for money, sustainable bilingual public services, that support a strong economy and healthy environment, while promoting well-being in the people and communities of Ceredigion. This is to be achieved by fulfilling Corporate Well-being Objectives, which can be found in the [Corporate Strategy](#).

The steps the Council plans to take to achieve its Corporate Well-being Objectives will help improve outcomes for local people and maximise its contribution to the 7 National Well-being Goal. The 7 goals are: -

1. A globally responsible Wales
2. A prosperous Wales
3. A resilient Wales
4. A healthier Wales
5. A more equal Wales
6. A Wales of cohesive communities
7. A Wales of vibrant culture and thriving Welsh Language

The process of producing the Annual Governance Statement begins with an Annual Governance Statement Review which is a workshop held by Governance and audit committee members also attended by officers. The Council's Annual Governance Statement Review serves to appraise the Council's governance arrangements to ensure that the Council is achieving the intended outcomes for its stakeholders/service users. The Framework is based upon the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016, *International Framework: Good Governance in the Public Sector* (CIPFA/IFAC,2014).

The Annual Governance Statement Review measures progress against the Framework. [Delivering Good Governance in Local Government: addendum | Solace](#)

The review period is consistent with the financial year of the reported financial statements.

Each year the Council produces the Annual Governance Statement ('AGS'), which explains how the Council has complied with the seven core principles and sub-principles contained in its Governance Framework and meets the requirements of The Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

The seven core principles are shown in the diagram below:



The Council's governance arrangements for the year 2025/26 have been reviewed in line with the Annual Governance Statement Review. The governance framework is a public statement that sets out the way the Council will meet that commitment in order to achieve its governance arrangements.

4. Our assessment of effectiveness.

The Council is committed to demonstrating that it has the necessary corporate governance arrangements in place to perform effectively.

How the review of effectiveness was conducted

The Council gains assurance from various sources:

- the head of internal audit's annual conclusion on governance, risk management and internal control,

- assurances from the statutory officers and other senior managers,
- assurance from members, for example annual reports from committee chairs, performance and data reports that demonstrate how well the Council has met our objectives and managed our resources,
- evidence of the management of risks from the risk management framework,
- any accreditations or independent assessments against control frameworks or standards
- self-assessments against best practice guidance that underpin the core arrangements,
- best value self-assessments or performance review assessments
- the findings of external assessments, from external audit, inspectorates, other regulators,
- peer reviews and any other commissioned reviews,
- outcomes from relevant stakeholder engagement exercise
- the three lines: management (first line), risk and compliance functions (second line) and internal audit (third line)

The effectiveness of the Annual Governance Statement Review also draws on evidence and assurances from:

- Internal and External Audit and Inspection
- Financial Controls
- Risk and Performance Management
- Legal and Ethical Standards
- Corporate Director and Other Senior Management, including the S.151 Officer and the Monitoring Officer
- The Governance and Audit Committee; and
- Overview and Scrutiny Committees

The Council's governance arrangements were reviewed through a structured process that sought to obtain the following results:

- Whether arrangements are adequately aligned to support the authority's delivery of planned outcomes and meet its responsibilities for value for money/best value,
- Whether arrangements are in place and operating effectively, to support and deliver each of the principles of good governance,
- Assurance that each of the core arrangements for the local code as set out in the Governance Framework are operating effectively.
- The results of external assurance providers Internal Audit's annual conclusion, Explanation of how the overall opinion has been agreed

The review confirmed that arrangements are aligned to support planned outcomes, deliver value for money, and uphold the principles of good governance.

The Leader of the Council provides clear strategic direction, and the Constitution clearly defines the roles of Councillors and Officers. Internal and External Audit, Ethics and Standards Committee, and the Governance and Audit Committee are committed to ensuring the governance arrangements are effective and robust.

The Council has conducted an annual review of the effectiveness of its governance against the CIPFA Framework (2016) Delivering Good Governance Local Government framework addendum (2025).

The review held on the 2nd of December 2025 involved a member/officer workshop in which the Council's Annual Governance Statement Review was analysed and reviewed, with further changes made after the workshop was reported to the Governance and Audit Committee.

The Annual Governance Statement Review is also reviewed by officers, who have governance/management responsibilities within the Council, and by the Council's Leadership Group.

The Leadership Group, which consists of the Chief Executive, Executive Corporate Director, Executive Corporate Lead Officers and Corporate Lead Officers, concluded in their review on 24.6.26 that the Council's governance arrangements and internal controls are considered **good**.

Following the Annual Governance Statement Review, overall governance arrangements are considered to be good. Based on the evidence presented to the Governance and Audit Committee during 2025/26, including during the annual Workshop, the Governance and Audit Committee concluded that the Council does have effective governance arrangements in place.

The Governance and Audit Committee report on the adequacy of the authority's risk management and internal control arrangements, and comment on their effectiveness. The Governance and Audit Committee follow up on risks identified by internal and external auditors' reports on risk, and these come to every committee. The Governance and Audit Committee also has access to reports from regulators where risks are identified. All reports from auditors and regulators are shared the Governance and Audit Committee as a matter of course.

Actions recommended by the Governance and Audit Committee are included and monitored through the Committee's Actions Log.

Internal Audit

The Chief Internal Auditor (Corporate Manager - Internal Audit) undertakes an independent review of the Annual Governance Statement on an annual basis.

The review of the 2025/26 AGS was completed in February 2026 and provided **High** assurance that there was a sound system of scrutiny and robustness in place and that the systems and procedures in preparing the Governance Framework are **satisfactory**.

The system of internal control is a significant part of the Governance Framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The CIPFA Financial Management Code sets the standards of financial management for local authorities. It is designed to support effective practice in financial management and to assist local authorities in demonstrating their budgetary sustainability.

5. How we have improved our governance arrangements in 2025-2026

Governance issues identified in the 2025-2026 AGS have been addressed through targeted actions, including:

- improved transparency in delegated decisions,
- updated policies, and
- enhanced training for members.

6. Corporate Governance key results for 2025/26

The Governance Framework sets out the Council's commitment to the principles of good governance. The following sections provide a summary of the Council's main Corporate Governance achievements during the year (consideration of the achievements in full having been considered during the Framework review carried out between relevant Officers and Governance and Audit Committee members as part of the review process).

To avoid unnecessary repetition, included below is a summary of evidence of the Council's work *during 2025/26 only* relevant to each of the A-G principles.

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

Council Members and Officers must comply with the Codes of Conduct, as set out in the Constitution which set out responsibilities and duties. Mandatory training is provided on the Code of Conduct and ethics to Members, as well as training on Ethics/Fraud Awareness for all Council officers.

Members are required to update the Register of Interests in accordance with the Code of Conduct, annually, which is an opportunity to reference any close personal associates/roles, etc. Additionally, declarations of interest are made by members at meetings. This includes lay/independent members. Regular updates on employee declarations of interest and hospitality were published on the Council's CeriNet site.

The Ethics & Standards Committee champions ethical compliance to ensure that the public has trust and confidence that Members and Officers work to the highest ethical and moral standards. It considers member standards and conduct matters, and the Committee provides an Annual Report to Council.

The Council has several policies and strategies in place to prevent fraud, and the Governance and Audit Committee was presented with Internal Audit's annual Counter Fraud report.

The Council's various policies are available on the website and/or on CeriNet.

The Politically Restricted Post Register for Officers is maintained, and the Political Restrictions on Local Government Employees Policy is available to employees on CeriNet.

The Governance and Audit Committee considered a report on '*Enquiries of Those Charged with Governance in Relation to Law and Regulations*' at its meeting on 3.6.26 and concluded that appropriate assurances had been provided.

[The Constitution](#) is subject to regular reviews, with ongoing updates as required, including presenting proposed changes to the Cross-Party Constitution Working Group, and making recommendations on changes to the Constitution to Council. MO/Governance Officer reports to Council to update delegations in the Constitution.

The Governance and Audit Committee, which is chaired by a Lay Person and has a 1/3 Lay Person/Member make-up, formed part of the AGS review process during the annual governance framework workshop. The Governance and Audit Committee also undertakes a self-assessment annually and the Chair produces a Chair's annual report outlining the work and the achievements of the GAC.

B. Ensuring openness and comprehensive stakeholder engagement

Consulting and engagement with citizens are important to the Council. Consultations are published on the Council's website and are promoted on social media. Consultations carried out during 2025/26 can be found on [Engagement and Consultations - Ceredigion County Council](#)

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

The Council's Corporate Well-being Objectives are included in the Council's [Corporate Strategy](#) and are reviewed each year and reported in the Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report published on the Ceredigion County Council website. The purpose and the vision of the Council have been determined by the Council and is contained in the Corporate Strategy 2022-2027. This strategy illustrates how the authority will support and promote the well-being of the citizens of Ceredigion.

All Annual Business Planning arrangements reflect the Golden Thread and make the links to corporate plans including a Business Plan, Strategic Plan, Corporate Performance Management Reporting, and Well-being and Improvement Objectives.

Performance information is outlined in the Council's Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report.

Business Plans are prepared on an annual basis and are monitored quarterly by a Performance Board, which includes Cabinet members and the Chairs and Vice Chairs of the Overview and Scrutiny Committees, and the Chair of the Governance and Audit Committee.

Budget setting is subject to detailed scrutiny by the five Overview and Scrutiny Committees.

The Council's approach to its Capital Programme is outlined in the Capital Strategy, which is considered alongside the updated Multi-year Capital Programme during the Budget setting process.

The Council's medium to longer term planning assumptions are regularly reviewed as part of the Council's [Medium Term Financial Strategy](#).

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

Determining interventions

To determine the interventions necessary to optimise the achievement of the intended outcomes the Council has:

- an [IIA tool and guidance](#) and training available for Officers and Members.
- a corporate project management group to formalise project development and management.
- Organisational Awareness training is available as an optional module of the Corporate Manager Programme, which includes information relating to the decision-making process, Well-being of Future Generations, Equalities, Welsh Language, and the use of the IIAs,
- Head of Democratic Services and MO (CLO-Legal & Governance) advise as necessary.

Planning interventions

The Corporate Performance Management arrangements ensure planning interventions include weekly Leadership Group meetings, quarterly reporting of progress against level 1 Business Plans, quarterly Performance Board meetings; and quarterly Executive Panel Meetings.

All major collaboration projects have established governance and management arrangements including risk management.

All projects are considered by the Corporate Project Management Panel, which is also attended by Internal Audit and is an effective forum for advice/challenge and highlighting risks as Service areas develop projects, including collaboration projects.

The Corporate Project Management Panel helps ensure projects give early consideration to the Well Being of Future Generations Act; to other guidance; to finance, procurement, governance and legal arrangements; to HR implications; Health & Safety; and Internal Audit. It improves project arrangements prior to reporting to the Development Group and other authorisation processes. This also helps identify capital requirements for inclusion in future capital programmes.

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

Developing the entity's capacity

To develop the entity's capacity, corporate and line management, corporate induction and Corporate Manager development plans were introduced. CeriNet is the Human Resources intranet and resource to Staff and management, this is regularly reviewed and updated for effectiveness.

The Corporate Performance Management arrangements provide the forum for performance management's needs and thereafter prepare action plans for delivery of corporate improvements in the performance review of Staff. These have been further strengthened with the introduction of annual appraisals for all Staff via the Ceri HR system. The Ceri HR system has ensured that meaningful, current data on Staff is now available to Managers on a monthly basis in order to monitor costs turnover and absence.

Developing the capability of the entity's leadership and other individuals

The Leadership and Senior Officer structure has defined these roles, including how they integrate with each other. This has been done by:

- Job descriptions clearly define the roles and responsibilities required of posts.
- The Constitution sets out the roles and responsibilities of Members (Part 3.4 Table 4) and senior Officers (part 2 Article 2)

- Learning and Development opportunities are offered to those within a Leadership role or who are aspiring leaders.
- A Scheme of Delegation (The Constitution Part 3.5) exists and clearly sets out responsibilities for Members and Officers.
- Protocols are in place for working relationships between Members and Officers (e.g. Officer-Member Protocol).
- Codes of Conduct for Officers and Members are in place.
- Contract Procedure Rules ('CPR') (Part 4 Document G Constitution) are reviewed on a regular basis.
- The Council's Constitution sets out the functions and responsibilities of the Leader and Chief Executive.

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

Managing risk

The assurance framework does not provide sufficient assurance across all the governance principles, a risk-based approach to target where further work is applied.

Good risk management is a key tool in assisting the organisation to manage uncertainty and to enable the organisation to better achieve the outcome of its objectives. Risk management is intended to be a planned and systematic approach to the identification, assessment and management of the risks facing the organisation. Steps must be taken to effectively manage those risks. Risk management supports innovative solutions as it carefully considers benefits, alongside the risks, that may occur.

The Council considers all potential risks around supply and service delivery when preparing for procurement and mitigates these through due diligence questions in tenders and appropriate measures in contracts. Subsequent contract management, monitoring of key contracts and good relationships with suppliers allow for early identification of risks arising during the lifetime of the contract, and for appropriate action to be taken when necessary.

All organisations exist to achieve their objectives. The purpose of risk management is to manage the barriers to achieving these objectives through the coordination of identification, assessment, management and reporting of risks.

The traditional means of protecting against the more obvious risks has been through insurance. However, there are many risks which cannot be insured against, and which must be addressed in different ways. Even in the case of those risks which are insurable, action can be taken to reduce the potential risks with consequent savings of premiums and disruption of work. More information on risks can be found on: [Risk Management Policy](#)

A risk report is presented at every Governance and Audit Committee and any amendment to the risk register is reported to the committee.

Audit Wales conducted a Review of the Council's corporate risk management arrangements in 2025. The review reflected on the steps that the Council had taken in recent years to strengthen risk management, but also made recommendations to help to further strengthen the Council's ability to use risk management in the delivery of its Corporate Well-being Objectives. These included, more clearly setting out risk descriptions, defining its risk appetite and tolerance levels and improving the comprehensiveness of reporting. As at September 2026, good progress had been made with 8 of the 10 individual actions complete. Alongside the Audit Wales review, the Council is also currently undertaking its standard 3-yearly review of its Risk Management Policy, Strategy and Framework to ensure it remains up to date and reflects best practice.

Managing performance

Corporate performance management is linked to the Well-being and Improvement Objectives, Corporate Strategy 2022-2027 and the PSB's plans. The Council also has many local indicators which helps it determine whether it has achieved the priorities in its Corporate Strategy 2022-2027. Council approved the Self-assessment and Annual Review of Performance and Well-being Objectives Annual Report 2024-2025.

Internal Audit undertakes an annual self-assessment and have a 5-yearly independent External Quality Assessment (EQA) / peer review as required by the Global Internal Audit Standards. EQA completed May 2022, report & resulting action plan presented to Governance & Audit Committee 27.9.22 along with the CMIA's Internal Audit Self-Assessment. The external assessor concluded that Ceredigion County Council's Internal Audit function generally conformed with the PSIAS (the relevant standards at the time of the assessment). With the function conforming to 50 of the best practice areas, partial conformance in six areas and no areas of nonconformance. The resulting Quality Assurance Improvement Plan is included in IA's progress reports to GAC and the CMIA's Annual Report.

A Corporate Performance Board meets quarterly. All Corporate Lead Officers report to this Panel and the dates for reporting are published in the report. The Chairs and Vice Chairs of the Overview and Scrutiny Committees attend with the principle that they can identify areas that require inclusion on their respective Forward Work Programmes.

An independent Panel Performance Assessment was undertaken in October 2024, and during 2025/26 the Council's response to the report has been developed and agreed through the democratic process. The report found that:

- Considering the current high service demands and very challenging financial pressures, Ceredigion County Council is a well-run local authority.
- The Council has clear and effective leadership with strong relationships across the political and officer executive and wider structures and that the Council is delivering its functions effectively in-light of the significant financial, strategic and operational pressures the Council is dealing with on a daily basis.
- The Council has effective governance and reporting arrangements in place but there is an opportunity to further strengthen the relationships between the Council's executive and back bench members in the decision-making processes and priorities the Council will need to take going forward.
- The Council has established and is developing areas of innovation including Well-being Centres, ICT, and hybrid working.
- Opportunities for improvement have been identified, which will enhance the arrangements in place, to support effective communication, relationship management and collective ownership of current and future challenges.

A link to the Cabinet paper is here: [Report- Final Panel Performance Assessment Report.pdf](#)

A link to the Report on our website is here: [Ceredigion County Council Panel Performance Assessment](#)

Robust internal control

The Risk Management Policy and Strategy and the Risk Management Framework were approved by Cabinet on 20th February 2024 and can be found on [risk-mangement-policy-and-strategy.pdf \(ceredigion.gov.uk\)](#) and [risk-mangement-framework.pdf \(ceredigion.gov.uk\)](#). The policy and strategy outline what the Council does to ensure robust internal control.

Internal Audit (IA) also ensures robust internal control and is headed by the Corporate Manager – Internal Audit who is a Chartered Internal Auditor, has considerable local government experience and is supported by a team with appropriate knowledge and skills. One other member of the Internal Audit team is a Certified Internal Auditor (CIA).

Internal Audit evaluates and improves the effectiveness of risk management, control & governance processes in accordance with PSIAS, which is self-assessed and reported to Governance and Audit Committee annually along with any improvements required. They provide an individual assurance level to managers after each audit review – these are then used to provide an overall annual conclusion, which feeds in to the AGS.

Managing data

A Digital strategy has been created and approved and more information can be found on: [Digital Strategy](#) which lays out the councils' digital ambitions for the coming years.

There council manages policies on [Information Security](#), [Data Protection & GDPR](#) , [Information and records Management](#) and [Generative AI](#) which together give our main framework for information governance and security. These will be further enhanced with a Cyber Resilience Strategy currently being finalised.

As well as the policies there are also key roles and scrutiny of Information Assets as follows:

- A Senior Information Risk Officer - ('SIRO') who manages risk, policy and overall data governance. The SIRO provides an annual report to Scrutiny and the Governance and Audit Committee. The SIRO chairs the cross service Cyber Resilience and Information Governance Group and reports weekly to Leadership on any Cyber or Security concerns. The SIRO also chairs the Information Governance Group overseeing Data Protection, Information Governance, Records Management, Archives and AI use oversight.
- An IT Security Officer ('ITSO') who advises on data security, external advisers and consultants are employed from time to time to test and advise on the Authority's security arrangements.
- A Data Protection Officer ('DPO') who advises on Data Protection Issues and support Data Protection Impact Assessments ('DPIA')
- An Information and Records Management Officer ('IRMO') advises on legal compliance and oversees the corporate file plan and retention activities.
- Annual Reports as required are presented to the Council's Governance and Audit Committee.

Additionally:

- SIRO is the vice chair of the WLGA Cyber Assessment Framework (CAF) Board
- ITSO is the Vice-chair of Wales National Public Sector Security Forum (CymruWARP) which meets quarterly.
- DPO is the chair of the North and Mid Wales Local Authority Data Protection Officer's Group (NMWLADPO)
- IRMO Chairs the Information and Records Management Society Wales/Cymru and arranges events across Wales.
- IRMO is part of the WASPI - Mid and West Wales Quality Assurance Panel.

Strong public financial management

There is a policy framework for setting the budgets annually as well as a 5-year plan. The latest version of the Medium-Term Financial Strategy ('MTFS') is approved by Council. In addition, Audit Wales conducts an annual review of the Council's financial statements. The Audit of Statement of Accounts Report for 2024-25 has been completed and approved by Council and received an unqualified opinion. The final version is available as: [Microsoft Word - Stmtnt of Accts-Eng 1.docx](#)

The MTFS features as a corporate risk that is reviewed and updated quarterly. The annual budget setting also included a risk assessment. The latest updated MTFS was considered and approved by Council on 23/10/25. This latest iteration covers a longer period (5 years from 2026/27 to 2030/31). The strategy was designed to ensure that Ceredigion County Council continues to be financially sustainable. The MTFS therefore does not create a wholly unrealistic or unachievable Budget Shortfall, however in doing so there is an increase in the underlying Council Tax modelling.

A Financial Sustainability report was published by Audit Wales in November 2024 - Financial Sustainability Review – Ceredigion County Council. Audit Wales concluded that, overall, "The Council has arrangements in place to support its present financial sustainability but lacks a long-term strategy to support this." The recommendation from Audit Wales issued which was, 'To ensure that the Council is able to coordinate and communicate its approach to longer-term financial sustainability the Council should ensure that it has a comprehensive medium to long-term financial strategy that sets out clearly how it will address its anticipated funding pressures over the life of the strategy.'

G. Implementing Good Practices in transparency, reporting and audit to deliver effective accountability

Implementing good practice in transparency

The Council ensures good practice in transparency by having a website with up-to-date committee papers and minutes. Council and Cabinet meetings are broadcasted on the website and through social media and papers are published promptly. Councillors' contact details and committee membership are published on the website as well as declarations of interest for all members.

Consulting and engagement with citizens is important to the Council. Consultations are published on the Council's website and are promoted on social media. Consultations carried out during 2025/26 can be found on [Engagement and Consultations - Ceredigion County Council](#).

Implementing good practices in reporting

The County Council's Self-assessment and Review of Performance and Well-being Objectives Annual Report is published on the Ceredigion County Council website to inform Ceredigion citizens what activities and actions the Council undertakes in support of its Well-being and Improvement Objectives. This also forms part of the Council's self-assessment. A summary plan is also available in public offices for our citizens. [Report- CCC Self-Assessment Report 24-25.pdf](#)

The AGS evidences how it complies with the seven core Governance Framework Principles and sub-principles contained in the Framework and in the governance framework, including how it puts in place proper arrangements for the governance of its affairs, facilitates the effective exercise of its functions, and makes arrangements for risk management.

Assurance and effective accountability

A good working relationship exists with Welsh Government and external regulators, including Audit Wales, Estyn, Care Inspectorate Wales, Financial Services Authority ('FSA'), and Food Standards Agency as key regulators. Audit Wales Protocol is documented, and procedures are in place to ensure all 'Management Response Forms' from each Audit Wales report are addressed and that Service responses are presented to the Leadership Group, Governance and Audit Committee and Audit Wales. The Governance Officer is the Audit Wales point of contact for ongoing governance-related MRFs/governance matters. The Corporate Performance and Improvement Officer is the point of contact for the performance related MRFs/performance matters. This system is set out in a Protocol, approved by the Leadership Group, and presented to Governance and Audit Committee.

The Chief Internal Auditor (CMIA) is a qualified Chartered Internal Auditor, has considerable local government experience, and is supported by a team with appropriate knowledge and skills. Another officer in Internal Audit is CIA qualified. The role of CMIA has free and unfettered access to the Chair of the Governance & Audit Committee and both meet regularly during the year.

The IA function underwent an external quality assessment in 2022 where the external assessor concluded that Ceredigion County Council's Internal Audit function generally conforms with the PSIAS. The assessment determined that the function conformed to 50 of the best practice areas, partially conformed in six areas and had no areas of non-conformance. A Quality Assurance and Improvement Plan (QA) is in place and is reported regularly to GAC.

For the period 1.4.2025 to 31.3.2026 the Corporate Manager – Internal Audit's opinion is that the Council has a satisfactory framework of governance, risk management and internal controls in place to manage the achievement of the organisation's objectives.

No areas of significant corporate concern have been noted through Internal Audit's work during the period; however, some areas require improvement action and monitoring to ensure the achievement of objectives. There are no qualifications to this conclusion.

Audit Wales Audit Reports

The following Audit Wales reports were presented to the Governance and Audit Committee during 2025–2026. Audit Wales also publishes an Annual Audit Summary outlining assurances for their work, both of which are reported to the Committee. All management actions arising from the audits are regularly monitored and reported back to the Committee.

Local Reports

- Arrangements for Commissioning Services – (August 2025)
- Review of Corporate Risk Management Arrangements – (November 2025)
- Audit of Cyber Security Arrangements – (August 2025) This report is not available in the public domain.
- Decision Making Audit – (August 2026)
- Temporary Accommodation (July 2025)

7. Assurance Opinion on Corporate Governance Arrangements

The Corporate Manager - Internal Audit (CMIA) prepares an Annual Internal Audit Report at year-end, which is usually presented to the Governance and Audit Committee at its June meeting. The report sets out the individual and collective outcomes of the audit reviews undertaken during the year and provides the overall audit conclusion of assurance based on this audit work. The assurance provided also considers progress made by management in implementing agreed improvements, consideration of the risk register and assurances provided in reports issued by external regulators.

The Internal Audit annual self-assessment of the service is presented to Leadership Group and the Governance & Audit Committee on an annual basis (usually the September meeting) and is based on CIPFA's Local Government Application Note. The resulting Quality Assurance Improvement Plan (QAIP) is included in the CMIA's Annual Report including actions taken to achieve the identified proposed improvements.

The CMIA presented the Governance and Audit Committee with an Internal Audit Strategy and an Annual Internal Audit Plan. The Annual Plan is designed to ensure a sufficient area of coverage is undertaken to support the annual opinion on the effectiveness of

the systems of governance, risk management and internal control across the Council. The Internal Audit Annual Plan for 2025/26 summarised the work areas the Internal Audit Section aimed to prioritise during the year.

Internal audit work has been assessed on an on-going basis with regular consideration given to the Council's changing needs and priorities. Assurance for 2025/26 has been placed on planned reviews and reactive work added to the plan during the year to assess the annual level of assurance for the Council. In addition, assurances have been obtained from other sources such as groups and panels the CMIA regularly attends as well as reports from external regulators tracked in the assurance mapping process to contribute to the assurance provided at year-end.

Internal Audit progress reports are presented regularly to the Governance and Audit Committee to update the committee on Internal Audit's progress towards the annual plan, assurances provided for completed audits, fundamental and substantial management actions issued, available resources and updates to the Quality Assurance Improvement Plan.

The CMIA has concluded in her 2025-2026 Annual Report that the Council has a satisfactory framework of governance, risk management and internal controls in place to manage the achievement of the organisation's objectives during the year, based on:

- the number, scope and assurances from internal and external sources during the year to 31 March 2026, and
- the acceptance of actions by management (where available).

The Annual Governance Statement will be the subject of review by Audit Wales to ensure that it is consistent with their knowledge and with legislation. In addition, Internal Audit undertakes an annual independent review of the Annual Governance Framework, as noted in Point 2 above.

8. Where our governance needs to improve

The following points identify the areas of governance which could require improvement; and how the areas could be addressed:

- significant gaps in governance arrangements such as where core arrangements are not operating effectively, significant governance failures that occurred during the year and action taken, areas where governance arrangements could be easier to understand and comply with, if they are barriers to achieving the principles of good governance, action plans to address these in the coming year and beyond where necessary.

See section 11

No governance failures were identified for 2025/26, but some areas need strengthening.

These include updating the Governance Framework template and the Annual Governance Statement template in line with the Delivering Good Governance in Local Government Addendum (2025) and improving stakeholder engagement. Actions are set out in the AGS Action plan and monitored quarterly by the Governance and Audit Committee.

The Audit Wales Decision Making audit report (August 2026) stated:

" The Council has clearly set out its decision-making arrangements except for delegated decisions."

"The Council's decision-making arrangements are generally working well. There are opportunities to strengthen:

- the arrangements for assessing the effectiveness of its decision-making."

9. Forward Look on Governance

This is an opportunity to identify where governance needs to change or develop to meet the future needs of the Council. examples

- establishment of new collaborative arrangements,
- new legislation requiring changes to governance structures,
- significant risks for the authority that will change or challenge governance in future years linked to governance.

As part of our commitment to continuous improvement and resilience, the Council recognises the importance of anticipating future challenges and adapting our governance arrangements accordingly. The following areas have been identified as priorities for governance development in the coming year, following the publication of the Delivering Good Governance in Local Government: Framework Addendum (May 2025). These priorities have been incorporated into the action table under Item 11.

- Create a Governance Group
- Review the Annual Governance Framework review document
- Review the Annual Governance Statement template
- Review and update the Governance and Audit Committee terms of reference in line with GIAS.

The Council continues to monitor and engage with the following areas:

- service and financial pressures in core areas
- economic events impacting on funding and income generation,
- new legislation,
- devolution or structural change, including local government reorganisation,
- climate change and net zero,
- use of artificial intelligence in the authority's systems and processes.

10. Issues identified from last year (2024-2025)

The following table records the actions that have been taken during 2024-2025 to resolve the issues identified in the Annual Governance Statement for 2024-2025, the Lead Officer responsible for oversight of the Action and the estimated Completion Date. The Lead Officer has responsibility to ensure the action is also detailed, monitored and updated in their own Service's Business Plans

Note: Any actions not fully completed by the completion date will be carried forward into the 2025/26 Action Plan

Issue	Action	Outcome	Lead Officer	Completion Date
B1.1 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Review of the Freedom of Information (FOI) Publication Scheme	The review of the FOI Publication Scheme has been undertaken and published. Publication Scheme - Ceredigion County Council	Alun Williams /Marie-Neige Hadfield	December 2025 Complete
D2.2 Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Review requirement for Corporate Communications Strategy	The Council's Corporate Communications Strategy was approved by Cabinet on 7.7.26.	Lowri Edwards	July 2026 Complete

11. Agreed action plan for matters to be considered during 2025/26

The Table sets out the issue, action, desired outcome, Lead Officer responsible for oversight of the action and the estimated completion date. The Lead Officer has responsibility to ensure the action is also detailed, monitored and updated in their own Service's business plans.

Issue	Action	Outcome	Lead Officer	Completion Date
A.1 Arrangements to ensure ethical conduct for both members and officers, including codes of conduct, management of conflicts of interest, declarations of gift and hospitality, training and evaluation. Where appropriate, include how codes of ethics for the sector are implemented and supported.	Review the need for members to have ethics and fraud training in line with their code of conduct	The existing employee Ethics & Fraud eLearning module has been reviewed, A brief training session on Fraud will be added to Members induction programme in May 2026 (as an alternative to a Members elearning module)	Elin Prysor / Alex Jenkins	September 2026 Complete
A1.6 How all those in governance roles and senior managers demonstrate their leadership of an ethical culture.	Review the need for a Governance Group	Leadership Group and Governance and Audit Committee approved the creation of a Governance Group and the first meeting will be held on 1.6.26.	Elin Prysor	March 2026 Complete
B1.1 Ensuring an open culture through demonstrating, documenting and communicating	Review of the Freedom of Information (FOI) Publication Scheme	The review of the FOI Publication Scheme has been undertaken and published. Publication	Alun Williams /Marie-Neige Hadfield	December 2025 Complete

Issue	Action	Outcome	Lead Officer	Completion Date
the organisation's commitment to openness		Scheme - Ceredigion County Council		
B3.2 Ensuring that communication methods are effective and that Members and Officers are clear about their roles with regard to community engagement	Revise social media Policy (2018).	Following a review, of the social media Policy, the policy will be revoked. Instead of a single policy, the expected behaviour standards relating all communication (including via social media) will be incorporated in two policies: Disciplinary Policy & Grievance Policy. A revised Grievance Policy was approved by Cabinet in May 2025. A revised Disciplinary policy was presented to Scrutiny on 11.11.25 and presented to Cabinet on 2.12.25. Guidance for staff on communication (including use of social media) is being drafted and included on CeriNet.	Geraint Edwards	November 2025 Complete

Issue	Action	Outcome	Lead Officer	Completion Date
C.4 The authority's strategic approach to commissioning across the entity and its partnerships and collaborations.	Draft Procurement and commissioning Strategy in development	Clause 38 of the Social Partnership and Public Procurement (Wales) Act 2023 requires the Council to produce a procurement strategy. The accompanying statutory guidance, published late March 2026, informs the development of the Council's strategy. It is intended that the procurement strategy will be aligned with the corporate strategy cycle. Preparation work is ongoing.	Jeanette Jones / Duncan Hall	May 2027 In progress
D2.2 Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Review requirement for Corporate Communications Strategy	The Council's Corporate Communications Strategy was approved by Cabinet on 7.7.26.	Lowri Edwards	July 2026 Complete
F.8 Undertaking the core functions of a Governance and Audit Committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022)	Review the Annual Governance Framework Review document	The document has been revised and updated in line with the CIPFA addendum and now includes the three-line model, and the scoring mechanism has been removed. The new template	Elin Pryor / Katy Sinnett-Jones	November 2025 Complete

Issue	Action	Outcome	Lead Officer	Completion Date
		was approved by GAC on 27.11.25.		
F.8 Undertaking the core functions of a Governance and Audit Committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022)	Review the Annual Governance Statement template	The AGS template has been revised and updated in line with the CIPFA addendum, and the template was approved by GAC on 17.9.25	Elin Prysor / Katy Sinnett-Jones	September 2025 Complete
F.8 Undertaking the core functions of a Governance and Audit Committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022)	Review the Governance and Audit Committee Terms of Reference in line with GIAS	The updated terms of reference were presented to the Constitution Working Group on 6.1.26, Governance and Audit Committee on 12.1.26 and Council on 22.1.26.	Alex Jenkins / Elin Prysor / Katy Sinnett-Jones	March 2026 Complete
F.9 Counter fraud and anti-corruption developed and maintained in accordance with the <u>Code of practice on managing the risk of fraud and corruption</u> (CIPFA, 2014).	Review the value of taking part in the NFI exercise	Outcome survey issued for 24/25 NFI Exercise. Debrief meeting was held with key officers in March 2026 to plan for 26/27 NFI exercise to enable a review of the value of taking part in the exercise.	Alex Jenkins / Elin Prysor	March 2028 In progress

Issue	Action	Outcome	Lead Officer	Completion Date
F.9 Counter fraud and anti-corruption developed and maintained in accordance with the <u>Code of practice on managing the risk of fraud and corruption</u> (CIPFA, 2014).	Corporate Business case to support the Fraud function	The business case to support the Counter Fraud function was approved by LG. Recruitment exercise is now in progress.	Alex Jenkins	March 2026 Complete