Barnsley Metropolitan Borough Council

Draft Annual Governance Statement 2025/26

DRAFT ANNUAL GOVERNANCE STATEMENT 2025/26

1. Executive Summary

Barnsley Metropolitan Borough Council is committed to improving the lives of all residents and creating opportunity and prosperity for local people and businesses. This commitment is set out in the council's Corporate Plan and our Barnsley 2030 vision, both of which describe how the council will meet the challenges ahead and make the most of opportunities across the borough.

To be successful the council has a solid foundation of good governance and sound financial management. Barnsley's Local Code of Corporate Governance sets out how we aspire to and ensure that we are doing the right things, in the right way and in line with our values.

Each year the Council is required to produce an Annual Governance Statement (AGS) which describes how its corporate governance arrangements set out in the Local Code have been working. This statement gives assurances on compliance for the year ending 31 March 2026 and up to the date of approval of the 2025/26 statement of accounts. The AGS shows that in many areas the Council has very effective arrangements in place. We will continue to review, streamline, and improve our processes to ensure these arrangements remain effective, now and into the future to reflect the ever-changing needs of the organisation.

As Chief Executive, I have been advised of the outcomes of the review of our governance arrangements by Senior Management and the Audit and Governance Committee and are satisfied that the steps outlined in this document will address the areas identified for improvement.

Signed on behalf of Barnsley Metropolitan Borough Council

Sarah Norman
Chief Executive
Date: 26 June 2026

2. Actions from the Annual Governance Statement

The 2024/25 Annual Governance Statement Action Plan included 8 areas where enhancements would improve the efficiency of systems and processes across the Council. In addition, the action plan included 4 carried forward actions where enhancements would improve the efficiency of systems and processes across the Council. Of these, 5 actions from 2024/25 have been carried forward into the 2025/26 action plan and all other actions have been delivered (see below).

- **Review of Council's Constitution –** the Constitution was reviewed during 2025/26 and approved by Full Council in February 2026. Relevant training and awareness session have been delivered to update on the revised constitution requirements.
- **Corporate Anti-Fraud –** the online training course was updated during 2025/26 and now forms part of the mandatory training programme.
- **Corporate Risk Management -** the online training course was updated during 2025/26 and now forms part of the mandatory training programme.
- **Accountability and Compliance –** a number of corporate compliance performance indicators were successfully piloted in 2025/26 to measure the Council's health.
- **Contract Management Toolkit** - a contract management toolkit was implemented during 2025/26 and a training package developed to inform officers of contract management requirements including roles, responsibilities and accountability.
- **Accountability and Competency Framework (Finance)** - The Accountability and Competency Framework was agreed at Audit & Governance Committee on 18 March 2026.
- **Business Continuity and Emergency Resilience** - During 2025/2026 a revised corporate business continuity plan was agreed with BLT setting out updated planning assumptions for services. These were translated into a revised BCP template which has been completed by services. The Corporate Resilience Board continues to monitor arrangements.

The Action Plan at Appendix 1 captures the emerging governance matters to be reviewed during 2025/26 and those included in the 2024/25 AGS that remain in progress. As in previous years, the Action Plan is a dynamic document and progress against the actions will continue to be reviewed by the Audit and Governance Committee throughout the year.

3. Introduction and Scope of Responsibility

Barnsley Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently, and effectively.

The Council also has a duty under the Local Government Act 1999 to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.

The Accounts and Audit Regulations 2015 require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and prepare an Annual Governance Statement that reports on that review alongside the Statement of Accounts. This review considers whether the governance arrangements are aligned to support the Authority's delivery of planned outcomes and to meet its VfM and Best Value responsibilities.

The AGS has prepared in accordance with the Accounts and Audit Regulations 2015 and with the CIPFA/SOLACE Delivering Good Governance in Local Government Framework.

4. The Principles of Good Governance

The Council regularly reviews its governance arrangements and has adopted a Local Code of Corporate Governance, which is consistent with the seven principles of Corporate Governance as set out in the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. The Council's Local Code is available here: Code of corporate governance

The seven principles within the CIPFA/SOLACE Framework Delivering Good Governance in Local Government are:

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

5. The Purpose of the Annual Governance Statement

The Annual Governance Statement considers the effectiveness of our governance arrangements throughout 2025/26. It is an objective and honest appraisal of the effectiveness of our governance framework. It highlights where we have identified any governance weaknesses but also where we want to further develop and improve them to ensure that we have as effective governance arrangements as possible that enable the organisation to deliver on its commitment to improving the lives of all residents and creating opportunity and prosperity for local people and businesses.

6. Reviewing our Effectiveness and the Governance Framework

The governance framework comprises the systems and processes, culture, and values by which the Council is enabled, directed, and controlled and through which it accounts to, engages with, and leads the community. Part of that framework involves the management of risk. No risk management process can eliminate all risks and can therefore only provide reasonable and not absolute assurance of effectiveness. The Council's risk management approach, which is now embedded across the organisation, is subject to constant review by the Senior Management Team (SMT), at directorate management teams (DMTs) and individual Business Units (BUs) throughout the year. The Audit and Governance Committee review all strategic risks twice per year, with an Executive Director(s) attending every meeting to provide a "deep dive" into 2 risks they own to give assurance that strategic risks are being reviewed and managed on a regular basis. Cabinet also reviews strategic risks on a 6 monthly basis.

To support the development of the AGS the following sections reflect the activity undertaken to review the effectiveness of governance across the Council:

- An annual self-assessment assurance process with all Business Units linked to areas of the governance framework and also by individual governance domain leads to prompt consideration of the existence and adequacy of governance arrangements during 2025/26.
- Strategic Risk Register which sets the culture and tone for the management of threats, concerns, and issues across the Council.
- The Annual Report of the Head of Corporate Assurance (Head of Internal Audit) which provides an opinion on the adequacy and effectiveness of the Council's risk management, control, and governance processes.
- The work of the designated Data Protection Officer (DPO).
- The work of the Audit and Governance Committee which includes responsibility for monitoring the development and operation of corporate governance in the Council (the Audit and Governance Committee Annual Report provide further detail of the work of the committee during 2025/26).
- The Council's internal management processes, such as performance monitoring and reporting; the staff performance and development framework; employee awareness of corporate policies; monitoring of policies such as the corporate complaints and health and safety policies and budget management systems.
- The report of the Council's External Auditor.
- The consideration of any significant matters arising in the year, which are discussed and monitored by various Committees.
- Recommendations from external review agencies and inspectorates.
- A forward look of any legislative, regulatory and sector/ organisational changes, including any potential new collaborations, which may impact on the Authority's governance arrangements.

Specific governance assurance statements are provided from the following statutory officers.

a) Head of Paid Service

As Chief Executive and the Head of Paid Service, I am responsible for the overall corporate and operational management of the council.

As I look back on 2025/26, I am pleased that the council has continued to serve its residents well and remains a high-performing, ambitious council. Some top achievements this year include the launch of our Great Childhoods Ambition, which includes the MiCard scheme offering children and young people free bus travel across the borough. We delivered our Love Where You Live programme across the borough, and the next phase of Health on the High Street, which has seen the first hospital outpatient services moved into the Alhambra health and wellbeing hub. We were also proud to be named the UK's first tech town by the UK Government, linked to The Seam Digital Campus and the opening of the fantastic Yorkshire Roses. We introduced Enabling Barnsley across our workforce, taking a whole-council approach to continuous improvement and delivering best value in everything we do.

Despite the challenging time for local government, we continue to be bold, brave and innovative and to deliver excellent services across the borough. Our staff work hard alongside our key partners to make Barnsley the Place of Possibilities and to deliver our ambitions set out in our Barnsley 2030 vision.

The conclusion of the Local Government Funding Reforms has provided the first multi-year funding settlement in a decade, which will serve to improve the effectiveness of the Council's strategic planning.

However, the cost of delivering services is expected to far outstrip the funding made available through the settlement, creating significant budget gaps through to 2029. To address this, the Council is preparing a strategic savings plan which includes updating the Children in Care Sufficiency Strategy, implementing a Strategy for Change within Adult Social Care, conducting a Best Value review of all services, delivering savings through innovation and the use of AI, and developing a framework to align the recently determined fixed funding envelope with corporate priorities.

I remain satisfied that whilst our governance arrangements remain strong, we are never complacent, and we regularly revisit our processes to reflect the ever-changing needs of the organisation. This has included ensuring that comprehensive plans are in place to prepare for the outcome of the 2026 all out elections, the first to take place since 2004. More specifically, the Strategic Risk Register continues to provide a focused and strategic approach which further supports our focus on maintaining efficient and effective corporate governance.

As a council we are outward looking and we have continued to make excellent progress with our partners in our shared vision for 2030 to make Barnsley the Place of Possibilities, a framework which is also reflected in our recently Council Plan (2024-2027), which was refreshed this year.

We have also commenced work with partners to think about our vision and ambitions for Barnsley by 2040 and to design some joint public engagement work to consult the public about this.

I support the areas for improvement presented in this Annual Governance Statement and look forward to another successful year ahead.

b) Section 151 Officer

As the Council's designated S151 Officer, I am responsible for the Council's financial governance, risk and control frameworks which ensure that the Council's financial decision-making is both lawful and meet its statutory best value duty. I am also responsible, in accordance with the statutory requirements set out in the Local Government Act 1972, for the proper administration of the Council's financial affairs that ensure its statutory stewardship responsibilities are met.

I am satisfied that the Council's arrangements are robust in all regards and more than meet the minimum thresholds set out under statute. My view is corroborated from several independent sources including the AGS review process which has again identified financial management as an area of strength, from the 2025 Corporate Peer Challenge which highlighted the Council's financial grip as a key enabler, and the External Auditor's positive feedback on the Authority's arrangements for securing Value for Money as reported to Full Council in November of last year.

That said, along with the rest of the Sector, the Council continues to experience significant financial challenges as evidenced through, for the fourth year in a row, a budget over-spend in 2025/26. This is not sustainable and combined with the recently announced multiyear settlement and continued pressure in statutory demand led services, mean the financial position is exigent. Consequently, I have advised the Council to request a detailed savings plan from the Head of Paid Service for consideration as part of the 2027/28 budget setting process.

c) **Monitoring Officer**

As the Monitoring Officer, my role is to ensure the Council follows the law and is run in the right way. I also help make sure elected Members conduct themselves appropriately and do their jobs properly. It is very important that we are open and honest about how we make decisions, so people can trust the Council.

This Annual Governance Statement lists things we can do better. Members and staff will work together to keep improving. We have already done a lot of work to make good governance part of everyday work. For example, we have updated the constitution and brought in the Member/Officer Protocol (rules for how Members and staff should work together). We also use a "check and challenge" approach, which means staff are encouraged to ask questions and make sure things are done properly. Thank you to the Audit and Governance Committee for carefully checking

our work and helping us improve. Overview and Scrutiny has also helped by carrying out important reviews and by raising the profile of scrutiny across the Council.

7. Corporate Assurance (Internal Audit) and the Opinion on Internal Control, Risk and Governance 2025/26

In accordance with the Accounts and Audit Regulations 2015 and the Global Internal Audit Standards UK Public Sector (GIAS), the Head of Corporate Assurance (Head of Internal Audit) is required to provide independent assurance and an annual opinion on the adequacy and effectiveness of the council's internal control, governance, and risk management arrangements. This is achieved through the delivery of an annual programme of risk-based reviews, including counter fraud and investigation activity. Management actions arising from the assurance work are agreed with the aim of improving the internal control, governance, and risk management arrangements of the council.

The Interim Annual Head of Corporate Assurance (Internal Audit) Opinion Report will be considered by the Council's Audit and Governance Committee at its meeting in June 2026. Based on the work completed to date and taking into account other sources of assurance, the Head of Corporate Assurance (Internal Audit) has provided an interim **reasonable (positive)** assurance opinion reflecting an overall satisfactory level of internal controls and their application. The full report is available via this link Interim AnnualReport 2025-26

It should be noted that the corporate assurance planning process and in-year management of the plan involve discussions with SMT and wider senior management to ensure coverage is focussed on managing the key risks and priorities of the Council. Of particular relevance is the approach to risk management and broader governance assurance. There remains a clear culture of openness and engagement with Corporate Assurance (Internal Audit) across the Authority that facilitates the work necessary to prepare an overall assurance opinion.

The Head of Corporate Assurance completed an annual self-assessment to measure the Function's compliance with the Global Internal Audit Standards UK Public Sector, as required by the Standards. This did not identify any areas of non-compliance. An External Quality Assessment (EQA) is scheduled to be undertaken during 2026, to comply with the requirement for an assessment every 5 years.

8. Data Protection Officer (DPO)

As part of this role, the DPO meets regularly with staff from the Information Governance Team and the Senior Information Risk Officer (SIRO). The DPO shares updates with the Governance and Compliance Board. The DPO also carries out checks to make sure we are handling information properly.

Overall, our checks show that things are going well. The Information Governance Board helps us stay focused on following the rules and helping staff understand them. We usually answer Freedom of Information (FOI) requests and Subject Access Requests (SARs) on time. A small number

of very complicated SARs have been harder to finish within the deadline. We are looking at what people, systems, and technology we need to deal with these more difficult requests.

Keeping personal information safe is very important for the Council. The DPO and the Corporate Assurance Team will keep doing checks and giving updates to senior managers. They will also follow up on any improvements that are needed. Updates will be reported to the Governance and Compliance Board and to the Audit and Governance Committee.

9. External Audit

The Council's appointed external auditor is Grant Thornton LLP. They are required each year to carry out a statutory audit of the Council's financial statements and give a narrative commentary on the Council's value for money arrangements. As well as having regular meetings with the Director of Finance and Chief Executive, Grant Thornton attend each Audit and Governance Committee to provide updates on the progress of their work, to answer questions from the Committee and importantly witness the operation of the Committee.

The Auditor's ISA260 Report providing their opinion on the accounts was presented to the Audit and Governance Committee on [to be inserted] and to full Council on [*to be inserted*]. The ISA260 report covering the results of the audit of the council's financial statements is available via this link *[to be inserted*].

Of particular note is that the External Auditors plan to give a [*to be inserted*] opinion on the Authority's statutory accounts.

10. Wholly Owned Companies

The Council includes in its Annual Accounts three wholly owned companies which form part of the group accounts; Berneslai Homes (Arm's Length Management Organisation), Oakwell Community Assets Limited and Penistone Grammar School Foundation (Charitable Trust).

a) Berneslai Homes

Berneslai Homes was established as an Arm's Length Management Organisation (ALMO) in 2002, responsible for managing around 18,000 homes on behalf of Barnsley Council. It is a Company Limited by Guarantee, overseen by a Board of Directors. The implementation of policies and the day to day running of the organisation is delegated to the Company's Chief Executive, Board and Executive Management Team.

The Council currently receives assurance from Berneslai Homes in several ways as part of the Service Agreement 2021-2031. Berneslai Homes' performance is monitored against an agreed suite of KPI's and wider assurance framework (dashboards for Compliance, Complaints

and ASB) on a quarterly basis. The performance reports are presented to the Council's SMT and Cabinet as part of the year-end performance reporting and from 2024/25 the performance information provided to Cabinet includes the full Tenant Satisfaction Measures (TSMs) suite and Action Plan, as well as year-end performance and outturn against the annual business plan. These documents align to the Berneslai Homes Strategic Plan 2021-2031 (refreshed April 2026) which in turn aligns with the BMBC Corporate Plan and 2030 Vision.

The Council's Clienting team has a robust governance and assurance framework in place which is regularly reviewed. An independent review of Housing Services and Council Housing Finances was last undertaken in 2025 by Savills. These arrangements are under regular review and form part of the council's assurance processes for the effective management of major boards and partnerships. The Cabinet receives regular assurance reports regarding the Council's role as landlord. During 2024/25, the Council was inspected by the Regulator of Social Housing, receiving a C1 judgement. This means that the RSH has assessed that the Council (working with our managing agent, Berneslai Homes) is meeting the requirements of the Consumer Standards. A Consumer Standards Oversight Board has been established to ensure that the Council continues to meet its regulatory requirements and to undertake an annual self-assessment against code.

b) Oakwell Community Assets Limited (OCAL)

Oakwell Community Assets Limited (OCAL) is a property holding company that was established in 2003 by Barnsley Council and Mr Patrick Cryne. The company owns Oakwell Football Stadium and the land surrounding the stadium. The Council acquired Mr Cryne's shareholdings in OCAL during 2023 and is now sole owner of OCAL.

c) Penistone Grammar School Foundation Trust

This charitable foundation is registered with the Charities Commission (Charity Number 529458). The purpose of the Charitable Trust is to further the education outcomes of the pupils at Penistone Grammer School Foundation Trust (the 'School) – they are both separate legal entities.
The Council is not the corporate trustee of the Charitable Trust. The Board of Trustees have the powers to disburse the income and award grants to pupils and agreed projects at the school. The accounts and governance arrangements can be found on the Charity Commission website. The Council includes details of the Foundation Schools finances in its group accounts.

11. External Inspection and other Assurance Reports

The Council is subject to various external inspections and proactively invites support and challenge from regulators and peer reviews. The reports from these bodies provide valuable information and assurance to enable and ensure the maintenance of effective governance arrangements. The bodies that have provided reports and information are listed below.

a) Local Government and Social Care Ombudsman and Housing Ombudsman – Referrals Made in 2025/26

During 2025-26 there were 39 contacts registered by the Customer Resolution Team from the Local Government and Social Care Ombudsman (LGSCO). At the time of reporting, the position and outcomes of these contacts are as outlined below:

Local Government and Social Care Ombudsman outcomes:

- 1 upheld but no further action required as organisation had already remedied
- 1 no fault and no injustice
- 12 that have either been determined to be discontinued investigations, not enough evidence of fault, no further action, or other
- 6 referred to the council to pursue
- 12 outside the jurisdiction of the LGSCO
- 7 were pending a decision.

Contacts received from the LGSCO are managed and facilitated by the Council's Customer Resolution Team. Where the council is found to be at fault actions are taken by the relevant services to comply with the recommendations issued by the LGSCO. The Customer Resolution Team produce an annual report each year which is published on our website. This provides further information and analysis on contacts received.

<u>Housing Ombudsman Outcomes (HOS):</u>

The HOS Complaint Handling Code became statutory on 1st April 2024, meaning landlords are obliged by law to follow its requirements.

We were contacted by the Housing Ombudsman Service (HOS) on 52 occasions during 2025/26, which is an 86% increase compared to the previous year. We received 28 requests for evidence for cases that the HOS had accepted for full investigation. All enquiry contacts and evidence requests were compiled within the timescales provided by the HOS.

We received determination outcomes for 22 cases following HOS investigation, and 1 case was closed without investigation as this was withdrawn by the resident. A total of 39 determinations were received, some of which relate to cases provided to them during 2024/25 (multiple determinations can be received for each case). The HOS determination outcomes were as follows:

Severe Maladministration	1
Maladministration	6

Partial Maladministration	0
Service Failure	6
Reasonable Redress	10
No Maladministration	14
Out of Jurisdiction	2

The HOS made orders on 11 of the cases and the Council has complied with all orders and responded to the HOS with evidence of compliance within timescales given.

We completed and published our self-assessment against the HOS Complaint Handling Code and scheme. This assessment was considered by Cabinet, and the Member Responsible for Complaints published their response in line with the code. The self-assessment was published and submitted to the HOS by the statutory deadline. The HOS confirmed its receipt and that they were satisfied with the assessment.

The Housing Ombudsman Landlord report 2024/2025 provided a summary of our performance compared to national performance. The overall finding was that we performed well, when compared to similar landlords by size and type. The 2024/25 HOS Landlord report is published on the HOS website and Berneslai Homes website. landlord-report-barnsley-metropolitan-borough-council-2024-25.pdf

We have seen a decrease in the volume of complaints from social housing tenants during 2025/26. We have responded to 1,047 Stage 1 complaints (13% decrease from the previous year) and 261 Stage 2 complaints (8% decrease). We have performed well against the 3-complaint handling TSMs.

- 96% Stage 1 investigated in time
- 100% Stage 2 investigated in time
- 43% Tenant Satisfaction with complaint handling (We are predicting this will be upper quartile compared to peer group).

b) Local Government and Social Care Ombudsman – Annual Review Letter 2025/26

The Annual Review Letter will be published in July 2026.

c) Children's Services – Ofsted Inspections

The following inspections were undertaken during the 2025/26 financial year:

Bank End Primary Academy	New Framework	Feb-26

Birdwell Primary School	New Framework	Feb-26
West Meadows Primary School	New Framework	Feb-26
Kings Oak Primary Learning Centre	S8	Jun-25
Upperwood Academy	S8	Jun-25
Lift Meadstead	S5	May-25
Holy Trinity Catholic and Church of England School	S5	Apr-25
Kexborough Primary School	S8	Apr-25

Details of all inspection reports can be found on the Ofsted website – www.ofsted.gov.uk.

d) Care Quality Commission (CQC)

A CQC inspection was undertaken during 2025/26. The report is not yet finalised, but all full and finalised inspection reports can be found on the CQC website – www.cqc.org.uk

e) Joint Area SEND Inspection (Ofsted and CQC)

The Council along with the Integrated Care Board and education representation through the Barnsley Schools Alliance, have met with the DfE and NHS England throughout 2025-26 to report on progress against Barnsley's SEND Strategy and Local Area Inclusion Plan. The SEND Oversight Board has transitioned into the SEND and Alternative Provision Local Area Partnership which oversees the Local Area arrangements for children and young people with SEND. The Local Area Partnership, Council Cabinet and Council Audit and Governance Committee received quarterly performance and finance report during 2025-26, and this included formally reporting to the DfE on the Safety Valve programme.

The Local Area had a SEND inspection (Ofsted) in 2026 under a new inspection framework since the last inspection in 2021, the inspection evaluated the Local Area against the new framework and progress against the Written Statement of Action following the last inspection in 2021. The purpose of the inspection was to:

- provide an independent, external evaluation of the effectiveness of the local area partnership's arrangements for children and young people with SEND
- where appropriate, recommend what the local area partnership should do to improve the arrangements

The report is not yet finalised but will be published upon receipt (insert link here)".

f) Information Commissioner's Office (ICO)

During 2025/26 there were 12 cases referred to the Information Commissioner's Office (6 relating to IG incidents and 6 relating to information requests). Out of the 6 relating to incidents, 4 were self-referrals and 2 were complaints to the ICO by the public. The 4 self-referrals all related to information disclosed in error, 1 was closed with NFA, 1 the ICO offered advice but took NFA and the other 2 are awaiting an outcome. Of the 2 complaints to the ICO, 1 was submitted due to BMBC failing to respond to a customer report, however the findings were that no breach was identified, the other is awaiting an outcome.

Of the 6 referrals relating to information requests, all were for FOI requests. 3 of the referrals were due to BMBC not responding to a request within the 20-working day limit. These were closed with NFA after BMBC issued a response. 2 of the referrals related to complaints made by requesters relating to exemptions applied to their request, the ICO upheld BMBC's actions on both occasions. The remaining referral relates to an exemption but is awaiting the ICO investigation.

Any areas where improvements in internal processes are identified arising from ICO feedback or recommendations are acted upon. These are overseen by the Data Protection Officer.

g) Health and Safety Executive

The Council prepares an Annual Health and Safety Report which is considered by the Senior Management Team and the Audit & Governance Committee. The Council has achieved the Royal Society for the Prevention of Accidents (RoSPA) Order of Distinction for Occupational Safety and Health and the British Safety Council International Safety Award. The annual report can be found via this link (*to be inserted*).

There has been no formal interaction with the HSE in 2025/26.

h) Planning Inspectorate

During 2025/26, the Council received 654 planning applications and determined 418*/651 of these. 97.4% of these decisions were delegated to officers with the overall percentage of applications granted being 92.5% - this is comparable with the overall average for England. 26 appeals have been decided by the Planning Inspectorate during 2025/26, 15(57.7%) have been dismissed during the same period and 10 (38.5%) have been allowed.

12. Governance Issues Identified from the Annual Governance Review

The annual governance review process was carried out through self-assessments undertaken by each Business Unit and also individual governance domain leads. This ensured that the entire organisation considered its understanding and compliance with governance processes, it also provided scope for Business Units and governance domain leads to raise any concerns about wider corporate governance arrangements. The Self-Assessment Questionnaires have been analysed and areas identified from the review process were:

Areas of Particular Strength

- Financial Management – high levels of understanding and compliance.
- HR recruitment processes and HR processes generally – high levels of understanding across Business Units.
- Equalities and Inclusion – good levels of understanding and awareness.
- Business Continuity and Emergency Resilience – BU plans in place and these reflect corporate standards / priorities.
- Risk Management – periodic review by SMT, Audit & Governance Committee and Cabinet of strategic risks. Zero based review undertaken of operational risks in 2025/26. Corporate compliance measure indicates high levels of compliance.
- Legislative Compliance – good understanding of how and when to access legal advice.
- Decision Making - good compliance with decision making and reporting processes. Updated Constitution in 2025/26.
- Partnership, Relationship and Collaborative Governance – effective arrangements in place, positive reporting from external inspections.
- Procurement Compliance– updated framework rolled out, training programme developed and enhanced compliance monitoring / reporting.

Areas of continuing improvement and focus

- Contract Management - to implement the Contract Management System and E-Tendering Platform across the Council.
- HR Workforce Planning– gathering learning needs from across the organisation, so we can identify and plan for any organisational training needs.
- Health & Safety – need to deliver planned programme of audits in 2025/26 to measure compliance and monitor agreed actions.
- Records Management – to review and update the framework, including clarity on roles and responsibilities for Information Asset Owners.
- Records Management – review of paper and electronic records to be undertaken to improve compliance with the Document Retention Policy.
- Project and Programme Management –. to further develop and embed a project management framework.

Efficiency / Effectiveness improvements and Future Enhancements (Actions)

In addition to the identification of areas of the Council's governance arrangements where a specific improvement is identified, the annual review process also seeks to identify where efficiencies and enhancements can be made to make the governance framework even more effective. The

sessions with Business Units sought to highlight where there may be scope to further review a corporate process, regardless of any compliance issues but to improve and enhance the engagement of Business Units in the general drive to continuously strengthen our governance arrangements whilst ensuring they are efficient and as easy to comply with as possible. The following area was highlighted:

- Strategic – Enabling Barnsley development programme to support culture change & adoption being rolled out over 2026/27.

The actions necessary to address the areas for continuing development and improvement have been captured in a high-level action plan (Appendix 1) which will be monitored during the year by the Audit and Governance Committee. Corporate Assurance are to undertake a further independent review of the annual governance review process and preparation of the AGS. The outcome of this independent review provided for a (*to be inserted in final AGS once review concluded*) assurance opinion.

13. Governance Action Plan

The Governance Action Plan (Appendix 1) comprises the actions carried forward from the 2024/25 AGS Action Plans and the issues arising from the 2025/26 process. The Audit and Governance Committee will receive regular update reports on the action plan and assurances that actions are being progressed. Each identified area for further improvement is linked to one of the principles within the CIPFA guidance (see Section 4)

Improvement Enhancements

- **Contract Management and E-Tendering -** CIPFA/SOLACE – Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
    - To embed a contract management system and also new e-tendering platform throughout the Council.

- **Workforce Planning -** Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
    - To gather learning needs from across the organisation, so we can identify and plan for any organisational training needs.

- **Health and Safety** - Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
    - To deliver the planned programme of audits in 2025/26 to measure compliance and monitor agreed actions.
    -
- **Records Management -** CIPFA/SOLACE – Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.

- To review and update the framework, including clarity on roles and responsibilities for Information Asset Owners.
- To review paper and electronic records held to improve compliance with the Document Retention Policy.

- **Project and Programme Management** - CIPFA/SOLACE – Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.
  - To further develop and embed the project/programme management framework and methodologies

- **Enabling Barnsley Strategy** – CIPFA/SOLACE - Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
  - The EB Strategy was developed and launched in Autumn 2025, with a development programme to support culture change & adoption being rolled out over 2026/27.

14. Strategic Risk Register

A robust and dynamic Strategic Risk Register sets the culture and tone for the management of threats, concerns and the assurances required across the Council. The engagement of the Senior Management Team (SMT) in the risk management process through their ownership and review of strategic risks on a quarterly basis demonstrates a strong commitment to lead and champion risk management "from the top," and further reinforces the continuing development of a risk management culture across the Council.
The risks below are owned by SMT, with the management of individual risks being allocated to a member of SMT as the 'risk manager,' and any necessary actions to provide assurances allocated to Action Owners, being those senior managers best placed to take responsibility to drive the implementation of the identified actions. The current strategic risks are:

- ***Threat of cyber-attack*** – there is a need to recognise the increasing and constant threat of a cyber-attack against the Council, which could result in a catastrophic loss of systems as well as reputational damage and potential financial loss.
- ***Financial sustainability*** – The Council continues to face several financial risks with the rising cost and demand for services. The cost of delivering council services during 25/26 is set to exceed agreed budgets by £14M with the estimated cost over the period through to 28/29 set to increase by a minimum of £68M. Following publication of the MHCLG Fair Funding review and announcement of the 3-year funding settlement the Council is facing a budget gap of at least £23M to 28/29 on the back of delivering over £150M in efficiency since 2010. These issues place added pressure on the Council's ongoing financial sustainability.
- ***Potential for a safeguarding incident in children's services*** – a need to continually appraise the controls to minimise the potential for death of a child or safeguarding failure in children's services - need to be able to identify any changes which may weaken current levels of assurance. Factors which may impact should be assessed include increasing poverty which have increased need and demands for

services, increasing caseloads, which presents a risk. Future financial settlements which could impact on service provision, awareness of system pressures e.g., workload. If systems break down there is potential for huge reputational damage - seen across a number of UK authorities - including removal of Director of Children's Services, and government imposition of Commissioners to run services until improvements are made of UK authorities.

- ***Meeting Care Act 2014 responsibilities*** – the Care Act 2014 is a statutory requirement of the Local Authority and with the combined legacy of the pandemic, increased demand, cost of living crisis and workforce challenges there are concerns that we could have challenges in meeting our statutory responsibilities.
- ***Health protection emergency*** – to continue working with regional and national partners to ensure a strong and robust local health protection system and leadership to implement effective outbreak management processes in place to monitor disease, prevent harm and protect the health of the population of Barnsley. Arrangements are in place and understood by all stakeholders and complied with, to deal with any health protection emergencies which may arise, and which require an emergency or business continuity response.
- ***Inclusive economy*** – The strategic risk assessment for the Barnsley Inclusive Economic Growth Strategy provides an overview of the key factors that may impact the borough's ability to deliver sustainable, equitable economic outcomes. It considers structural, economic, and operational risks that could constrain growth, widen inequalities, or disrupt progress across business support, employment and skills, innovation, and place-based regeneration. By identifying these risks early and outlining targeted mitigations, the assessment supports evidence-based decision-making, strengthens resilience, and ensures Barnsley can maintain momentum towards a more inclusive, productive, and future-ready local economy.
- ***Potential for a safeguarding incident in Adult Social Care*** – whilst we are confident that controls are in place to minimise the potential for safeguarding failures there remains a need to continually appraise these and be able to identify any changes which may weaken current levels of assurance.
- ***Organisational resilience*** – Need to understand issues around leadership, general workforce capacity, morale and welfare (exhaustion, fragility, wellbeing) to recognise that organisational resilience is challenged during times of high pressure and organisational change. Work has commenced on a culture change programme - Enabling Barnsley and updated strategy. New challenges include pay negotiations, terms and conditions review and implementation and quality and safety review and ways of working. This action to be kept under review as the risk moves in "waves" with actions updated as a result of CPC outcomes (March 2025). In addition, potential shifts as a result of all-out elections in 2026.
- ***Emergency resilience*** - there is a need to ensure that the Council has robust mechanisms in place to prepare for, respond to and recover from civil emergencies and business interruptions, and comply with the Council's statutory duties as a Category One responder under the Civil Contingencies Act 2004.
- ***SEND*** – The Local Area SEND and Alternative Provision Partnership is required to plan, prepare and deliver the national reforms for SEND, including revised Barnsley Local Area SEND Strategy and Reform Plan, building on the outcome of the Local Area SEND and

Alternative Provision (AP) Inspection. Failure to do this would impact negatively on the outcomes of children with SEND and the extent to which they are fully included, engaged and connected with their education setting and wider community.

- ***Educational outcomes progress*** – educational outcomes progress for all children across Barnsley is not sufficient, with particular concern around outcomes achieved by vulnerable cohorts. A predominant factor is the high number of children not attending full-time school-based education with too many children persistently absent, suspended or excluded from school.
- ***Community resilience*** – Risk of social unrest & disorder as a result of increased strain and social tensions which may be exacerbated by the cost of living, misinformation/disinformation, events beyond our control at a national level, or local / national agitators.
- ***Safety and Quality Programme –*** Failing to improve the overall safety and quality of the domestic waste and recycling collection service.
- ***Use of Artificial Intelligence Tools at Barnsley Council*** - Artificial Intelligence (AI) technologies are used without consistent governance, adequate understanding, or appropriate controls leading to non-compliant, unethical, or opaque use of AI within council services.

SMT is responsible for ensuring that the Strategic Risk Register continues to express those high-level concerns, issues and areas of strategic focus which have a significant bearing upon the overall achievement of corporate objectives and that they are being appropriately managed.

To provide assurances that the Strategic Risk Register is being appropriately managed, the Audit and Governance Committee receive regular updates including presentations from the relevant Executive Director. These presentations provide the Committee with a deep dive review into the strategic risk and an opportunity to obtain an assurance from the Executive Director about the effectiveness of the mitigations and that the action plans in place to address the risk are being implemented. Cabinet also receives six-monthly updates.

15. A Forward Look

Although an annual governance statement is intended to provide a reflection of the financial year just gone, it is also important to highlight and acknowledge that where the Council has challenges, or is implementing major changes, assurance can be provided that due regard is given to maintaining and using effective governance to ensure the achievement of objectives.

The Council continues to work with other organisations in many ways. The need to ensure all such relationships, whether they are formal contracts, collaborations or partnerships are effectively governed is ever more important. Processes exist to obtain assurance from the major Boards about their governance arrangements. Such assurances will continue to be reported to SMT and the Audit and Governance Committee.

The national and indeed international landscape continues to provide further challenges to the Council. A Local Government 3-year financial settlement was provided, and the Council continues (along with the sector) to experience significant financial challenges which is not sustainable. There is also continued significant increase in demand for services (particularly Social Care), and the continuing difficulty in the recruitment and

retention of staff in certain professional disciplines (e.g. social care), all of which present further pressure on the council's ability to continue to work towards Barnsley 2030 and to achieve the outcome and priorities set out in the Enabling Barnsley Strategy.

It is therefore important that we maintain and continually review our governance arrangements to ensure we are in the best possible position to respond positively and responsibly to these pressures and challenges. The Governance and Compliance Board is reviewing aspects of the council's governance arrangements to ensure they are as efficient and compliant as possible.

16. Conclusion

This AGS demonstrates that the systems and processes the Council employs provide a comprehensive framework upon which to give assurance to the Council and residents of the Borough that its governance arrangements were in place and effective overall during 2025/26 and into 2026/27. The annual governance review concluded that there were no areas of concern identified, with a number of enhancement areas included in the Action Plan.

The annual review provides a framework and process to identify any governance issues and to put in place the necessary improvement actions, with these arrangements being revisited during the year and any further improvement actions included within the final AGS which is published alongside the approved Statement of Accounts. This process demonstrates the culture of the Council to robustly challenge itself and constantly seek out and demonstrate opportunities to improve.

Along with every organisation in the country, the Council continues to respond to the considerable inflationary and general economic challenges. It is recognised that the Council will have significant issues to consider and address which will have longer-term implications for how services are delivered, the financial resources available to support that service delivery.

The External Auditor's Narrative VFM Report, published with the approved Statements of Accounts, will independently assess the Council's continued committed to seek continuous improvement and to demonstrate the best use of resources and value for money.

The annual governance review has identified, overall, that the Council continues to have an effective framework of governance. The challenging approach we take in the preparation of the AGS has identified areas where we want to improve further with the necessary actions being agreed. The implementation of AGS action plan will again be closely monitored by the Audit and Governance Committee.

Appendix 1

Annual Governance Statement Action Plan - Areas where Enhancements would improve the Efficiency of Systems and Processes across the Council.

AGS	Area Identified / Action	Lead Officer / Action Officer	Timescales
2024/25	**Information Systems, Governance and Compliance** • Information Governance Framework is to be developed and implemented during 2025/26 to clearly define roles and responsibilities this will include the development of a refreshed training programme. **Current Position:** Since this action was agreed, the Information Governance Team has moved from Technology and Innovation to become a separate team under Legal, Democratic and Member Services. This transition has caused some delays in progressing the IG Policies but work to update them is now underway. The following update has been prepared jointly by Legal and Technology and Innovation Services: • The Information Security Policies have all been reviewed and redrafted, with the exception of the PCI DSS Policy. These revised policies were shared with the Governance and Compliance Board in January 2026. • The PCI DSS Policy is currently under review to ensure alignment with PCI DSS 4.0.1. This is planned to be presented for approval at the July 2026 Governance and Compliance Board. • Once approved, the relevant security training will be reviewed and updated to reflect the revised policies. For Information Governance policies: • These have been partially reviewed, with the intention to complete the reviews by the end of March 2026 and then the updated policies will be submitted for approval at the April 2026 Governance and Compliance Board. • Following approval, training will be reviewed and updated as necessary to ensure alignment with the amended policies.	Service Director Customer Information and Digital Services	30th June 2026

AGS	Area Identified / Action	Lead Officer / Action Officer	Timescales
2024/25	**Workforce Planning** • To develop a council wide workforce plan. **Current Position:** The Workforce Planning (WF) Toolkit was launched in December 2025, with Strategic People Partners working with services to start an ongoing and iterative process of WF planning. Services produced their immediate main priorities and gaps by March 2026, along with confirming any support requirements needed. These priorities are being collated across the council and will be reported and discussed at BLT on 27 April 2026 along with agreeing our organisational priorities. We are also gathering learning needs from across the organisation, so we can identify and plan for any organisational training needs. Council workforce priorities and organisational learning needs will be incorporated into the People Action Plan and monitored throughout the year by Enabling Barnsley Board.	Service Director Business Intelligence, HR and Communications	31st March 2027
2024/25	**Data Management and Quality** • To further develop and embed the data management framework and then monitor compliance. **Current Position:** The new structure went live in September 2025, but the Service Improvement Manager was a failed recruitment which led to a minor restructure. The new structure was implemented on 1 April 2026. The data management framework will require input from BI, GIS and Innovation and Technology colleagues.	Service Director Business Intelligence, HR and Communications	30th September 2026
2024/25	**Enabling Barnsley Strategy** • To implement and embed the strategy during 2025/26 and develop a performance management framework to measure its effectiveness. **Current Position:** The EB Strategy was developed and launched in Autumn 2025, with a development programme to support culture change & adoption being rolled out over 2026/27.	Executive Director Core Services	31st March 2027

AGS	Area Identified / Action	Lead Officer / Action Officer	Timescales
2024/25	**Project/Programme Management** • To further develop and embed the project/programme management framework and methodologies and to develop performance management framework to measure the successful outcome and benefits of projects. **Current Position:** Well advanced with evaluating workloads, looking how to close off a number of 'IT' projects and designing the revised structure for a core services PMO. This will align to the approach in other directorates.	Service Director Customer Information and Digital Services	30th September 2026
2025/26	**Contract Management and E-Tendering** • To embed a contract management system and also new e-tendering platform throughout the Council.	Director of Finance/ Head of Strategic Purchasing, Procurement and Contract Management	31st December 2026
2025/26	**Health & Safety** • To deliver planned programme of audits in 2026/27 to measure compliance and monitor agreed actions.	Service Director Business Intelligence, HR and Communications	30th September 2026
2025/26	**Records Management** • To review and update the framework, including clarity on roles and responsibilities for Information Asset Owners.	Service Director Customer Information and Digital Services	31st March 2027
2025/26	**Records Management** • Review of paper and electronic records to be undertaken to improve compliance with the Document Retention Policy.	Service Director Customer Information and Digital Services	31st March 2027