



Ein Rhanbarth ar Waith  
Education through Regional Working

# Datganiad Llywodraethu Blynyddol 2016-17

## Annual Governance Statement 2016-17

Cynghrair o 6 awdurdod lleol yw ERW a reolir gan gyd-bwyllgor cyfansoddiadol cyfreithiol.  
Y nod yw gweithredu strategaeth a chynllun busnes rhanbarthol cytunedig a chefnogi gwelliant ysgolion.

ERW is an alliance of 6 local authorities governed by a legally constituted joint committee.  
Its aim is to implement the agreed regional strategy and business plan to support school improvement.



## Introduction

ERW is an alliance of six local authorities governed by a legally constituted Joint Committee. ERW provides a single integrated regional professional school effectiveness service driving school improvement and learner achievement across the combined area of six local authorities in the South West and Mid Wales region within three hubs:

- Carmarthenshire/Pembrokeshire
- Ceredigion/Powys
- Neath Port Talbot/Swansea

### Vision

**“consistently high performing school network across the region with every school offering high standards of teaching under good leadership resulting in all learners achieving their maximum potential”**

### Mission Statement

**“build school capacity through support, challenge and intervention to become self-improving, resilient organisations which continually improve outcomes for learners”**

## Review of Governance Arrangements

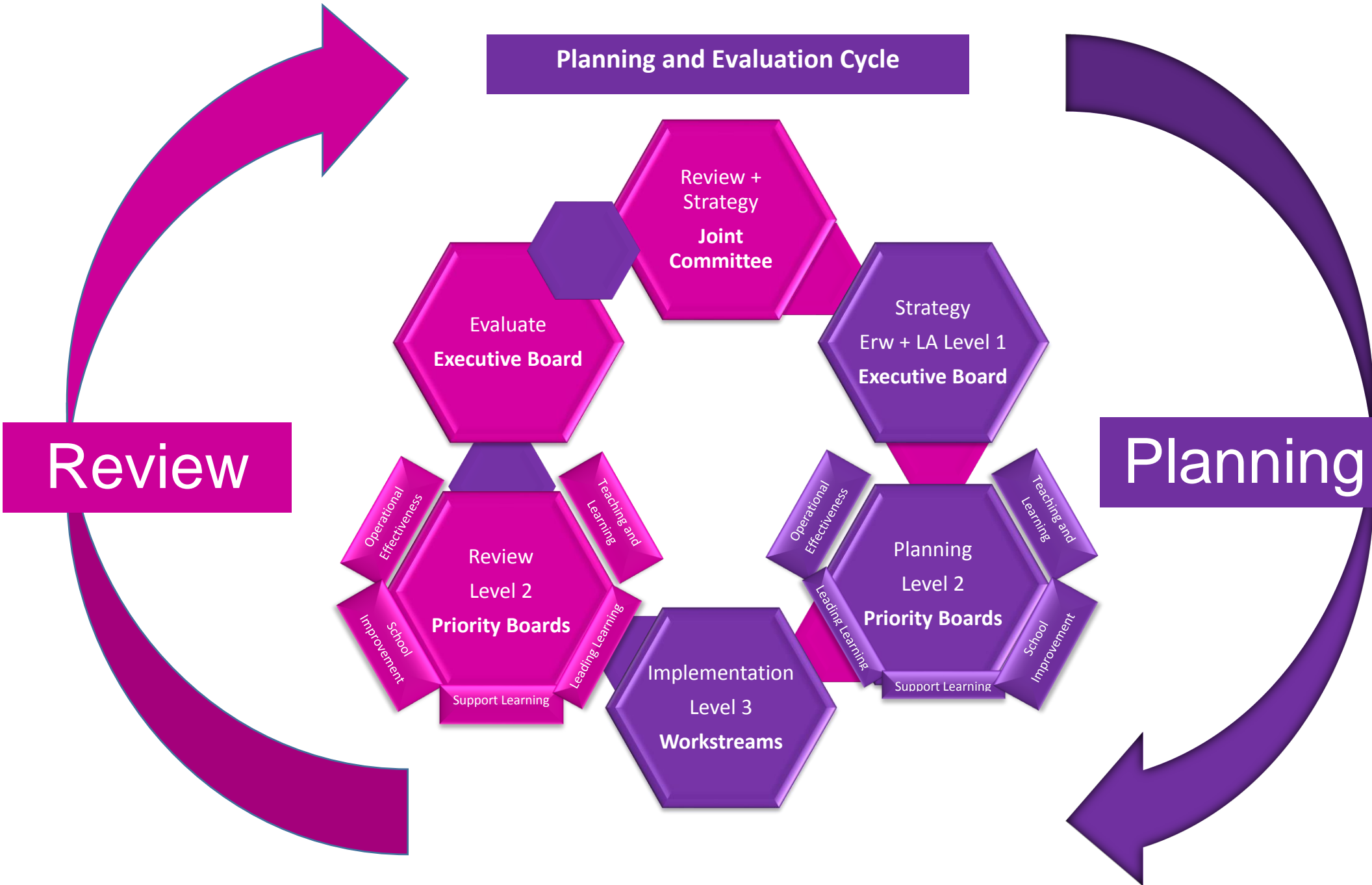
### What is Governance?

ERW is responsible for ensuring that its business is conducted in accordance with laws, regulations and its ethical standards. The governance framework is the process, culture, values and systems by which this is achieved.

To deliver good governance in local government, both ERW and its Officers must try to achieve ERW’s objectives whilst acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

The next two pages outline the Business Planning Cycle and the Governance Structure in place to monitor and provide challenge to the delivery of intended outcomes.

# Planning and Evaluation Cycle



**Review**

**Planning**

# The Governance and Accountability Process

Review +  
Strategy  
**Joint  
Committee**

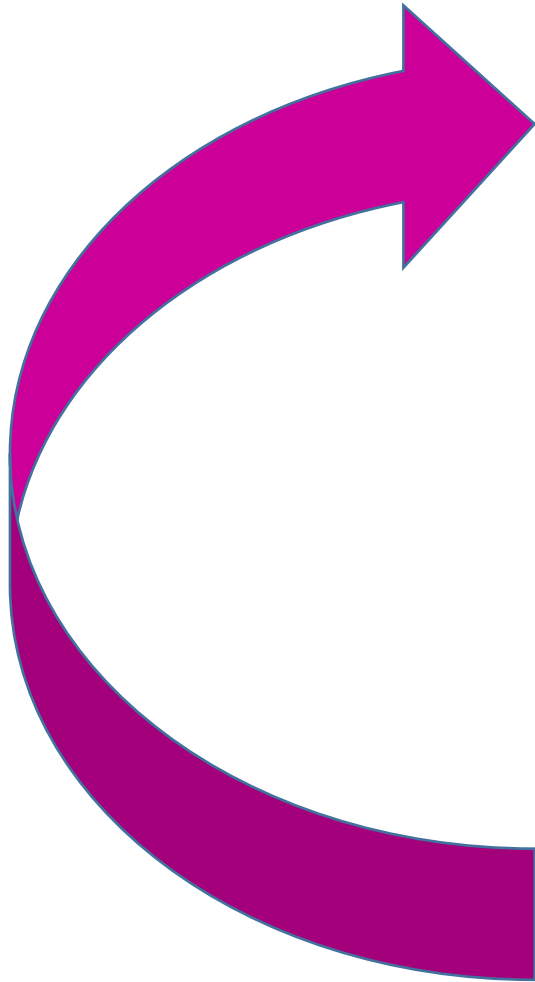
Evaluate  
**Executive Board**

Strategy  
Erw + LA Level 1  
**Executive Board**

Review  
Level 2  
**Priority Boards**

Planning  
Level 2  
**Priority Boards**

Implementation  
Level 3  
**Workstreams**



## **Governance Framework**

### **ERW Business Plan**

A three year Business Plan is in place to support the collective priorities and actions for the ERW Consortium. The Business Plan is reviewed and updated on an annual basis. The [Business Plan 2016-2019](#) explains how ERW will enhance and develop the National Model of School Improvement and deliver the Minister's priorities in 'Qualified for Life'.

### **Joint Committee**

The [Joint Committee](#) is made up of the six Local Authority Leaders supported by the six Chief Executives and is advised by the Executive Board, Statutory Officers, external school improvement experts and Headteacher representatives. Internal Audit and Wales Audit Office report independently to the Joint Committee.

### **Executive Board**

The [Executive Board](#) is made up of the Directors of Education of each of the six local authorities, the Managing Director, the Section 151 Officer and external members.

### **Scrutiny**

All workstreams and activity both locally and regionally are led by the Joint Committee and are accountable locally. The Chairs and Vice Chairs of the six local authorities' Education Scrutiny Committees meet bi-annually as a [Scrutiny](#) Group to consider scrutiny work plans and make requests directly to the Joint Committee.

### **Headteacher Representative Board**

The [Headteacher Representative Board](#) is made up of the Chair or Representative of each Headteacher association in the six local authorities. Its aim is to act as a reference point to ERW in terms of its interface with school leaders.

### **Statutory Officers**

Statutory roles are divided across the Local Authorities. Statutory Officers during 2016-17:  
Lead Chief Executive Officer – Mark James, Carmarthenshire County Council  
Lead Education Director – Aled Evans, Neath Port Talbot County Borough Council  
Section 151 Officer – Jon Haswell, Pembrokeshire County Council  
Monitoring Officer – Elin Prysor, Ceredigion County Council

## **Internal Audit**

Pembrokeshire County Council, as the Lead Authority for Finance, provides the Internal Audit Service to ERW. The role of Internal Audit is to provide independent assurance on the effectiveness of governance, internal control, financial management and risk management arrangements in place. In accordance with the Public Sector Internal Audit Standards a risk-based plan of work was agreed with the Section 151 Officer and the Managing Director and was approved by the Joint Committee in November 2016. The Head of Internal Audit's Annual Opinion concluded that overall, subject to variation between individual audit areas and the need for further improvement and development in some areas, generally substantial assurance can be given on the effectiveness of governance, internal control, financial management and risk management arrangements in place.

## **External Audit & Regulators**

The Wales Audit Office are the appointed external auditors for ERW. Estyn provide an independent inspection and advice service on quality and standards in education and training provided in Wales. Estyn in association with Wales Audit Office published a report on the 'Quality of the School Improvement Services provided by the ERW Consortium' in September 2016.

## **Review of Effectiveness**

ERW has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness for 2016-17 was informed by a self-assessment of compliance with the CIPFA Delivering Good Governance in Local Government Framework 2016, by the Managing Director. Additional assurance was provided from the Head of Internal Audit Annual Assurance Opinion based on the work undertaken by Internal Audit in 2016-17; the Estyn and Wales Audit Office Inspection Report September 2016, and the minutes from the ERW Joint Committee and Executive Board. The outcome of the review was circulated to ERW Statutory Officers for consideration and comment. The diagram on the next page outlines what assurance was required, what sources of assurance were available under the current Governance Structure, the sources of assurance provided and the areas for improvement identified.

There were no Significant Governance Issues identified, however there are a number of Priorities for Improvement. The action plan on page 8 provides further detail along with the actions planned and timescale for addressing.

## Review of ERW's Governance Arrangements for 2016-17

### Assurance Required on

- Achievement of objectives;
- Adherence to ethical standards;
- Compliance with laws, regulations and internal policies & procedures;
- Standards of conduct and behaviour;
- Financial management, including achievement of value for money;
- Sustainability;
- Quality of service delivery;
- Management of risk;
- Accountability.

### Sources of Assurance

- ERW Legal Agreement;
- Joint Committee;
- Executive Board;
- Scrutiny;
- Headteacher Representative Group;
- Policies;
- Business Plan & Strategies;
- Financial Plans;
- Internal Audit Reports;
- External & Regulator Reports;
- Self-Evaluation Report;
- Statutory Officers;
- HR policies and procedures;
- Impact Report;
- Value for Money Reviews;
- Risk Registers.

### Assurance Received

- Estyn Inspection Report;
- Letter from Scrutiny;
- Internal Audit Report;
- Statement of Accounts;
- Head of Internal Audit Opinion;
- Joint Committee Minutes;
- Executive Board Minutes.

### Areas for Improvement

- ERW's commitment to the latest CIPFA Good Governance Framework has not been defined;
- Grant Funding arrangements with Welsh Government;
- The Business Plan needs to be aligned to the financial model;
- Support delivered to schools is not consistently provided in line with need;

### Priorities for Improvement 2016-17

Priority for Improvement	Action Planned	Timescale and Lead Officer
The Local Code of Corporate Governance for ERW needs to be re-written in line with the requirements of CIPFA's Delivering Good Governance in Local Government Framework 2016.	Draft revised Code of Corporate Governance	Managing Director October 2017
The ERW Legal Agreement, which would include details of the Service Level Agreements between ERW and respective authorities, needs to be reviewed and updated in consultation with the Monitoring Officer, Section 151 Officer and Lead Director.	Amendments and updates awaiting opportunity to be presented to Joint Committee	Managing Director. Dependant on advice of Lead Chief Exec
ERW is dependent on grant funding from Welsh Government. Delays in paying grant owed from 2016-17 has led to a financial pressure on the Lead Banker. There are also delays in Welsh Government confirming funding for 2017-18, which puts pressure on planning and achievability of the business plan. Any posts reliant on grant funding also represent a financial risk to ERW if the funding were to cease.	To continue to highlight in the Risk Register and make sure that the conversations with WG on these matters continue between MDs and WG Director of Education.	Managing Director ongoing
The ERW business plan should be aligned to the financial model of the Consortium to enable effective planning within available resources.	See above. It is currently not possible to completely align ERW BP with financial model.	Managing Director ongoing
Support delivered to schools by Challenge Advisers needs to be applied consistently in line with identified need and recorded so that the impact of support can be effectively measured.	Compliance and quality reporting to Exec Board is a standing agenda item. Each known compliance matter will be raised individually with relevant Director of Education. (Challenge Advisers and employed, deployed and performance managed by LAs)	Directors of Education September 2017



We are committed to implementing the improvements outlined above to enhance the achievement of our intended outcomes. We are satisfied that these steps will address areas of improvement identified by both our internal and external assurance providers.

Signed by Betsan O'Connor, ERW Managing Director

Date:

Signed by Mark James, Lead Chief Executive

Date:

Signed by Cllr. Ellen AP Gwynn, Chair of the Joint Committee

Date: