

Agenda



Governance and Audit Committee

Date: Thursday, 28 September 2023

Time: 5.00 pm

Venue: Council Chambers - Civic Centre

To: Co-opted Members G.Chapman (Chair), Reed (Deputy Chair), G Horton, S Cocks, J Harris, R Mogford and J Jordan

Item	Wards Affected
1	<u>Apologies for Absence</u>
2	<u>Declarations of Interest</u>
3	<u>Minutes of the Previous Meeting</u> (Pages 3 - 22)
4	<u>Corporate Risk Register Quarter 1</u> (Pages 23 - 70)
5	<u>Internal Audit Team update</u> (Pages 71 - 76)
6	<u>Annual Corporate Self-Assessment 2022/23</u> (Pages 77 - 156)
7	<u>Draft Annual Governance Statement (AGS) 2022/23</u> (Pages 157 - 196)
8	<u>Annual Report on Compliments, Comments and Complaints Management 2022/23</u> (Pages 197 - 218)
9	<u>Progress Against Internal Audit Plan 2023/24 Quarter 1</u> (Pages 219 - 230)
10	<u>Audit Wales detailed audit plan 2023/24</u> (Pages 231 - 252)
11	<u>Audit Wales fee consultation 2024/25</u> (Pages 253 - 274)
12	<u>Work Programme</u> (Pages 275 - 280)
13	<u>Referrals to Audit Committee</u>

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Date of Issue: Thursday, 21 September 2023

14 Date of Next Meeting
26.10.23 at 5pm.



Minutes

Governance and Audit Committee

Date: 27 July 2023
Time: 5.00 pm
Present: Chapman (Chair) Councillors Reed (Deputy Chair), G Horton, J Harris, R Mogford and J Jordan

1 Apologies for Absence

Councillor Cocks.

2 Declarations of Interest

D Reed – Director / Trustee, Citizens Advice Southeast Wales Ltd.

3 Minutes of the Last Meeting

- 1.1 D Reed appreciated the numbering of the paragraphs in the Minutes, which would be the new format going forward.
- 1.2 Dr Barry referred to the Action Table and mentioned that there should be a separate column included and that every action should have a date.
- 1.3 The Chair raised an issue within the recommendations and used an example on Minute 6, 13 Purchase Cards, where the Head of Finance mentioned that he would provide an update on training of staff in relation to the purchase cards, and those that did not complete the training by the end of June would come back as an action. This did not come back to the meeting and there were several others in the recommendation table that should have been addressed at this meeting, with a follow up, therefore the timetable and dates were essential.
- 1.4 Another example was the Governance and Audit Annual Report, which was on the Work Programme, when would it be dealt with and by whom.

4 Call in of Director of Social Services and Head of Service re the internal Audit of Adoption Allowances resulting in a Third Consecutive Unsatisfactory Opinion

- 1.1 The Strategic Director for Social Services gave an update to the committee. The Director provided reassurance that steps been taken to move responsibility of adoption allowances from one team to another to support the completion of outstanding changes and recommendations.

Comments of the Committee

- 1.2 Dr Barry raised concern that this was the third unsatisfactory report and queried whether the process was a complex or simple procedure to administrate. Dr Barry

also queried why the work had not been transferred to another team earlier in proceedings.

The Strategic Director for Social Services explained that it was not a simple procedure and there are several criteria to be met and documents to be sourced, as well as liaising with individuals to ensure this was done properly. There was a complex set of calculations included in the means testing. The Strategic Director for Social Services considered that the work had previously moved as part of restructuring in Adult/Children Services and Business Support some years ago and therein lay some of the challenges, which in hindsight could have been reconsidered earlier.

- 1.3 Dr Norma Barry queried whether the deadline of December 2023 was urgent enough. The Strategic Director for Social Services reminded the committee of the previous discussions concerning realistic deadlines and affirmed that the deadline of December gave the team time to ensure that they were addressed correctly, promptly, and accurately. Given the small volume of allowance calculations required, there would not be enough information to provide a representative sample by September.
- 1.4 D Reed remained unsatisfied that it had been completely resolved and considered that this should be escalated. D Reed referred to page 26, Comments of Monitoring Officer where it stated that this matter was not appropriate to escalate to Cabinet, or Cabinet Member however D Reed disagreed and believed that Cabinet should be made aware.
- 1.5 The Strategic Director for Social Services advised that the Cabinet Member for Social Services for Children was aware and the executive board, including Cabinet, had agreed for additional support to be put in place.
- 1.6 Councillor Horton asked whether the report could be referred to audit for review in relation to the low staff numbers in Audit. The Chair advised that staffing levels in audit was another issue to be discussed under the relevant agenda item later in the meeting.

Recommendation:

The Governance and Audit Committee considered the following options:

- i) accept the explanations and assurances of the Strategic Director and the Head of Service, which will be confirmed via a follow up internal audit
- or,
- ii) do not accept the explanations and assurances provided and escalate concerns to the Chief Executive and Executive Board, which includes Cabinet.

The Governance and Audit Committee resolved that option ii) should be taken forward.

5 Call in the Strategic Director and Head of Service re the Unsound opinion for Children Services Safeguarding Childrens Money

- 1.1 The Strategic Director for Social Services provided some background relating to safeguarding of children's money to the Committee and the complexities due to the different nature in the types of monies being held for the children and the changes in the lives of children in care.
- 1.2 The Strategic Director for Social Services approached Andrew Wathan, former Principal Auditor to conduct an audit because of the complexities involved and as the

process also crossed several service areas. It was also equally important for those children no longer in care that the money should go with them.

- 1.3 The Director pointed out that another intricate factor was where the money was held, depending on whether it came from compensation, criminal injuries payments, baby bonds, monies held in trusts or other sources. Much of it was in share foundation which only had reference numbers and not names of the children which made cross-referencing difficult. The Strategic Director for Social Services felt the unsound opinion was disappointing but was grateful that there was an opportunity to ensure the system was correct. This had been discussed with the Executive Board and the Cabinet Member, and it was proposed that two additional posts be created. In addition, there was a clear action plan which would be managed by a service manager; and they would also oversee the full process, working in conjunction with business support and colleagues in other areas of the Council.
- 1.4 The Chair congratulated the Strategic Director for Social Services for raising this issue for audit and thanked her on behalf of the committee.

Comments of the Committee:

- 1.5 Cllr Mogford queried why this needed to be brought to audit for resolving if the officers already knew there were issues. The Strategic Director for Social Services confirmed that whilst steps were taken to address it was considered that an independent and objective view from audit would be beneficial. The Director confirmed that the challenge around the complexities of safeguarding children's money was not isolated to Newport, and similar audits were now being conducted in other councils following Newport City Council's audit.
- 1.6 Dr Barry asked how long this had been an issue. The Strategic Director for Social Services advised that there were several factors that raised this as a concern, including payments being processed through family courts, savings related to a judicial review and the work of the Share Foundation which triggered Social Services to look at the whole thing.
- 1.7 D Reed queried when the issue had been considered with the Cabinet Member for Social Services (Children), and the Strategic Director confirmed that it had been taken to the Executive Board and documented as part of the minutes of that meeting were taken.
- 1.8 Councillor Horton asked whether the money was being held in the best accounts that generated interest for the children/young adults. The Strategic Director for Social Services advised that it was held in The Share Foundation partly for this reason, and the Foundation handled the money on behalf the Council and other Local Authorities.
- 1.9 The Chair mentioned that it was reported in the press that there was £1.7Bn held in trust funds for children where it was not known who the funds belonged to. The Strategic Director for Social Services confirmed awareness of this and further challenges for young people with disabilities who may not be able to attend the court of protection in person to access their money.
- 1.10 D Reed thanked the Strategic Director for Social Services for the report and remarked on the staggering complexities of the topic but considered that the Committee should not accept the explanation and escalate their concerns as per the second option outlined in the recommendations.
- 1.11 The Chair thanked The Strategic Director for Social Services and expressed their confidence that this would be resolved.

Recommendation:

The Governance and Audit Committee considered the following options:

- i) accept the explanations and assurances of the Strategic Director and the Head of Service, which will be confirmed via a third follow up internal audit, or
- ii) do not accept the explanations and assurances provided and escalate concerns to the Chief Executive and Executive Board, and Cabinet Member

The Governance and Audit Committee resolved to take forward the second recommendation ii) Do not accept the explanations and assurances provided and escalate concerns to the Chief Executive and Executive Board.

6 Update for Committee from the Head of Service on PTU Taxi Contracts resulting in a Second Unsatisfactory Opinion

- 1.1 As agreed by the Committee in the last meeting, the Head of City Services would be coming to Committee in person in September to provide a full update on progress and shared the interim written update in the agenda papers in the meantime.

Recommendation:

The Governance and Audit Committee was encouraged to see the progress noted in the briefing note provided by the Head of City Services and looked forward to receiving the full update in person in September.

7 Corporate Risk Register Quarter 4

- 1.1 The Head of People, Policy and Transformation presented to the Committee an update on the Corporate Risk Register.
- 1.2 At the end of Quarter 4, there were 14 risks recorded in the Corporate Risk Register that were considered to have a significant impact on the achievement of the Council's objectives and legal obligations.
- 1.3 Overall, there were eight Severe risks (risk scores 15 to 25); six Major risks (risk scores seven to 14); that were outlined in the report. In comparison to the Quarter 3 corporate risk register, two risks decreased their risk score, and there was no change with the remaining 12 risks. One risk was escalated from the children's social service area risk register, and one Environment and Public Protection risk was de-escalated from the corporate risk register to be monitored on a service area level. As set out in the Council's Risk Management Policy, the Governance and Audit Committee reviewed the Corporate Risk Register on a quarterly basis ensuring adequate procedures were in place to monitor the management of significant risks.

Comments of the Committee:

- 1.4 Dr Barry was worried about the Eliminate Programme and asked was anything being done nationally to address this. The Performance and Programme Manager advised that this was an ongoing programme in Children services through the region and that the Strategic Director for Social Services and Head of Children Services were in constant contact with Welsh Government. The Strategic Director, Transformation and Corporate advised that the escalated risk itself was not within the remit of the committee, as this would be considered through Scrutiny, however a written response could be provided for information only to Governance and Audit Committee.

- 1.5 D Reed thanked the Performance and Programme Manager on the improvements within the report based on previous feedback given by the Committee. D Reed raised queries in relation to Pages 87, 93 and 94 concerning the risk mitigation action plan, which referred to estimated completion dates as being 31 March 2023. D Reed sought clarification on whether this had been completed or if there had been any slippage as a verbal update. The Performance and Programme Manager agreed to confirm this as part of Quarter 1 and Quarter 2 reports so that it was clearer as to which actions were completed, and which were still ongoing as part of retrospective reporting. The Strategic Director reminded the Committee that their role was about the assurances of the system in place around risk management rather than the detail of individual risks. The Director referred to a live system, My Hub, used for risk monitoring and management, and offered to arrange a brief demonstration before the next committee.
- 1.6 D Reed referred to page 93, the people's capital group and asked what the group did. The Head of People, Policy and Transformation advised that they were an internal officer group, who specifically looked at projects relating to people, such as education and social care. This would be reworded to internal officer group.
- 1.7 D Reed also referred to page 87 the risk overview '...could lead to prosecution of Head of Children's Service... what was the likelihood of that happening. The Strategic Director for Corporate considered that this was the wording of the Head of Children's Services and that it was a real possibility. The Head of People, Policy and Transformation mentioned that the detail of the risk was collated by officers and signed off by the Head of Service themselves.
- 1.8 D Reed mentioned that there was one risk that stated a shortfall of £27M in relation to the Medium-Term Financial Plan (MTFP). This appeared to be a major risk, therefore how was this being mitigated. The Head of People, Policy and Transformation advised that this was covered by p79, concerning balancing the Council's medium-term budget. Whilst this had been a risk on the corporate register for some time, his was a snapshot as at the end of last year but not the position for next year, therefore the figures would be kept under review and as such would be subject to change.
- 1.9 Chair referred to point that Councillor Horton raised, that for the next quarter there was a capacity issue regarding the Internal Audit Team. There has been a significant number of staff who have left the audit team, which would leave one remaining member of audit staff. Councillor M Howells, Chair Performance and Scrutiny Committees – Place and Corporate has written to the Chair raising this as a concern. The Chair therefore wanted to put this to be addressed as a matter of urgency and having referred to the Terms of Reference considered that the Committee should seek the assurance of the Leader of the Council through recommendation.
- 1.10 The Head of Finance agreed it was an unprecedented challenge for the service area and the Head of Finance and the team were working on this to consider alternative models of delivery of the audit plan for 2023/24 and future years.
- 1.11 Part of this year's Internal Audit plan would be delivered by way of using an external contract and in the short term the agency would be asked to increase the number of days of support. It would therefore still be a challenge and he could not give assurance that 70% of the audit plan would be delivered but the team would do everything they could. In the longer term, development of a regional audit service is being considered.
- 1.12 Dr Barry asked if exit interviews were carried out, considering the service had lost five posts over four months, and if there were any plans to engage young graduates or

retirees to cover this. The Strategic Director for Transformation and Corporate clarified that the Council had lost staff members, but the team had only been reduced by one post as part of MTFP, funding was therefore still available. The Director confirmed that exit interviews are offered to all leavers, and although individual responses are confidential, trends are monitored. The Strategic Director for Transformation and Corporate confirmed that traineeships, apprenticeships, and graduate programmes are offered. Recruiting retirees could be explored, as well as offering market supplements in certain circumstances. Given the potential to move towards a regional service, the Director confirmed that the dilemma is whether to recruit now or hold the posts until more information is available.

- 1.13 D Reed referred to the provision of external consultants, which was confirmed at a previous meeting as costing 50% more than employing staff directly and queried what the revised cost of delivering 70% of the audit plan in this way would be. The Head of Finance will provide a full update including daily costs at the next meeting in September.
- 1.14 Councillor Horton referred to the recruitment timeline being potentially up to 6-9mths before a full audit team was in place. The Head of Finance advised that the Principal Audit job advert was now live and with a longer closing date deadline due to the holidays. Additionally, the Audit Manager role was to be advertised, but overall, it could take up four months to fill both posts.
- 1.15 Councillor Horton, referred to regional service and asked if the potential pool of auditors who may apply for the currently advertised roles smaller, as some officers in the wider region may be being paid more at other Councils. The Head of Finance advised that the regional service was made up of four Councils and two more Councils, including Newport, were having informal conversations about joining. The Head of Finance agreed it would make the pool smaller, and the South Wales Regional Service Consortium was Newport's preference, as creating salary-based competition across local government was counter-productive.
- 1.16 Councillor Horton referred to the budget for 6.5 members of staff, was this posts or value. The Head of Finance advise that the budget supports 6.5 posts.
- 1.17 Councillor Horton asked if the number of posts the budget can support would be reduced as the costs of employing staff rose. The Head of Finance confirmed that the structure of the audit team would need to be reviewed, which could have an impact on grades and budget. Similarly, joining the consortium could also have similar impacts.
- 1.18 Councillor Horton asked for assurance that vacant posts would not be deleted. The Strategic Director for Transformation and Corporate clarified that the Council would need to make savings to meet an expected budget gap in 2024/25, however any further reductions of resource in the audit team again would create an issue concerning risk management.
- 1.19 The Chair wanted to declare his position in chairing two Governance and Audit Committees within two Local Authorities that are serviced by the Regional Consortium. The Chair confirmed that there were universal challenges regarding delivery of audit functions and these other LAs were carrying vacancies as well.
- 1.20 The Chair considered that the Section 151 Officer and Chief Executive had a statutory duty to report to council if they are unable to deliver a service. In addition, the Chair stated that the Internal Audit Service had a statutory basis covered by the Accounts and Audit Wales Regulation 2018.

- 1.21 The Chair's recommendation therefore was to suggest that the Head of Finance prepared a comprehensive report for September meeting in respect of what actions he intended to take to deliver the audit plan for 2023/2024 given the current staffing issues.

Secondly, that the Leader of the Council be invited to the next meeting to address this issue, with the reason being that the Leader had a responsibility for this and in accordance with the Terms of Reference, the Chair was seeking an assurance on the matters in relation to the Internal Audit Team and given the seriousness of this issue and delivering the internal audit plan.

- 1.22 The Strategic Director for Transformation and Corporate advised that whilst the Committee could take a vote on this recommendation, his advice would be that the Leader does not attend the next Committee, as this was a delegated Section 151 officer matter.
- 1.23 The Chair felt that the Cabinet had responsibilities for strategic and operational issues and if the Strategic Director for Transformation and Corporate advised the Leader not to attend, the Chair would take advice from another source. The Strategic Director for Transformation and Corporate advised that Council delegated responsibility of maintaining staffing levels to officers, not Cabinet. The Chair felt this was legally wrong and that the Strategic Director for Transformation and Corporate should take advice from the Monitoring Officer.
- 1.24 Councillor Mogford wondered what outcome would be achieved by inviting the Leader to the meeting given that the Head of Finance was the Section 151 Officer. The Chair considered that the Leader was named in the risk register as the Cabinet Member responsible.
- 1.25 The Chair also moved that the Section 151 Officer prepare a comprehensive report for September's Committee to address the audit plan and that the Leader of the Council be invited to the meeting to address the issue.
- 1.26 Councillor Mogford and Dr Barry asked that the issues be taken separately by the Committee.
- 1.27 D Reed seconded the two-part recommendation.

Recommendation:

That the Governance and Audit Committee consider the contents of the report and assess the risk management arrangements for the Authority, providing any additional commentary and/or recommendations to Cabinet.

That the following be put to a vote in the two parts, both of which were carried;

1. The Committee unanimously agreed that the Section 151 Officer would prepare a comprehensive report for September's Governance and Audit Committee summarising the action plan that will address the current staffing issues and deliver the audit plan for 2023/24.
2. And secondly that the Leader of the Council be invited to the Governance and Audit Committee to address the matter of staffing issues within Internal Audit, with four Committee Members voting in favour and two against.

- 1.1 The Performance and Programme Manager advised the Governance and Audit Committee that they were required under the terms of reference to receive and consider inspection reports from external regulators and inspectors and to make recommendations; where necessary, the Committee are required to monitor implementation and compliance with agreed action plans.
- 1.2 There are three external regulators: Audit Wales, Care Inspectorate Wales, and Estyn. Each body is responsible for providing assurance that the Council is fulfilling its statutory duties and providing value to the public.
- 1.3 The report covered the regulatory reports / inspections completed by each body between December 2022 and March 2023 including a summary of the Council's response (where applicable) and any additional actions which the Council was undertaking to respond to the recommendations.

Comments of the Committee:

- 1.4 D Reed referred to page 113, second para, under the Newport City Council action table. The Working Group concluded that there were not sufficient resources to undertake self-evaluations as recommended by Audit Wales and assumed that Audit Wales was aware of this. The Performance Programme Manager advised that this was not correct, and that once Audit Wales published a report it was up to the Council how to implement. The working group felt it would be better to establish a cost-of-living steering group through the Strategic Director for Social Services to consider factors such as the Marmot review and public services board, and to prioritise and determine actions going forward. The Performance Programme Manager confirmed that this was a national report, and the Council chose to make alternative arrangements. Gareth Lucy, Audit Wales added that because this is a national report, Audit Wales would maintain contact in terms of recommendations and ongoing discussions.
- 1.5 D Reed also referred to page 114, Carbon Reduction monitoring of progress, which stated that it was to be completed by March 2023. The Policy Programme Manager confirmed that this was completed.
- 1.6 Dr Barry mentioned that it was a clear and easy to follow report. There were a couple of recommendations that were in progress, but the heading stated that they were completed, such as Carbon Reduction 114, Equality Impact Assessment 116, Asset Management 117. The Performance Programme Manager noted the comments and would make this clearer.
- 1.7 Dr Barry also referred to page 116, the performance management data comparisons with other LAs and wanted assurance that the HR data was in line with other LAs. The Head of People, Policy and Transformation advised that they were working with WLGA and Data Cymru and as there was no bench marking data, in the interim the Council had to work to informally to compare data.
- 1.8 D Reed referred to page 115, in the report overview it stated that most NFI participants displayed a strong commitment to counter fraud, with 13 of the 22 LAs identifying 95% of the fraud and error outcomes, which meant nine of the authorities delivered the remaining 5%. D Reed enquired whether Newport one of the of the 13 LAs or nine. The Policy Programme Manager confirmed that Newport was one of the 13. Gareth Lucy, Wales Audit gave some context advising that it did not mean that the other nine LAs did not engage with the process but reflected the outcomes of their activity. The Head of People, Policy and Transformation advised the Chair that we had received the final counter fraud report, which would be added to the next collated update.

- 1.9 The Chair referred to Appendix 2, the Care Inspectorate Wales (CIW), and the Children's Provisions, and enquired where any recommendations that may come from those inspections would be picked up. The Policy Programme Manager confirmed that they would be captured within Social Services and reported to the Executive Board, Directorate Management Team and shared with the Cabinet Members for Social Services.
- 1.10 The Chair stated that the Committee could not be assured that the Council was fulfilling its duties in this area without seeing the recommendations of the CIW inspection. The Chair considered that any confidential information could be anonymised for this purpose. The Performance and Programme Manager took comments on board and would seek clarification from the Monitoring Officer to ensure that there was no breach in legislation if this information was divulged. The Chair understood and would not want confident information to be divulged, however the ability to identify any trends would support continuous improvement.

Recommendations:

The Governance and Audit Committee considered the regulatory activity completed within the report and accepted that where recommendations have been raised the Council was taking necessary action.

9 Draft Statement of Accounts 2022/23

- 1.1 The Senior Finance Business Partner (Chief Accountant) presented the report to the Governance and Audit Committee who was required to approve the final audited Statement of Accounts. The report provided a copy of the draft accounts, signed by the Section 151 Officer, that have been passed over to Audit Wales to undertake their own audit of the accounts. The Committee will be presented with a final set of accounts for approval when the external audit has concluded,

Comments of the Committee:

- 1.2 The Chair thanked the Senior Finance Business Partner and team for the comprehensive set of accounts.
- 1.3 Dr Barry asked why the Council was unsuccessful in securing monies through the Levelling Up Fund. The Assistant Head of Finance explained that this was a decision taken by Central Government.
- 1.4 D Reed asked the Chair if it would be appropriate for the Chair to be copied into responses from the Committee. It was agreed that the Senior Finance Business Partner (Chief Accountant) could collate responses from members of the Committee and send to the Chair.

Recommendations:

The Governance and Audit Committee noted the draft 2022/23 Statement of Accounts.

10 Annual Governance Statement Draft 2022/2023

- 1.1 The Head of Finance present the report explaining to the Committee that to meet the requirements of the Accounts and Audit (Wales) Regulations 2014, Newport City Council needed to prepare and present an Annual Governance Statement with its Annual Statement of Accounts. This Statement was based on how well the Council met its own Code of Corporate Governance. A review of Governance was also a

requirement of the Local Government Measure and the Local Government and Elections (Wales) Act 2021. The recommendations and actions from this Statement would be integrated into the Council's Annual Well-being and Self-Assessment Report.

Comments of the Committee:

- 1.2 Councillor Harris referred to page 274 where overall volumes of complaints had increased as well as the number of complaints being forwarded to the Public Service Ombudsman for Wales (PSOW). The Head of People, Policy and Transformation advised that there would be a more detailed report on complaints within the coming months to the Committee. The Head of People, Policy and Transformation confirmed that the Council had become better at recording and categorising complaints and the associated increase in recording of complaints was a positive rather than a negative. Whilst overall complaints received had increased, there was a very small increase in the number of complaints that were upheld. The Head of Finance added that as an assessment of the governance arrangement, the complaints procedure showed that this was an effective method of engagement with residents.
- 1.3 Dr Barry sought assurance beyond the evidence presented that there were appropriate policies and processes in place, as there was more information required to confirm that good governance arrangements were in place. Dr Barry was concerned that in some areas there were no further actions, which did not provide assurance to the committee. Dr Barry also considered that the timetable for completing actions should be shorter than those documented.
- 1.4 The Head of Finance advised that this was the first report under the new legislation and would be happy to look at other approaches if Dr Barry could give specific examples. The Governance Statement is about Newport's processes and how they had been operating. The Corporate Management Team has provided feedback on this report prior to the Committee having sight of it, and the Audit Plan in 2022/23 also provided assurances in several areas that governance arrangements were in place and operating appropriately.
- 1.5 Dr Barry confirmed that they sat on the Governance and Audit Committee for Pembrokeshire Council and would arrange to send their Governance Statement to the Head of Finance, as an example of an alternative format.
- 1.6 The Chair suggested that any questions raised could be forwarded to the Head of Finance to take into consideration for the Annual Governance Statement. The Head of Finance would need the feedback for the accounts by Friday 18 August in time to forward to the external auditors.
- 1.7 D Reed felt that other formats would be easier for residents to read and understand and would send these examples onto the Head of Finance. D Reed also considered that the report would benefit from more analysis as part of the assessment as opposed to case studies that promoted positive outcomes.

Recommendations:

The Governance and Audit Committee noted the draft 2022/23 Statement of Accounts and would provide appropriate comments by to the Head of Finance by 18 August 2023.

- 1.1 The Chair requested a brief update from the Strategic Director for Social Services be taken to the next meeting in September, and this could be done via a memorandum for the two items discussed at this meeting rather than being presented in person.
- 1.2 The Governance and Audit Committee Annual Report needed to be discussed with the Strategic Director for Transformation and Corporate before 28 September meeting.

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Date Raised	Item	Recommendation	Responsible Officer	Status	Due Date for Update
23/05/23	Agenda Item 6: Call-in Strategic Director – Transformation and Corporate and the Head of Finance Re Purchasing Cards (Transactions) resulting in an Unsatisfactory Opinion	<ol style="list-style-type: none"> 1. Figures to be provided of staff that did not attend the training on the use of P-Cards within the required deadline of 23 June. 2. Clarification on Page 31, Appendix 1, Table 4b Completed Action and Policy Implementation date of 20 June. 3. Page 31, Appendix 1, Table 4a – an update on recovering the cost of parking / speeding fines. 	<p>Strategic Director for Transformation and Corporate</p> <p>Head of Finance</p> <p>Strategic Director for Transformation and Corporate</p>	<p>COMPLETED</p> <p>1. As at 23rd June, 59 card holders had not fully completed the training. By the 30th June, this number was reduced to 28. As at the 19th September this number stands at 11. All card holders who had not completed the training by the 23rd June had their card suspended, and cards are only reinstated once the training is completed.</p> <p>2 and 3. COMPLETED The Travel & Subsistence Policy, Driver Handbook and Vehicle Hire Request Form have all been updated for the agreed procedure for recovery of fines. Communications included in staff newsletters and further communications planned as organisational reminders.</p>	n/a – closed
23/05/23	Agenda Item 7: Update on PTU Taxi Contracts resulting in	<p>The Chair requested an update for the next two committee meetings regarding progress.</p>	<p>Head of Infrastructure</p>	<p>COMPLETED</p> <p>Written update received on 27th July 2023 and Head of</p>	n/a – closed

	Second Unsatisfactory Opinion – January 2023			Infrastructure attending on 28 th September to provide further update.	
23/05/23	Agenda Item 8: Update on Call-in of Strategic Director for Social Services and Head of Service re the Internal Audit of Adoption Allowances resulting in a Second Unsatisfactory Opinion – January 2023	That the Strategic Director for Social Services would be invited to the next meeting on 27 July to provide an update on progress.	Strategic Director for Social Services	COMPLETED Strategic Director for Social Services presented update to Committee on 27 th July 2023	n/a closed
23/05/23	Agenda Item 9: Treasury Management Outturn Report – 2023/24	Clarification of Investment and Accrued Interest figures on page 50, point 13 would be checked for accuracy and amend accordingly before it was reported back to Cabinet in June.	Assistant Head of Finance	COMPLETED The mistake was rectified before the report was shared with Cabinet in June.	n/a – closed
23/05/23	Agenda Item 10:	1. The Strategic Director for Transformation and Corporate, along with the Audit Manager	Strategic Director for Transformation and Corporate	On hold following Summer recess	

	<p>Internal Audit Annual Report 2023/24</p>	<p>contact the Chief Education Officer to discuss auditors entering schools during industrial disputes.</p> <p>2. The Strategic Director for Social Services be Called in regarding the Unsound Audit Opinion for Children Services Safeguarding Children Money</p> <p>3. The Monitoring Officer be contacted to see if this should be discussed as Part 2 item.</p> <p>4. Report taken to GAC at a future meeting regarding staffing / auditing resources and capacity in the Audit Team in relation to the regional consortium.</p> <p>5. Consider making changes to Appendix 3 so that areas are grouped as per their status under the risk column</p>	<p>/ Acting Chief Internal Auditor</p> <p>Strategic Director for Social Services</p> <p>Strategic Director for Transformation and Corporate /Head of Law and Standards</p> <p>Head of Finance</p> <p>Acting Chief Internal Auditor</p>	<p>2. COMPLETED Strategic Director for Social Services provided update to Committee on 27th July 2023</p> <p>3. COMPLETED If considered, this should be Part 2 report.</p> <p>4. In Progress – Update report on Internal Audit team to be considered by Committee in September. Further updates on developments regarding regional consortium to be shared when available.</p> <p>5, 6 In Progress – Acting Chief Internal Auditor is considering recommendations as part of future quarterly updates.</p>	
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		<p>6. Consider adding an indicator to service areas that have been assessed by themes in wider audits.</p> <p>7. High risk audits to be prioritised within the capacity of Principal Auditor resource available.</p>	<p>Acting Chief Internal Auditor</p> <p>Acting Chief Internal Auditor</p>	<p>7 COMPLETED – proposed plan for audits carried out in 2023/24 is presented to committee as part of the agenda for meeting in September.</p>	
23/05/23	<p>Item 12:</p> <p>Forward Work Programme</p>	<p>That the Governance and Audit Committee Annual report be added to the Work Programme, to be discussed with the Strategic Director for Transformation and Corporate.</p>	<p>Strategic Director for Transformation and Corporate</p>	<p>COMPLETED – This has been added to the Forward Work Programme for the Committee to consider on 28th November 2023</p>	<p>n/a - closed</p>
23/07/23	<p>Item 3:</p> <p>Minutes of the last meeting</p>	<p>That dates for completion be added to the table of recommendations.</p>	<p>Democratic and Electoral Services Manager</p>	<p>COMPLETED</p> <p>Column added to target dates for updates</p>	<p>n/a – closed</p>
23/07/23	<p>Agenda Item 4:</p> <p>Call-in the Director of Social Services and Head of Service re the Internal Audit of Adoption</p>	<p>Escalate concerns to the Chief Executive and Executive Board, including Cabinet.</p>	<p>Strategic Director for Social Services</p>	<p>COMPLETED – Concerns of the Committee have been raised with the Chief Executive, Exec Board and Cabinet.</p>	<p>n/a - closed</p>

	Allowances resulting in a Third Consecutive Unsatisfactory Opinion				
23/07/23	Agenda Item 5: Call-in the Strategic Director and Head of Service re the Unsound Opinion for Children Services Safeguarding Children's Money	Escalate concerns to the Chief Executive and Executive Board.	Strategic Director for Social Services	COMPLETED – Concerns of the Committee have been raised with the Chief Executive and Exec Board.	n/a - closed
23/07/23	Agenda Item 7: Corporate Risk Register Quarter 4	<ol style="list-style-type: none"> 1. Provide an information only written update on the work being undertaken to manage the impact of the Eliminate Programme. 2. Clarification to be provided in Quarter 1 and Quarter 2 reports estimated completion dates of 31 March (Q4) on Pages 87, 93 and 9 of the risk mitigation action plan. 	<p>Strategic Director for Social Services</p> <p>Performance and Programme Manager</p>	<ol style="list-style-type: none"> 1. In Progress – written update to be shared with Committee 2. COMPLETED Following Quarter 4 and end of year process, service areas reviewed their service plans and risk mitigation action 	

		<p>3. Provide brief demonstration of My Hub and how it was used to manage risks in real-time prior to next meeting.</p> <p>4. The Section 151 Officer would prepare a comprehensive report for September's Governance and Audit Committee detailing actions to address capacity issues and the delivery of the audit plan for 2023/24, including costs of delivery through external organisation.</p> <p>5. Leader of the Council to be invited to the Governance and Audit Committee to address the matter of capacity within Internal Audit.</p>	<p>Performance and Programme Manager</p> <p>Head of Finance</p> <p>Strategic Director for Transformation and Corporate</p>	<p>plans. These have been updated to reflect the mitigating activity in 2023/24.</p> <p>3. Mi Hub demonstration and overview of the risk management process can be provided to Committee members. Date will be confirmed with Democratic Services to ensure availability of Committee members.</p> <p>4. COMPLETED Agenda item for Committee on 28th September 2023</p> <p>5. COMPLETED – Leader and Chief Exec to attend Committee on a 6 monthly basis</p>	
23/07/23	Agenda Item 8: Audit Wales and Regulatory	<p>1. Make amendments in future reports to make it clearer on whether the recommendations</p>	<p>Performance and Programme Manager</p>	<p>In Progress</p> <p>Both actions will be reviewed and considered in preparation</p>	<p>Jan 2024</p>

	Body Six-Month Update	<p>were completed or in progress (e.g. Carbon Reduction 114, Equality Impact Assessment 116, Asset Management 117).</p> <p>2. Anonymised recommendations from the Care Inspectorate for Wales inspections to be shared with the Committee, subject to the approval of the Monitoring Officer.</p>	Performance and Programme Manager / Head of Law and Standards	of the next 6 monthly update which will be presented in January 2024.	
23/07/23	Agenda Item 9: Draft Statement of Accounts 2022/23	<p>1. Committee Members to share responses to report with Senior Finance Business Partner via email.</p> <p>2. Senior Finance Business Partner (Chief Accountant) to collate responses from members of the committee and send to the Chair.</p>	<p>Committee Members</p> <p>Senior Finance Business Partner</p>	1 and 2 COMPLETED Deadline for responses to be shared was the 31 st August.	n/a – closed

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Report

Governance and Audit Committee

Part 1

Date: September 2023

Item No:

Subject Quarter 1 23/24 Corporate Risk Register Update

Purpose To present an update of the Corporate Risk Register for the end of Quarter 1 (1st April 2023 to 30th June 2023).

Author Head of People, Policy and Transformation

Ward All

Summary The Council's Corporate Risk Register monitors those risks that may prevent the Council from achieving its strategic priorities or delivering services to its communities and service users in Newport.

At the end of Quarter 1, there were 15 risks recorded in the Corporate Risk Register that are considered to have a significant impact on the achievement of the Council's objectives and legal obligations.

Overall, there are 9 Severe risks (risk scores 15 to 25); 6 Major risks (risk scores 7 to 14); that are outlined in the report. In comparison to the Quarter 4 corporate risk register, there was no change to the risk scores. One risk (Failure to achieve the completion of the annual Internal Audit plan) was escalated from the Finance service area risk register.

As set out in the Council's Risk Management Policy, the Governance and Audit Committee reviews the Corporate Risk Register on a quarterly basis ensuring procedures are in place to monitor the management of significant risks.

Proposal The Governance and Audit Committee is asked to consider the contents of this report and assess the risk management arrangements for the Authority, providing any additional commentary and/or recommendations to Cabinet.

Action by Corporate Management Team and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Executive Board
- Corporate Management Team

Signed

Background

The Well-being of Future Generations (Wales) Act 2015 requires Newport City Council to set Well-being Objectives in its Corporate Plan. As a public body, Newport City Council is also responsible for delivering services (statutory and non-statutory) to residents, businesses, and visitors across Newport. We will inherently encounter opportunities and risks that may prevent, disrupt, impact or enhance the delivery of the Council services and achieve the objectives in the Corporate Plan. How the Council responds and manages these opportunities and risks is important to ensure resources are being used efficiently and effectively to maximise value for money and to minimise and/or prevent the risk impacting services, communities, and citizens in Newport.

The Council's Risk Management Policy provides an overview of the Council's approach and its appetite for managing opportunities and risk. To provide assurance on the Council's Risk Management approach, the Corporate Risk Register provides assurance on the most significant risks that the Council was managing in the last quarter.

Officers across the Council regularly manage risk in the course of their duties whether this is health and safety risks, civil contingencies including Covid-19, safeguarding risks to children, young people, adults and carers or risks to assets, buildings, and Council employees. The relevant service area(s) and professional disciplines will be assessing and managing these risks as required and reporting these through their own reporting mechanisms. In accordance with the Council's Risk Management Policy, any new, escalated / de-escalated, and closed risks in the Corporate Risk Register are presented to the Council's Executive Board for decision.

Risk Management Process

In Newport City Council risks that may prevent or impact on the delivery of our services is continuously monitored and managed at all levels of the organisation. The diagram below summarises how risks are continuously managed in Newport City Council.

There are many different sources of risks, such as civil contingencies, health & safety, service delivery and projects throughout the organisation where risks to the delivery of the Corporate Plan, or services might be identified and included on the Council's risk register. New risks identified to be included on the register have to be assessed and evaluated to determine their risk scores (Inherent / Residual / Target), existing controls that are in place and where further mitigating controls are required to respond and reduce the overall impact of the risk to the Council. To assess risk scores Newport City Council uses a standard 5x5 matrix that is commonly adopted across Welsh and English local authorities. Appendix 1 of this report shows the risk heat map of the Council's corporate risks using this matrix.



All risks identified are initially agreed by the Head of Service. If the residual risk score is 15 or above or if the Head of Service considers the risk to have an impact on the delivery of services / achievement of Council objectives, it is escalated to the Council's senior management team to determine whether it is included on the Council's Corporate Risk Register or if the risk should be managed by the relevant service area(s).

All risks are recorded in the Council's 'Management Information Hub'. Every quarter, risk owners, and risk action owners are required to assess and provide an update on the risk score and mitigating actions in place. Any risk that has escalated to 15 or above is automatically escalated and requires the Directors team to consider whether it should be included on the Corporate risk register or if they are satisfied that the responsible owner and mitigating actions are effective to be managed within the service area / team.

As risk mitigating actions are completed and the risk is reduced to meet the target risk score, an assessment will be undertaken by the risk owner to determine whether the risk is closed and if the risk mitigation actions have been sufficient to mitigate the overall risk. For risks on the Corporate Risk Register this responsibility would fall onto the Head of Service and senior management team to determine if the risk can be closed.

Newport City Council - Quarter 1 22/23 Risk Update

Appendix 2 of the report provides an overview of the Council's overall risks reported at the end of Quarter 1. This includes corporate and service area risks across the Council's service areas. In summary, the Council had 43 risks of which:

Total Risks at Quarter 1	Risk Scores Increased since Q4	Risk Scores Decreased since Q4	No Change since Q4	New Risks Since Q4	Closed Risks Since Q4	Escalated Risks ^{*1}	De-escalated Risks ^{*2}
43	1	1	41	0	2	1	0

Newport City Council Quarter 1 Corporate Risk Register Summary

At the end of Quarter 1, the Council's Corporate Risk Register included 15 of the 45 risks that are considered to pose the most risk to the delivery of Council services and achievement of its strategic priorities. The 15 Corporate Risks consisted of:

- 9 Severe risks (15 to 25)
- 6 Major Risks (7 to 14)

In comparison to the Quarter 4 corporate risk register there was no change to the risk scores. One risk was escalated from the Finance service area risk register (Failure to achieve completion of the annual Internal Audit plan). See table below.

Risk	Risk Summary	Q1 Risk Score	Target Risk Score	Summary
<p><u>Risk Escalated</u></p> <p>Failure to achieve completion of the annual Internal Audit Plan</p> <p>Transformation & Corporate Directorate / Finance Services</p>	<p>The Internal Audit plan comprises of opinion and non-opinion audit jobs based on the number of audit days available. If not enough opinion related jobs are completed (to draft report stage) by the end of the financial year this could impact on the Chief Internal Auditor's ability to provide an overall opinion on the adequacy of internal control environment, governance arrangements and risk management processes operated within the Council.</p>	16	6	<p>In the last quarter the Internal Audit team has seen 4 experienced officers leaving the team and the acting Chief Internal Auditor will be leaving the authority in September leaving 1 full time equivalent (FTEs) in post for an establishment of 6.5 FTEs. In response the Council is commencing a recruitment campaign to appoint into the vacancies and is using external audit resource to deliver 130 planned days of work (circa 10/11 opinion related audits). The Council will also be exploring longer term options for the service.</p> <p>As at the end of Quarter 1 it will not be possible for the Internal Audit team to achieve the completion of the original</p>

Risk	Risk Summary	Q1 Risk Score	Target Risk Score	Summary
				Internal Audit Plan for the full year as regards 'opinion related' audits and some non-opinion work will stop / be reduced to provide focus on the opinion related work. It is predicted that of the 45 opinion related audits in the approved plan – completion could be about 24 – 34 dependent on recruitment. The team over last 6 years have completed between 30-35 opinion related audits and therefore the risk here is that we are unable to recruit resulting in completion of the lower figure of the above range. If that was the case, the service will only be able to provide limited assurance on the effectiveness of the Council's internal control, governance and risk management arrangements at best.

Appendix 1 - Quarter 1 Corporate Risk Heat Map and Risk Profile

Appendix 2 – Quarter 1 Newport City Council's Service Area Risk Summary.

Appendix 3 – Newport City Council's Quarter 1 Corporate Risk Register (Attached separately).

Glossary – Risk Management terminology and Risk Score Assessment

Financial Summary

There are no direct costs associated with this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
The Council does not achieve its objectives as corporate level risks are not adequately managed and monitored.	M	L	Risk Management Strategy has been adopted and mechanisms are in place to identify, manage and escalate emerging and new risks / mitigation strategies. Audit Committee oversight of risk management process.	Directors, Heads of Service and Performance Team

*Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Corporate Plan 2022-27

Service Plans 2022-27

Robust risk management practices increase the chances that all of the Council's priorities and plans will be implemented successfully.

Options Available and considered

1. To consider the contents of this report and assessment of the risk management arrangements for the Authority, providing any additional commentary and/or recommendations to Cabinet.
2. To request further information or reject the contents of the risk register

Preferred Option and Why

1. Option 1 is the preferred option with recommendations raised by the Audit Committee to be considered and reported to Cabinet and Officers in accordance with the Council's Constitution.

Comments of Chief Financial Officer

There are no direct financial implications arising from this report itself. The corporate risk register forms an important part of the governance and budget setting arrangements for the Council and the risk register is used to guide the internal audit plan.

There are a number of risks with either a direct or indirect financial impact. For example, the risk around balancing the medium-term financial position is currently rated as severe, due to the high inflationary environment and increasing demand for services. Whilst a balanced budget for 2023/24 was achieved, the challenge of achieving that over the medium term remains, with further difficult decisions being required to do that. There also remains a risk, as captured within the service risks, that overspends could arise during the year and close financial monitoring will be required in relation to this.

On an interim basis, the Internal Audit service is predominantly being provided/managed via an external consultancy service. An assessment of the volume of opinion work, and internal control reassurance has been undertaken and confirms the potential, on the worst case scenario, of a significant reduction in the completion of opinion related audits though the best case scenario which is dependent on successful recruitment, could achieve a smaller, less impactful reduction. The current 'major risk' assessment will be updated as necessary after the recruitment process.

As well as risks specific to Finance, close attention will also need to be paid to risks within services such as Children's Services and schools, as they have the potential to result in additional financial pressure and the need to take action in order to ensure that services remain within the budgets that they have available both in 2023/24 and over the medium term. Any unmanageable impacts may need to be reflected within the Medium Term Financial Plan as an additional pressure, adding to the existing budget gap in the process.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. As part of the Council's Risk Management Strategy, the corporate risk register identifies those high-level risks that could impact upon the Council's ability to deliver its corporate plan objectives and essential public services. Governance & Audit Committee are responsible for reviewing and assessing the Council's risk management, internal control and corporate governance arrangements. However, the identification of corporate risks within the risk register and monitoring the effectiveness of the mitigation measures are matters for Cabinet. The report confirms that there have been no significant changes in the risk profile during the first quarter of this financial year, as compared with the final quarter of last year. In comparison to quarter 4, all risks scores have remained the same with one risk having been escalated to the corporate risk register from the finance area.

Comments of Head of People, Policy and Transformation

Effective monitoring and reporting against the Council's Corporate Risk Register is essential in minimising and preventing the likelihood and impact of risks against our objectives. The Council's risk management is a key area in the implementation of the Well-being of Future Generations Act (Wales) 2015.

The recent changes made to our risk management processes and system will ensure officers at all levels of the organisation have greater control and oversight of their risks taking the necessary action to mitigate their impact and escalate where necessary to senior management.

The Council's HR team continue to support with issues such as recruitment.

Scrutiny Committees

Not Applicable. Audit Committee have a role in reviewing and assessing the risk management arrangements of the Authority.

Fairness and Equalities Impact Assessment

For this report, a full Fairness and Equality Impact Assessment is not required to be undertaken. This is because this report is not seeking any strategic decisions or policy changes, with its purpose being to update Governance and Audit Committee on the current risk register and risk management process of the Council.

Wellbeing of Future Generations (Wales) Act 2015

Under the Wellbeing of Future Generations Act (Wales) 2015 and its 5 ways of working principles this report supports:

Long Term – Having effective risk management arrangements will ensure that the opportunities and risks that will emerge consider the long-term impact on service users and communities.

Preventative – Identifying opportunities and risks will ensure the Council is able to implement necessary mitigations to prevent or minimise their impact on Council services and service users.

Collaborative – The management of risk is undertaken throughout the Council and officers collaborate within service areas, Corporate Management Team and the Council's Cabinet to ensure decisions are made in a timely manner and are evidence based.

Involvement – The Council's Risk Management process involves officers across the Council's service areas and Cabinet Members.

Integration – Risk Management is being integrated throughout the Council and supports the integrated Planning, Performance and Risk Management Framework. The Framework ensures that planning activities consider the opportunities and risks to their implementation and overall supports the delivery of the Council's Corporate Plan and legislative duties.

Consultation

As above, the Risk Register is considered by Governance and Audit Committee and Cabinet.

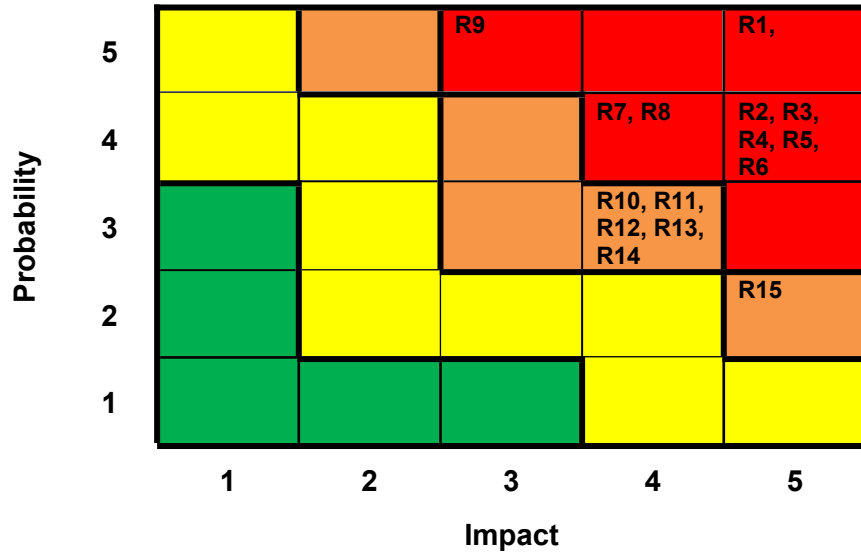
Background Papers

[Quarter 4 Corporate Risk Report \(July 2023\)](#)

Risk Management Policy 2020-22

Dated: 20th September 2023

Appendix 1 – Quarter 1 2023/24 Risk Heat Map



Corporate Risk Heat Map Key (Quarter 1 2023/24)	
R1 - Pressure on the delivery of Children Services	R9 - Eliminate Profit from Social Care
R2 - Stability of Social Services Providers	R10 - Cyber Security
R3 - Pressure on Adult & Community Services	R11 - Schools Finance / Cost Pressures
R4 - Balancing the Council's Medium-Term budget	R12 - Demand for ALN and SEN support
R5 - Highways Network	R13 - Educational Out of County Placements
R6 - Pressure on Housing and Homelessness Service	R14 - Welsh Government's Net Carbon Zero Target by 2030
R7 - Newport Council's Property Estate	R15 - City Centre Security and Safety
R8 - Failure to achieve completion of the annual Internal Audit Plan	

Risk Score Profile between Quarter 2 2022/23 and Quarter 1 2023/24

Risk Reference	Risk	Lead Cabinet Member(s)	Lead Directorate / Service Area	Risk Score Q2 2022/23	Risk Score Q3 2022/23	Risk Score Q4 2022/23	(Current) Risk Score Q1 2023/24	Target Risk Score
R1	Pressure on the delivery of Children Services	Cabinet Members for Social Services	Social Services / Children Services	25	25	25	25	12
R2	Stability of Social Services Providers	Cabinet Members for Social Services	Social Services / Adult Services	25	25	20	20	12
R3	Pressure on Adult & Community Services	Cabinet Members for Social Services	Social Services / Adult Services	25	25	20	20	12
R4	Balancing the Council's Medium-Term budget	Leader of the Council / Cabinet	Transformation & Corporate Finance	20	20	20	20	10
R5	Highways Network / Infrastructure	Cabinet Member for Infrastructure & Assets	Environment & Sustainability / Infrastructure	20	20	20	20	15
R6	Pressure on Housing and Homelessness Service	Cabinet Member for Strategic Planning, Regulation & Housing	Environment & Sustainability / Housing & Communities	20	20	20	20	12
R7	Newport Council's Property Estate	Cabinet Member for Infrastructure & Assets	Transformation & Corporate / People, Policy & Transformation	16	16	16	16	12
R8	(Escalated) Failure to achieve completion of the annual Internal Audit Plan	Leader of the Council	Transformation & Corporate / Finance	-	9	12	16	6
R9	Eliminate Profit from Social Care	Cabinet Members for Social Services	Social Services / Children Services	-	15	15	15	4

Risk Reference	Risk	Lead Cabinet Member(s)	Lead Directorate / Service Area	Risk Score Q2 2022/23	Risk Score Q3 2022/23	Risk Score Q4 2022/23	(Current) Risk Score Q1 2023/24	Target Risk Score
R10	Information and Cyber Security	Cabinet Member for Organisational Transformation	Transformation & Corporate / People, Policy & Transformation	12	12	12	12	8
R11	Schools Finance / Cost Pressures	Deputy Leader & Cabinet Member for Education & Early Years	Chief Executive / Education Services	12	12	12	12	12
R12	Demand for ALN and SEN support	Deputy Leader & Cabinet Member for Education & Early Years	Chief Executive / Education Services	12	12	12	12	6
R13	Educational Out of County Placements	Deputy Leader & Cabinet Member for Education & Early Years	Chief Executive / Education Services	12	12	12	12	4
R14	Welsh Government's Net Carbon Zero Target by 2030	Cabinet Member for Climate Change & Biodiversity	Environment & Sustainability / Environment & Public Protection	12	12	12	12	2
R15	City Centre Security and Safety	Cabinet Member for Infrastructure & Assets	Environment & Sustainability / Infrastructure	10	10	10	10	9

Appendix 2 – Quarter 1 23/24 NCC Service Area Risk Summary

Directorate	Service Area	Total Q1 Risks	Risk Scores Increased since Q4	Risk Scores Decreased since Q4	No Change since Q4	New Risks Since Q4	Closed Risks Since Q4	Escalated Risks* ₁	De-escalated Risks* ₂
Chief Executive	Education	5	0	0	5	0	0	0	0
	Regeneration & Economic Development	4	0	0	4	0	0	0	0
Environment & Sustainability	Environment & Public Protection	4	0	0	4	0	0	0	0
	Housing & Communities	3	0	0	3	0	1	0	0
	Infrastructure	5	0	0	5	0	0	0	0
Social Services	Adult Services	4	0	0	4	0	0	0	0
	Children Services	3	0	0	3	0	0	0	0
	Prevention & Inclusion	1	0	0	1	0	1	0	0
Transformation & Corporate	Finance	6	1	0	5	0	0	1	0
	Law & Standards	2	0	0	2	0	0	0	0
	People, Policy & Transformation	6	0	0	6	0	0	0	0
Total		43	1	0	42	0	2	1	0

*1 – Escalated Risks – Risks that have been escalated from Service area risk registers to Corporate Risk Register

*2 – De-escalated Risks – Risks that have been de-escalated from Corporate Risk Register to service area risk register

Glossary

This document provides an explanation of terminology used in this report and supporting documents.

Risk Appetite – the amount of risk that Newport City Council is willing to seek or accept in the pursuit of the Council’s long term objectives.

Inherent Risk Score – The level of risk in the absence of any existing controls and management action taken to alter the risk’s impact or probability of occurring.

Residual Risk Score – The level of risk where risk responses i.e. existing controls or risk mitigation actions have been taken to manage the risk’s impact and probability.

Target Risk Score – The level of risk (risk score) that Newport City Council is willing to accept / tolerate in managing the risk. This is set in line with the Council’s overall risk appetite.

Risk Mitigation Action – Actions identified by the Risk Owner to respond to the risk and reduce the impact and probability of the risk of occurring.

Risk Mitigation Action (Red Progress Score) – Significant issue(s) have been identified with the action which could impact on the ability of the action meeting its completion date. Immediate action / response is required resolve its status.

Risk Mitigation Action (Amber Progress Score) – issue(s) have been identified that could have a negative impact on the action achieving its completion date. Appropriate line manager(s) should be informed and where necessary action taken.

Risk Mitigation Action (Green Progress Score) – The action is on course for delivering to the agreed completion date and within the agreed tolerances.

How the Council Assesses Risk

An assessment of the likelihood and impact of risk is important to measure, compare and monitor risks to ensure efficient use of resources and effective decision making. This assessment is carried out using the risk matrix as described below.

Risk Assessment Matrix

A Corporate Risk Register will contain the high-level risks for the whole authority. In order to differentiate between these high level risks a 5x5 risk assessment matrix will be applied. The matrix is shown below, and further detail is included in appendix 3.

Risks are scored using the scoring system for probability and impact and assigned a rating based on the tolerances set out in the matrix below

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
5	Severe	Failure of a key strategic objective	Serious organisational / service failure that has direct impact on stakeholders including vulnerable groups. Service disruption over 5+ days.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £1M Revenue >£1M	Legislative / Regulatory breach resulting in multiple litigation / legal action taken on the Council (linked to Financial / Reputational Impacts).	Multiple major irreversible injuries or deaths of staff, students or members of public. (Linked to Financial / Reputational Impacts)	Severe and persistent National media coverage. Adverse central government response, involving (threat of) removal of delegated powers. Officer(s) and / or Members forced to Resign.	Project status is over 12 months from anticipated implementation date. Project(s) do not deliver the major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts
4	Major	Severe constraint on achievement of a key strategic objective	Loss of an important service(s) for a short period that could impact on stakeholders. Service disruption between 3-5 days.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £0.5M - £1.0M Revenue >£0.5M- £1M	Serious legislative breach resulting in intervention, sanctions and legal action. (Linked to Financial / Reputational Impacts)	Major irreversible injury or death of staff, student or member of public. (Linked to Financial / Reputational Impacts)	Adverse publicity in professional / municipal press, affecting perception / standing in professional /local government community Adverse local and social media publicity of a significant and persistent nature.	Project status is 6 to 12 months over from anticipated implementation date. Project(s) do not deliver major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts
3	Moderate	Noticeable constraint on achievement of a key strategic objective /	Loss and/or intermittent disruption of a service between 2-3 days.	<u>Corporate / Project</u> Unplanned and/or additional	Significant legislative breach resulting in investigation. (Linked to Financial	Major reversible injury to staff, student or member of	Adverse local publicity / local public opinion including social media.	Project status is 1 to 6 months over from anticipated implementation date.

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
		Service Plan objective.		expenditure disturbance. Capital = £0.25M - £0.5M Revenue = £0.25M to £0.5M Revenue = £0.25M to £0.5M	/ Reputational Impacts)	public. Not life threatening. (Linked to Financial / Reputational Impacts)	Statutory prosecution of a non-serious nature.	There is significant reduction on delivery of benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational impacts.
Page 35	Low	Constraint on achievement of Service Plan objective that does not impact on Corporate Strategy	Brief disruption of service that has a minor impact on the delivery of a service. Service disruption 1 day.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital = £0.1M - £0.25M Revenue = £0.1M – £0.25M	Moderate impact leading to warning and recommendations.	Some minor reversible injuries. (Linked to Financial / Reputational Impacts)	Contained within Directorate Complaint from individual / small group, of arguable merit	Project status is 1 to 4 weeks over from anticipated implementation date. There is minor reduction on delivery of benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational impacts.
1	Very Low	Constraint on achievement of Service / Team Plan objective	Minor disruption of a non-critical service.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital < £100k	No reprimand, sanction or legal action.	Some superficial injuries. (Linked to Financial / Reputational Impacts)	Isolated complaint(s) that are managed through the corporate complaints process and service area.	Project status is 1 week over from anticipated implementation date. There is insignificant / no impact on delivery of benefits / savings

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
				Revenue <£100k				<p>identified in business case.</p> <p>This is linked to Financial / Strategic / Reputational impacts.</p>

Score	Probability	Criteria
5	Very likely 75% +	<p>Systematic Risks – Local evidence indicating very high probability of occurrence if no action / controls are in place. Risk is highly likely to occur daily, weekly, monthly, quarterly.</p> <p>Emerging Risks – National and Global evidence indicating very high probability of occurrence on local communities if no action / controls are taken. Risks are highly likely to occur within the next 5 years.</p>
4	Likely 51-75%	<p>Systematic Risks – Local evidence indicating high probability occur in most circumstances with near misses regularly encountered e.g. once or twice a year.</p> <p>Emerging Risks – National and Global evidence indicating high probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 5-10 years.</p>
3	Possible 26-50%	<p>Systematic Risks – Local evidence indicating distinct possibility with circumstances regularly encountered and near misses experienced every 1-3 years.</p> <p>Emerging Risks – National and Global evidence indicating distinct probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 10-15 years.</p>
2	Unlikely 6-25%	<p>Systematic Risks – Local evidence indicating low to infrequent near misses experienced every 3 + years.</p> <p>Emerging Risks – National evidence indicating low probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>
1	Very Unlikely	<p>Systematic Risks – Local evidence indicating risk has rarely / never happened or in exceptional circumstances.</p> <p>Emerging Risks – National evidence indicating very low probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>

Systematic Risks – Risks that are known or are becoming part of social, cultural, economic, and environmental systems that govern our lives.

Emerging Risks – Risks that are further away, less defined, and early stage of being known about.

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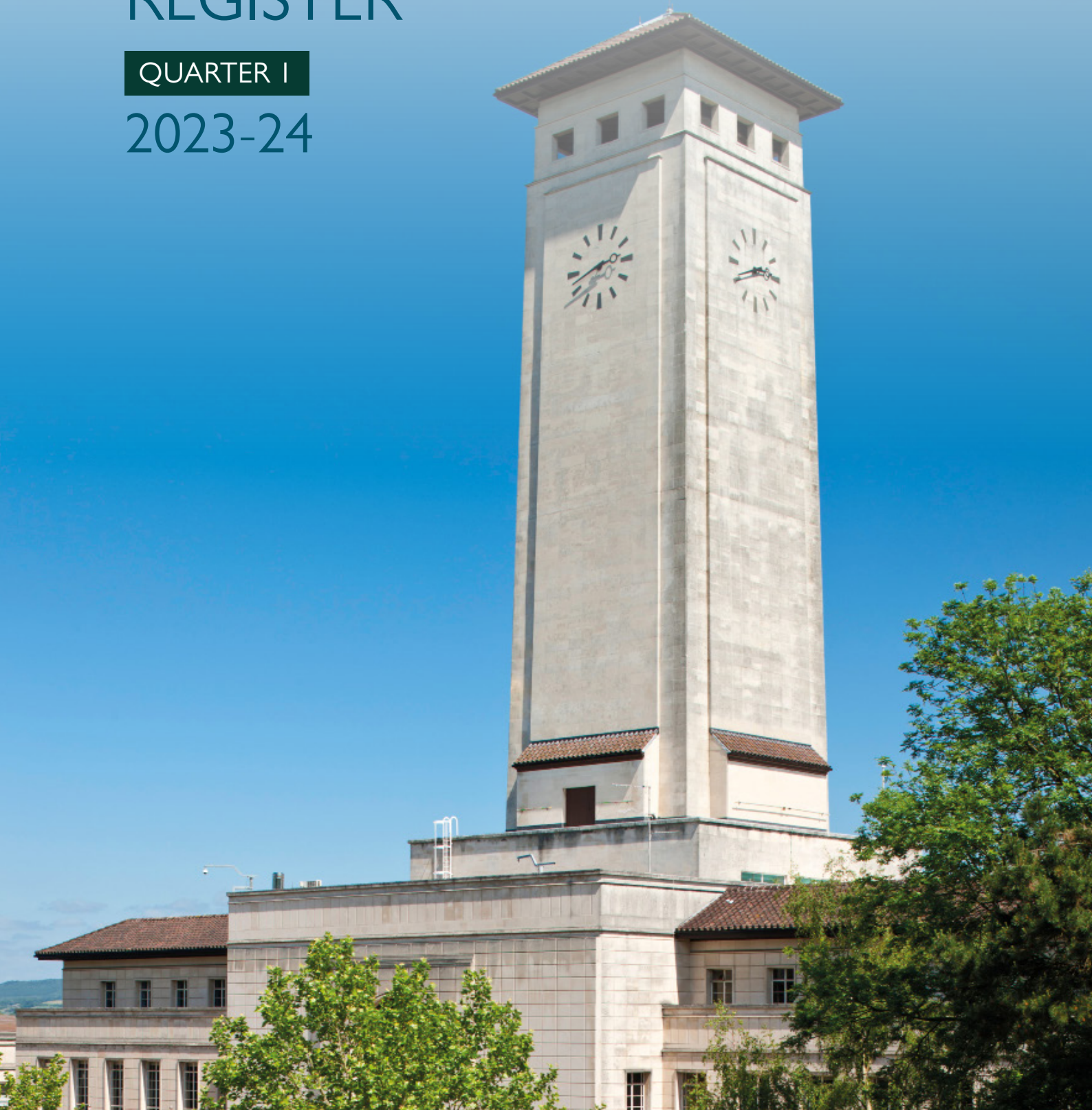


NEWPORT
CITY COUNCIL
CYNGOR DINAS
CASNEWYDD

CORPORATE RISK REGISTER

QUARTER I




2023-24






Corporate Risk Report Definitions

Direction of Risk

The change of risk score between previous quarter and the current quarter being reported.

Direction of Risk	Definition
	The risk score has decreased / improved since the last quarter update.
	The risk score has increased / worsen since the last quarter update.
	The risk score has remained the same since the last quarter update.

Risk Mitigation Action Plan

RAG Assessment	Definition
	Action is on track to be completed by the Agreed target date.
	Action is mainly on track with some minor issues preventing the action being completed by the agreed target date. Management interventions required to improve performance and close monitoring by the Head of Service / Service Management Team.
	Action is not on track with major issues preventing the action being completed by the agreed target date. Immediate management interventions and escalation to Directorate Management Board required to improve performance.

Abbreviations

ALN – Additional Learning Needs
 BP – Business Partner
 CCP – Climate Change Plan
 DOR – Direction of Risk.
 IA – Internal Audit
 LAEP – Local Area Energy Plan
 MTFP – Medium Term Financial Plan
 NCC – Newport City Council
 OOC – Out of County
 PPT – People Policy & Transformation
 RAG – Red / Amber / Green
 RSL – Registered Social Landlord
 SEN – Special Education Needs
 SRS – Shared Resource Service (Newport Council's IT Partner)
 WLGA – Welsh Local Government Association
 YJS – Youth Justice Service
 'Name' – RAG – Defines a programme or project monitoring from service area plans

Balancing the Council's Medium Term Budget

Risk Overview	To meet the Council's requirement of reducing the gap between Council spend and Budget allocation over the next 3-5 years
Parent Service(s)	Finance (sv)
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment







Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Finance reported to key strategic boards on monthly basis e.g. Executive Board, Directorate Management Boards, Corporate Management Team, Service Area Management teams. Finance updates reported to Cabinet on revenue and capital position. Corporate Governance and Council Constitution sets roles and responsibilities of financial management.
Internal Controls & Processes	<ul style="list-style-type: none"> Monthly finance (revenue and capital) forecasting of budgets to identify budget pressures and savings. Finance Business Partners supporting budget holders / senior managers. Budget setting process with senior officers / budget holders. Includes consultation with public and other key stakeholders.
Other Arrangements	<ul style="list-style-type: none"> Regulatory / Audit Wales review of Council finances. Internal Audit reviews of finance and financial controls. Local authority network and reporting to Society of Welsh Treasurers and Welsh Government.

Direction of Risk

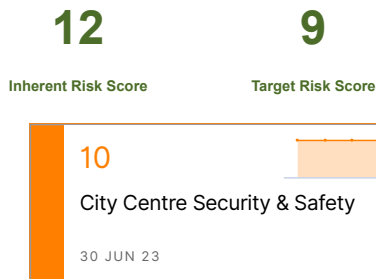
	DoR	Comment
Balancing the Council's Medium Term Budget	➔	During the last quarter, the Council set its revenue budget for 2023/24, which reflected a balanced budget, as per the legal requirements. However, despite setting a balanced budget for 2023/24, the medium term outlook remains extremely challenging, with a £27m budget gap currently identified. This will prove difficult to address, considering the level of savings already identified for 2023/24. In addition, there remains significant uncertainty in relation to inflationary pressures and potential funding constraints over the medium term horizon, which could add to the budget gap currently identified. The overall rating, therefore, remains at the same level as the previous quarter.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Finance Business Partner reviews of service area monitoring positions	01 Jun 2023	31 Jan 2024	31 Jan 2024	★
 Regular discussion with Society of Welsh Treasurers.	01 Jul 2023	29 Feb 2024	29 Feb 2024	
 Senior leadership and Cabinet engagement int MTFP preparations	01 Jun 2023	31 Mar 2024	31 Mar 2024	★
 Service area finance challenge reviews	01 Jul 2023	31 Dec 2023	31 Dec 2023	

City Centre Security & Safety

Risk Overview	Minimise the risks and disruption to people and businesses due major incidents or deliberate acts that pose hazards to people and business and can result in structural damage; damage/disruption to infrastructure and utilities; impacts on business continuity, reputation, and the economy, in both the city centre and affected surrounding areas.
Parent Service(s)	Infrastructure (sv)
Lead Cabinet Member(s)	Cabinet Member for Infrastructure & Assets



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> The Protect Duty Act is currently going through Parliament, which will create a statutory duty for Counter Terrorism preparedness to be undertaken across all city centres across the UK. Newport City Council along with the Wales Extremism Counter Terrorism Unit (WECTU), Heddlu Gwent Police and other emergency services have formed the Newport City Council Protectiveness Security and Preparedness Groups (PSPGs), chaired, and led by NCC. A key role of PSPGs will be the multi-agency assessment of current risk and vulnerabilities, and provision of effective mitigation in a proportionate manner. PSPGs will also ensure responsibilities under the new Protect Duty are discharged.
Internal Controls & Processes	<ul style="list-style-type: none"> Included in the NCC Infrastructure Service Area Plan is the objective to ensure Newport City Council is meeting its requirements under the Civil Contingencies Act, by developing and having in place effective governance and control arrangements to identify, prepare and respond to events in Newport. Supporting this objective, the Council has a well-established and integrated Corporate Emergency Management Plan, which outlines arrangements which are intended to assist the co-ordination of the Authority's response to any actual, or threatened incident, or emergency, while maintaining normal services as far as possible. The plan provides a flexible framework of procedures to enable a quick, effective and appropriate response to mitigate the effects of an incident or emergency that may have an impact on the Council's response. The Council's Emergency Management Structure provides a framework of integrated emergency management to ensure co-ordination within the Council and with external agencies. The structure enables the Council to respond at an operational, tactical and strategic level. At a strategic level in any incident a Gold Duty Officer (Chief Executive, Strategic Director, Head of Service) will be available to decide on what actions to take. Via the Civil Contingencies Duty Officer systems, the Council also provides a 365 24/7 incident response. Consideration to be given to incorporating structured and strategic conversations about security and counter terrorism into pre application stage of major developments.
Other Arrangements	<ul style="list-style-type: none"> Through the duties of the Civil Contingencies Act 2004, that Council also works in partnership with key responding agencies, including the emergency services, to ensure a timely and effective multi agency response to incidents. Multi Agency Plans and Procedures are developed via the Gwent Local Resilience Forum. Due to significant recent major incidents across the UK (Manchester Arena Bombing) the Council with its partners review any recommendations resulting from inquiries to ensure that where necessary appropriate learning is integrated into existing plans and procedures.

Direction of Risk

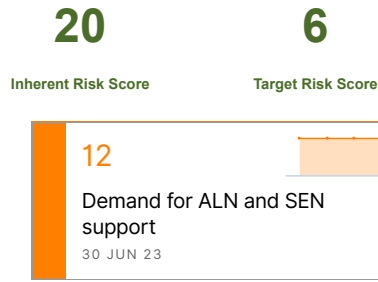
	DoR	Comment
City Centre Security & Safety	→	The risk score for quarter 1 remains the same and work is continuing with partners to improve the infrastructure and processes in place.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
<input checked="" type="checkbox"/> City Centre Training to Businesses	28 Feb 2020	31 Mar 2024	31 Mar 2024	
<input checked="" type="checkbox"/> Co-ordinated evacuation arrangements	31 Mar 2020	31 Mar 2024	31 Mar 2024	

Demand for ALN and SEN support

Risk Overview	Funding to cover Additional Learning Needs (ALN) and Special Education Needs (SEN) provision across the city is insufficient and does not meet the demand of increasing need.
Parent Service(s)	Education Services (sv)
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for Education & Early Years



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Schools Forum review and agree funding formulas and funding arrangements for school Schools Forum Finance sub-group. ALN Panel scrutinise pupil information to identify if a specialist placement is needed as part of their statutory duty.
Internal Controls & Processes	<ul style="list-style-type: none"> ALN Implementation finance subgroup review and discuss a number of funding formula models and agree on the most appropriate to be presented firstly to the Schools forum Finance Sub-Group and if in agreement will be presented at Schools Forum for ratification. ALN Panel scrutinise pupil information to identify if a specialist placement is needed as part of their statutory duty. Specific OOC ALN Officer responsible for monitoring OOC provision and where possible look for local alternative provision.
Other Arrangements	<ul style="list-style-type: none"> Newport LA has commissioned 14 places at Catch 22 a primary age Social, Emotional, Behaviour Difficulties Independent Education Provider to reduce the risk of pupils requiring OOC placements.

Direction of Risk

	DoR	Comment
Demand for ALN and SEN support	➔	The risk score has remained static as we continue to maintain the risk within the service area. The ALN Implementation group met to review the ALN funding formula during the summer term and decided to continue with the formula until it is fully implemented in 2024-25 which will allow a full review of the impact. However due to the increased cost of Teaching Assistants and the potential budget risks for schools this may cause an additional pressure in the future.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Develop a Post – 16 Transition Plan to support ALN learner at all points of transition.	01 Sep 2022	31 Mar 2024	31 Mar 2024	★
 Develop feedback system for learners, parents & carers to support effective stakeholder engagement	01 Nov 2022	31 Mar 2024	31 Mar 2024	★
 Embed anti-poverty strategy across Education Service	01 Sep 2022	31 Mar 2024	31 Mar 2024	★
 Extend specialist provision including Welsh medium within the city to reduce OOC Placements	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Implement the ALN and Educational Tribunal Act 2018...	01 Apr 2022	31 Mar 2024	31 Mar 2024	★

Educational Out of County Placements

Risk Overview	Limited access to Newport City Council (NCC) provision for pupils who require complex and specialist placements which results on a reliance on Out of County (OOC) placements both day and residential.
Parent Service(s)	Education Services (sv)
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for Education & Early Years



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> ALN Panel scrutinise pupil information to identify if a specialist placement is needed as part of their statutory duty. Procurement and Head of Service approval needed for OOC placements.
Internal Controls & Processes	<ul style="list-style-type: none"> ALN Panel scrutinise pupil information to identify if a specialist placement is needed as part of their statutory duty. Monthly budget monitoring and review of cost of planned OOC placements Procurement and Head of Service approval needed for OOC placements. Specific OOC ALN Officer responsible for monitoring OOC provision and where possible look for local alternative provision.
Other Arrangements	<ul style="list-style-type: none"> Newport LA has commissioned 14 places at Catch 22 a primary age Social, Emotional, Behaviour Difficulties Independent Education Provider to reduce the risk of pupils requiring OOC placements.

Direction of Risk

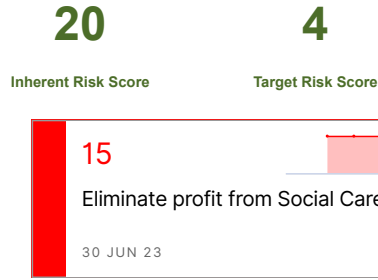
	DoR	Comment
Educational Out of County Placements	→	The OOC risk remains static this quarter. Although there has been a rise in the need for specialist placements, an increase in the cost of OOC placements and recent residential OOC placements for 2 pupils have led to an additional £200k spend on education provision, these additional costs are being managed within the service area. Additional local placements have been gained through the opening of the new ASD Base at Llanwern High School in September 2023 and the completion of the tendering process for a secondary Social, Emotional, Behaviour Difficulties (SEBD) provision. The Local Provision Development budget is funding the Base and the SEBD tender which has put a pressure on the LPD budget which is also being managed within the service area. Education and Finance are closely monitoring the in-year budget pressure to mitigate the risk for the remainder of the financial year.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Develop a Post – 16 Transition Plan to support ALN learner at all points of transition.	01 Sep 2022	31 Mar 2024	31 Mar 2024	★
 Develop feedback system for learners, parents & carers to support effective stakeholder engagement	01 Nov 2022	31 Mar 2024	31 Mar 2024	★
 Embed anti-poverty strategy across Education Service	01 Sep 2022	31 Mar 2024	31 Mar 2024	★
 Extend specialist provision including Welsh medium within the city to reduce OOC Placements	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Implement the ALN and Educational Tribunal Act 2018...	01 Apr 2022	31 Mar 2024	31 Mar 2024	★

Eliminate profit from Social Care

Risk Overview	Increased pressure on Local Authorities to ensure children are placed in accommodation which does not make profit from children by 2027 as part of Welsh Government Legislation. Although Welsh LA's support this in principle it may lead to LA's being forced into developing unregistered emergency placements for children. This is costly and could lead to prosecution of the Head of Children's Services.
Parent Service(s)	Children Services (sv)
Lead Cabinet Member(s)	Cabinet Member for Social Services



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Children Services is working both nationally and regionally to create opportunities to reduce the risks. The Council's Corporate Plan and Service Plan has identified this as a strategic priority to deliver over the next 5 years. Regional collaborative working to identify options and opportunities to create in-house services. Bids have been submitted to WG to develop care homes for children and to assist with developing edge of care provisions in order to reduce the numbers of children entering the care system.
Internal Controls & Processes	<ul style="list-style-type: none"> Newport Council has several settings such as Windmill Farm, and Rosedale Cottage which provide in-house provision which is also available to other local authorities. Bids have been submitted to Welsh Government to develop further provision in Newport. Newport fostering team has a recruitment campaign which is aligned with Foster Wales
Other Arrangements	<ul style="list-style-type: none"> Newport is working with Action for Children to develop a local residential provision for our disabled children and developing further residential provision for our Unaccompanied Asylum Seeker Children. NCC has submitted a bid to Welsh Government for revenue funding up to £15m to support the delivery of this new requirement over the next 3 years. The funding will be used to develop projects to build in-house placement sufficiency. However, after the three year period it is uncertain whether NCC will receive additional funding. It is anticipated for NCC to be notified by the quarter 3.

Direction of Risk

	DoR	Comment
Eliminate profit from Social Care	➔	Risk score has remained the same for this quarter. However, there remains a significant risk of legal challenges against the Council where placements have to be made to practices 'Operating without Registration'.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Focus on developing specialist fostering placements with psychological support.	01 Oct 2022	31 Mar 2024	31 Mar 2024	●
 Increase the proportion of foster care provision within Newport.	01 Oct 2022	31 Aug 2024	31 Aug 2024	★
 Residential Children's Homes Programme - RAG	01 Apr 2021	31 Mar 2028	31 Mar 2028	●

Failure to achieve completion of the Annual IA Plan

Risk Overview	The Internal Audit (IA) Plan comprises of opinion and non-opinion related audit jobs and is based on a number of audit days available to undertake the work. If not enough opinion related jobs are completed to draft report stage by the end of the financial year this could impact on the CIA's ability to provide an overall opinion on the adequacy of the internal control environment, governance arrangements and risk management processes operated within the Council.
Parent Service(s)	Finance (sv)
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment







Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> The Internal Audit team report to the Council's GAC, on the delivery of the Internal Audit Plan. Additional arrangements will be put in place for regular updates to be provided by the Head of Finance and Director of Transformation & Corporate on the delivery of the Audit Plan, recruitment of officers and exploration of potential options for the long term arrangements for the Internal Audit function.
Internal Controls & Processes	<ul style="list-style-type: none"> As part of the Council's duty, the Audit Plan target for 23/24 has reduced from 80% to 50%. The Acting Chief Internal Auditor and Head of Finance are also reviewing the current Internal Audit Plan to prioritise work on the highest risk areas of the Council. This will be presented to the Council's Executive Board and GAC at the next committee meeting in September. Staffing support counter fraud activity including investigations.
Other Arrangements	<ul style="list-style-type: none"> Internal Audit will call in external audit provision through the South Wales Audit Partnership service to support the delivery of high risk audit jobs. Head of Finance and Director for T&C are also exploring long term Internal Audit arrangements for the delivery of the Internal Audit service. This would bring other potential advantages such as access to wider skills and improved resilience.

Direction of Risk

	DoR	Comment
Failure to achieve completion of the Annual IA Plan	✘	<p>In the last quarter the Internal Audit team has seen 4 experienced officers leaving the team and the acting Chief Internal Auditor will be leaving the authority in September leaving 1 full time equivalent (FTEs) in post for an establishment of 6.5 FTEs. In response the Council is commencing a recruitment campaign to appoint into the vacancies and is using external audit resource to deliver 130 planned days of work (circa 10/11 opinion related audits). The Council will also be exploring longer term options for the service.</p> <p>As at the end of Quarter 1 it will not be possible for the Internal Audit team to achieve the completion of the original Internal Audit Plan for the full year as regards 'opinion related' audits and some non-opinion work will stop / be reduced to provide focus on the opinion related work. It is predicted that of the 45 opinion related audits in the approved plan – completion could be about 24 – 34 dependent on recruitment. The team over last 6 years have completed between 30-35 opinion related audits and therefore the risk here is that we are unable to recruit resulting in completion of the lower figure of the above range. If that was the case, the service will only be able to provide limited assurance on the effectiveness of the Council's internal control, governance and risk management arrangements at best.</p>

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Establish interim Audit Manager arrangements to deliver a service	03 Jul 2023	30 Sep 2023	30 Sep 2023	
 Review & assess long term arrangements for the Internal Audit service	01 Aug 2023	31 Dec 2023	31 Dec 2023	
 Review and deliver a revised Internal Audit plan for 23/24	01 Aug 2023	31 Mar 2024	31 Mar 2024	
 Undertake urgent recruitment to fill vacancies in the Internal Audit Team	01 Aug 2023	31 Dec 2023	31 Dec 2023	

Highways Network / Infrastructure

Risk Overview	Failure to recognise current levels of under investment in the whole life of the city's highway network assets in the medium to long term will continue to compound existing maintenance backlog figures.
Parent Service(s)	Infrastructure (sv)
Lead Cabinet Member(s)	Cabinet Member for Infrastructure & Assets



Existing Arrangements to Manage Risk

Governance	<p>Highway Asset Management Plan</p> <ul style="list-style-type: none"> A quinquennial Highway Asset Management Plan (HAMP) is produced by City Services, which was last refreshed in 2019. It seeks to document the activities, processes, and information to support strategic investment decisions and long-term maintenance planning. It provides information on the assets we have responsibility for, monitors how they are performing, documents their depreciation and confirms levels of funding required to mitigate the demands placed upon them. <p>Highway Annual Status and Options Report</p> <ul style="list-style-type: none"> The highway Annual Status and Options report is a product of the HAMP that records the condition of the assets and seeks to identify and prioritise the funding need. The report sets out the status of our assets in terms of extent, value and condition and presents the projected outcome of identified investment options. <p>Highway Maintenance Manual</p> <ul style="list-style-type: none"> The Highway Maintenance Manual documents how the council manages the city's highway maintenance. It sets out how, as highway authority, it discharges its duties and the management of user risk.
Internal Controls & Processes	<ul style="list-style-type: none"> To ensure the asset condition, maintenance requirement and its associated risk to the highway user is understood, the service area undertakes the following internal controls and processes: <p>Reactive Safety Inspections</p> <ul style="list-style-type: none"> These are inspections undertaken in response to stakeholder notification of potential maintenance defects <p>Routine Inspections</p> <ul style="list-style-type: none"> This is a regime of planned safety inspections designed to identify defects that have the potential to cause harm to users and defects that require repair in order to prevent escalation of deterioration and increased (avoidable) maintenance needs. <p>Condition Surveys</p> <ul style="list-style-type: none"> These are both visual and specialist road condition "machine based" surveys, that record the condition of components of the asset to enable a programme of renewal/replacement to be prepared
Other Arrangements	<ul style="list-style-type: none"> The Highway Asset Management Plan projects an anticipated annual capital investment of £500k and an anticipated £1.86m revenue investment through to the end of the current plan in 2023/24.

Direction of Risk

	DoR	Comment
Highways Network / Infrastructure	➔	<p>Nationally, the condition of the country's highway infrastructure asset as a whole continues to be a cause of concern as a result of historic underinvestment.</p> <p>Within Newport, the annual highway network investment has continued to decrease over time whilst the number of roads maintainable at public expense and asset usage has continued to rise. Investment levels are failing to maintain "steady State" as a minimum asset condition. Therefore, asset condition continues to deteriorate year on year.</p> <p>In addition to the impact of increased vehicles and usage of assets, increases in permitted axle weights, wetter winters and hotter summers are all resulting in accelerated deterioration and unpredictable asset failure.</p> <p>2022/23 saw a significant decline in highway asset condition, especially within the carriageway and structures (bridges) asset groups. This is anticipated to continue this financial year.</p>

Risk Mitigation Action Plan

Executive Board have accepted no further Risk Mitigation can be undertaken to manage the risk. Ongoing assurance provided through internal / external audit reviews and regular risk assessments through Directorate / Service Area.

Information and Cyber Security

Risk Overview	Management and security of the Council's data to protect from being accessed and processed inappropriately. This includes preventing inappropriate access, loss, theft, and malicious attacks to maintain business continuity and integrity of our data.
Parent Service(s)	People, Policy & Transformation (sv)
Lead Cabinet Member(s)	Cabinet Member for Organisational Transformation



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Existing governance is documented in the council's information risk management policy. This includes internal groups such as the Information Governance Group chaired by the Director – Transformation and Corporate and the Data Protection Group. It also includes roles of Senior Information Risk Owner (SIRO), Data Protection Officer (DPO), the Information Management team and a designated Cabinet Member with this strategic responsibility. The Annual Information Risk Report is formally reviewed by Overview Scrutiny Management Committee and Cabinet Member – Organisational Transformation. Existing Organisation / Service Area management structure to report and escalate issues to senior officers. Also could be a Programme / Project Board, Task & Finish Group or other governance group which are aware and have oversight of the risk.
Internal Controls & Processes	<ul style="list-style-type: none"> An Annual IT Health Check is carried out in line with requirements of the Public Services Network (PSN). Regular hardware and software updates are carried out by the IT Service. Technical controls are in place including the use of endpoint protection, firewalls, encryption, backups, security certificates, mobile device management etc. Physical security measures are in place to prevent inappropriate access. Data Protection Impact Assessments (DPIA's) are carried out and an Information Risk Register is managed. The council's IT Service, the Shared Resource Service (SRS), has a security function complementing council staff as well as security embedded in various roles. The council has processes for out of hours incidents including the SRS.
Other Arrangements	<ul style="list-style-type: none"> Audit Wales conducts independent reviews including on cyber security. The council is a member of the Warning and Reporting Point (WARP). Shared Resource Service is responsible for the Council's management of systems and processes.

Direction of Risk

	DoR	Comment
Information and Cyber Security	➔	<p>The overall risk score is unchanged although probability has reduced slightly due to technical measure, including Security Operations Centre (SOC) and Event Management, and migration of the council's data centre with improved back up facilities to the cloud.</p> <p>Existing governance is documented in the council's information risk management policy including the Information Governance Group, Senior Information Risk Owner (SIRO) role and the Annual Information Risk Report. An Annual IT Health Check is completed in line with the requirements of the Public Services Network (PSN) and compliance was achieved June 2023. Technical controls are in place alongside physical security measures. The council's IT Service, the Shared Resource Service (SRS), supports through their security function and joint processes for out of hours incidents.</p> <p>The Audit Wales review of Cyber Security was finalised last quarter and we will include the follow up actions in our annual information risk management reporting.</p>

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Improve Cyber resilience and information security governance	01 Apr 2023	31 Mar 2027	31 Mar 2027	★
 Information & cyber awareness raising and training	01 Apr 2023	31 Mar 2024	31 Mar 2024	★
 Progress implementation of Audit Wales Recommendations	01 Aug 2023	31 Aug 2024	31 Aug 2024	

Newport Council's Property Estate

Risk Overview	NCC has a significant property estate covering over 170 operational buildings (circa) such as the Civic Centre, Telford Depot, and its school estate etc. The Council has to ensure the estate is maintained to required standards to enable access, safety, security and in the long term sustainable for staff and residents to use.
Parent Service(s)	People, Policy & Transformation (sv)
Lead Cabinet Member(s)	Cabinet Member for Infrastructure & Assets



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> The Council's Capital Strategy Asset Management Group is responsible for the monitoring, delivery and reporting of the Council's Assets. This is represented by senior officers from the Council and representatives from the Council's Property Services partner, Newport Norse. The Schools' / Social Services estate is also overseen by the officer led group which also includes representatives from the Council's Property Services partner, Newport Norse and Council representatives.
Internal Controls & Processes	<ul style="list-style-type: none"> Newport Council has contract arrangement with Newport Norse who oversee the management and maintenance of the Council's estate. Service Areas are responsible for the building assets which they use across the Council's estate. Newport Norse are responsible for undertaking regular building condition assessments to ensure that they meet necessary legislative and building regulations. The assessments completed by Newport Norse are risk assessed and reported through the Council's governance groups. Maintenance work completed on the Council's estate is prioritised based upon risk including any reactionary / immediate work that has to be completed. School's estate is devolved to schools and managed through their arrangement with Newport Norse and the Corporate Landlord Policy establishes responsibilities also.
Other Arrangements	<ul style="list-style-type: none"> Newport Council has a maintenance budget of £1.5m in its capital programme. However, it is estimated that the Council should be spending £8.5m pa. The Council has a contract arrangement with Newport Norse to oversee and manage the estate portfolio (including schools)

Direction of Risk

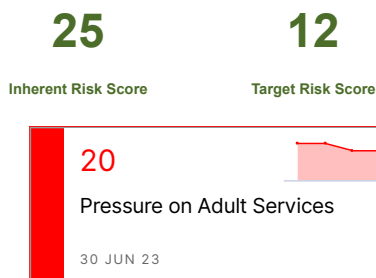
	DoR	Comment
Newport Council's Property Estate	➔	The risk reflects the significant investment required in the property estate across a range of properties. The Council have begun on a significant rationalisation programme which will include discussions around targeted investment to reduce this risk score. However at this stage, there have been no significant changes to the estate that would warrant a change in the risk score.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Adherence to the Corporate Landlord Policy and ensuring that all Premises Managers are accountable.	01 Oct 2022	31 Mar 2024	31 Mar 2024	★
 Asset Rationalisation - RAG	01 Oct 2022	31 Mar 2027	31 Mar 2027	★
 Develop and manage effective contract management arrangements with Newport Norse.	01 Oct 2022	31 Dec 2025	31 Dec 2025	★
 Establish the Civic Centre investment requirements to provide a suitable office environment.	01 Oct 2022	31 Mar 2024	31 Mar 2024	★
 Review NCC Strategic Asset Management Plan, and Disposal and Asset transfer strategies.	01 Oct 2022	31 Mar 2024	31 Mar 2024	★

Pressure on Adult Services

Risk Overview	There is increasing pressure on Adult Services to deliver services to adults with complex and long lasting needs. With an increase in demand / volume of referrals and care packages the Council has seen an increase in costs whilst in the context of tightening budgets. There are also additional statutory requirements to safeguard adults in our care and prevent risk of harm, injury or a loss of life.
Parent Service(s)	Adult Services (sv)
Lead Cabinet Member(s)	Cabinet Member for Social Services



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Newport Council has a new structure with a Director of Social Services and three service areas to deliver Social Services. There are regular Directorate and Service Area meetings held to monitor and report the delivery of Adult Services. At a regional level the Council is part of the Regional Partnership Board which oversees the delivery of social services across Gwent. A Population Needs Assessment has been undertaken for Gwent in relation to the forecasting of demand and provision of services across Newport and Gwent.
Internal Controls & Processes	<ul style="list-style-type: none"> NCC Adult Services has various mechanisms to monitor and report on the delivery of its services through financial and non-financial performance measures. Regular reports and updates are provided through Directorate, Service and Team management levels in the organisation.
Other Arrangements	<ul style="list-style-type: none"> The delivery of Adult Services is subject to External Regulatory review through Care Inspectorate Wales. Internal Audit provide assurance in relation to the delivery of Adult Services.

Direction of Risk

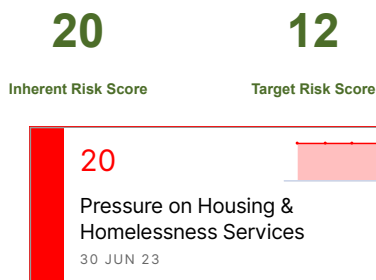
	DoR	Comment
Pressure on Adult Services	➔	Pressure remains the same, recruitment to key qualified posts continues to be an issue. Management oversight of waiting lists on a daily basis is a key task to ensure most vulnerable are prioritised. Additional Team managers in Managed care will assist the process and a stronger management structure to support staff will be a benefit.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Appointeeship Service - RAG	01 Apr 2021	31 Mar 2024	31 Mar 2024	●
 Dementia Hwb in Newport - RAG	01 Oct 2022	31 Mar 2024	31 Mar 2024	●
 Hospital Service - RAG	01 Oct 2022	31 Mar 2024	31 Mar 2024	●
 Integration of Frailty service into Info, Advice & Assistance hub - RAG	01 Apr 2021	31 Mar 2024	31 Mar 2024	●
 Redesign of Adult Services - RAG	01 Oct 2022	31 Mar 2024	31 Mar 2024	★

Pressure on Housing & Homelessness Services

Risk Overview	Increased pressures being faced by the Council's housing service as result of new legislative requirements, lack of affordable permanent accommodation, cost of living crisis and uncertainty over future financial grants from Welsh Government
Parent Service(s)	Housing & Communities (sv)
Lead Cabinet Member(s)	Cabinet Member for Strategic Planning, Regulation & Housing



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Housing and Homelessness is being monitored through existing governance arrangements through the Directorate Management Board and Service Management Team. Furthermore there are existing team arrangements to monitor and report the delivery of the service. The Housing and Homelessness teams are also involved with the Strategic Housing Forum and its associated subgroups with Registered Social Landlords and Rough Sleeper Strategic Group.
Internal Controls & Processes	<ul style="list-style-type: none"> Weekly meetings are held with the finance BP to discuss budgets and forecasting. The Housing and Homelessness teams also submit monthly finance forecasts and produce quarterly performance measures to monitor performance. There are also other operational performance measures monitored and reported through the teams. The team also submit monthly Wales Housing statistics to Welsh Government.
Other Arrangements	<ul style="list-style-type: none"> Welsh Government grants were received during 2022-23 which reduce the overall spend on the housing advice and temporary accommodation service. WG has advised that additional grant funding will be forthcoming in future years but has given no indicative figures. The Housing and Homelessness teams are also involved with the Strategic Housing Forum and its associated sub groups with Registered Social Landlords and Rough Sleeper Strategic Group. NCC provides regular monitoring performance reports on its housing and homelessness position.

Direction of Risk

	DoR	Comment
Pressure on Housing & Homelessness Services	➔	Welsh Government's changes to Homelessness legislation in December 2022 continues to have an impact on the number of households whom the authority has a statutory duty to accommodate in temporary accommodation. Supply is not keeping pace with demand and the cost of living crisis has started to increase this demand further. A number of initiatives are being explored to increase the supply of temporary and permanent housing and reduce the use of bed and breakfast and hotel accommodation. A 'prevention' team has also been created with a focus on preventing homelessness wherever possible to avoid additional placements into temporary housing.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Deliver Housing Support Programme Strategy (HSPS) and undertake review of actions	01 Oct 2022	31 Mar 2024	31 Mar 2024	
 Develop a cost-effective training program, quality standards & KPIs to support housing staff.	01 Jan 2023	31 Mar 2024	31 Mar 2024	
 Develop initiatives to support an effective private rented sector.	01 Oct 2022	31 Mar 2024	31 Mar 2024	
 Newport Housing Sector Programme - RAG	01 Oct 2022	31 Mar 2027	31 Mar 2027	
 Review the Common Allocations policy in line with rapid rehousing.	01 Oct 2022	31 Mar 2024	31 Mar 2024	

Pressure on the Delivery of Children Services

Risk Overview	Children Services are facing pressures to manage increase in volume of referrals and cases of children with complex needs. This is in a context of inflationary cost rises and budgets not being able to meet these cost increases; alongside recruitment and retention issues across the Social Care sector and in Newport.
Parent Service(s)	Children Services (sv)
Lead Cabinet Member(s)	Cabinet Member for Social Services



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Children Services delivered in accordance with Social Services and Well-being Act, Well-being of Future Generations and Children's Act. There are governance arrangements in place at local, regional and national levels. Directorate and Service Management Teams meet monthly to provide service and performance updates on the delivery of the service. This includes performance, finance and HR information to inform decision making. Additionally, the Council's Executive Board and Corporate Management Team has oversight in the delivery of services. At a regional (Gwent) level, Heads of Service and Director of Social Services represent Newport Council at the Regional Partnership Board. Service pressures are reported here and collaborative working between agencies and other local authorities. The Safeguarding Board and Children's Family Strategic Partnership Board collaboratively work at regional levels to monitor and manage demand issues.
Internal Controls & Processes	<ul style="list-style-type: none"> The Council's Children Services teams deliver services in compliance with the Social Services and Well-being Act and Children's Act. Internal Controls and processes are established to meet these requirements under the different Acts. WCCIS system monitors and records caseloads and case management across social services. Regular (Monthly) check ins and case management meetings are held between the Council's staff and managers to monitor and manage caseloads. Collaborative and co-production working takes place between Children Services and other agencies to manage caseloads. This includes Foster Wales. Human Resources – HR Business Partners support Managers with the recruitment and retention of staff including working the Council's Communications team to promote social care roles. Finance – monthly forecasting and monitoring of finances across Children services. Mechanisms in place to escalate budget pressures and Finance Business Partners forecasting demand pressures / resources. Commissioning and procurement to find best value for residential placements. Performance Management – Monthly reporting to Welsh Government and regular performance monitoring of services in Newport.
Other Arrangements	<ul style="list-style-type: none"> Care Inspectorate Wales (External Regulator) and Internal Audit provide assurance of governance, internal control and risk management. Third sector partnership working with Barnardos – prevention and statutory functions supporting families, MyST, residential homes provision, and Foster families.

Direction of Risk

	DoR	Comment
Pressure on the Delivery of Children Services	➔	There continues to be significant pressures on delivery of services due to staff recruitment and retention challenges, increase in demand and complexity of need.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Access appropriate regional and National workforce development groups.	01 Oct 2022	31 Mar 2024	31 Mar 2024	
 Acquisition of new YJS intervention hub.	01 Oct 2022	31 Mar 2025	31 Mar 2025	
 Children Services - Support staff to access social care training to social work qualification.	01 Oct 2022	31 Mar 2024	31 Mar 2024	
 Develop support provided by the YJS incorporating robust early intervention and prevention work.	01 Apr 2022	31 Mar 2024	31 Mar 2024	
 Extend the Rapid Response team with an expanded evening and weekend crisis offer.	01 Oct 2022	30 Jun 2023	31 Mar 2024	

Schools Finance / Cost Pressures

Risk Overview	Cost pressures of schools are not met resulting in increased deficit budgets
Parent Service(s)	Education Services (sv)
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for Education & Early Years



Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Structures within Education and Finance support the escalation of identified issues to senior officers, Heads of Services and Executive Board. In addition, the Schools Forum is a statutory committee which acts as a consultative body in relation to any changes to the schools funding formula, and task and finish sub-groups are created to consider specific elements where necessary. Schools Governors are also responsible for monitoring and reporting school finance positions.
Internal Controls & Processes	<ul style="list-style-type: none"> The Finance Business Partners provide a key role through their relationships with schools, and support early identification of emerging issues. Any issues are escalated to the Lead and Senior Finance Business Partners and the Assistant Head of Education to consider intervention and discussions around appropriate mitigating actions.
Other Arrangements	<ul style="list-style-type: none"> Each school has a Service Level Agreement with the Council to support them in financial planning and monitoring, although schools have a choice in the level of service they wish to procure under these arrangements.

Direction of Risk

	DoR	Comment
Schools Finance / Cost Pressures	➔	Whilst one primary school closed the 2022/23 financial year in deficit, all schools across Newport are currently projecting the close the 2023/24 financial year in surplus. In many schools however this has only been possible through use of reserves, and therefore the position into 2024/25 and beyond remains fragile. Governor approved budgets have now been submitted to the Council, and work is planned to consider the impact that the use of reserves will have on future financial years.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Review approved school budgets and investigate future spend plans...	01 Apr 2022	31 Mar 2024	31 Mar 2024	★

Stability of Social Services Providers

Risk Overview	The Council requires support from external providers to deliver care packages for children and adults (residential / Non Residential). The current marketplace for external providers is volatile due to the increasing costs to provide care, maintain homes, staffing meeting legislative and regulatory requirements.
Parent Service(s)	Adult Services (sv)
Lead Cabinet Member(s)	Cabinet Member for Social Services




Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> Newport City Council is consistently reviewing and monitoring the provision of residential and non-residential care providers in the city and across the region. Regular Directorate and Service area meetings are held including representatives from Finance to assess and forecast the Council's financial position. Extensive work being undertaken regionally and nationally to support providers and to explore alternative models of provision. This includes Welsh Government officials and is linked to extensive focus and work with health colleagues to explore care in hospital settings and the need to provide community based care.
Internal Controls & Processes	<ul style="list-style-type: none"> The Council undertakes regular monitoring and assessment of placements and care packages across Adult Services. The Commissioning team are in weekly if not daily contact with providers in order to support packages of care. Similarly staff from the teams are in very regular contact with residential providers including links with Care Inspectorate Wales. The Council's financial monitoring and reporting of care provision is also undertaken monthly. Contract management arrangements are in place to manage provision and ensure providers meet necessary requirements, standards and provide value for money.
Other Arrangements	<ul style="list-style-type: none"> The focus on this area of work is extensive including external monitoring.

Direction of Risk

	DoR	Comment
Stability of Social Services Providers	➔	Since the beginning of the year, the stability of care providers has improved. However, the risk remains at the same score as we approach the autumn / winter period where we are planning for workforce and service demand pressures.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Collaborate with residential/dom care providers to ensure fair & sustainable costs are maintained	01 Oct 2022	31 Mar 2024	31 Mar 2024	★
 Increase the provision of accommodation for adults with learning disabilities.	01 Oct 2022	31 Mar 2024	31 Mar 2024	★

Welsh Government's Net Carbon Zero Target by 2030

Risk Overview	Welsh Government has set a target for all public sector bodies to be net zero carbon by 2030. To achieve this target, NCC has a Climate Change Plan 2022-27 to deliver key actions and projects.
Parent Service(s)	Environment & Public Protection (sv)
Lead Cabinet Member(s)	Cabinet Member for Climate Change & Bio-diversity









Existing Arrangements to Manage Risk

Governance	<ul style="list-style-type: none"> The Climate Change Plan is overseen by the Climate Programme Board. Six subgroups are in place to lead on each of the themes which reports to the Climate Programme Board. Strategic Director (Environment & Sustainability) is the chair of the Climate Programme Board and lead officer of the Climate Change Plan. Strategic Director (Transformation & Corporate) is Deputy Lead and Vice Chair.
Internal Controls & Processes	<ul style="list-style-type: none"> Quarterly reports are reported to the Programme Board and Cabinet Member and half yearly reports are reported to Overview and Scrutiny Management Committee. An Annual Report which includes council carbon emissions is reported to Cabinet each year. Action plans are reviewed on an annual basis to agree work for the following year.
Other Arrangements	<ul style="list-style-type: none"> The council is working with partners to implement the Local Area Energy Plan which is the route map to a carbon net zero energy system by 2050 for the whole of the local authority area. The council is also working with One Newport partners to develop a Newport-wide strategy.

Direction of Risk

	DoR	Comment
Welsh Government's Net Carbon Zero Target by 2030	➔	No significant change from last period.

Risk Mitigation Action Plan

Mitigating Action	Start Date	Target Date	Estimated Completion Date	Performance
 Accelerate the roll out of access to Electric Vehicle charging for residents (CCP & LAEP)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Engagement with Newport's industrial cluster to decarbonise (CCP & LAEP)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Identify and apply for funding to support actions across the Climate Change Plan.	01 Apr 2022	31 Mar 2024	31 Mar 2024	●
 New buildings net zero and retrofit existing buildings (Climate Change Plan)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 PPT support the Council's Climate Change Plan delivering Our Buildings, Our Land and Procurement	01 Oct 2022	31 Mar 2024	31 Mar 2024	★
 PPT supporting the Council's Climate Change Plan delivering its Strategic themes	01 Oct 2022	31 Mar 2024	31 Mar 2024	★
 Support Cardiff Capital Region work on regional Domestic Energy Efficient schemes (CCP & LAEP)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Support reducing transport emissions and develop integrated network (Climate Change Plan)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Support reduction in emissions of goods and services the Council procures (Climate Change Plan)	01 Apr 2022	31 Mar 2024	31 Mar 2024	★
 Support to improve organisation Climate Change Culture & Leadership	01 Oct 2022	31 Mar 2024	31 Mar 2024	★



Report

Governance & Audit Committee

Part 1

Date: 28th September 2023

Subject Internal Audit Team update

Purpose To update the committee on actions being taken and potential impact of the current retention issues within the Council's Internal Audit Team.

Author Head of Finance

Ward N/A

Summary The loss of most team members from the Council's Internal Audit Team introduces potential risk to the level of assurance and governance arrangements at the Council. The report identifies the action taken to date to manage the position and sets out a range of likely impacts on the achievement of the approved Audit Plan.

Proposal That Audit & Governance committee note the position and impacts described in this report and action being taken to mitigate, both short and longer term.

Action by Head of Finance

Timetable Immediate and on-going

This report was prepared after consultation with:

- Director of Corporate Services
- Head of Law and Standards
- Head of People, Policy and Transformation

Signed

Background

1. Governance & Audit committee will be aware that over a short time period of about 4 months between mid-April – August 2023, we saw 5 members of the Internal Audit Team leave the Council/Section for other roles, including the Chief Internal Auditor, Audit Manager and a Principal Auditor, leaving only one member of staff left; at Principal Auditor level.

The team's establishment was made up of:

- 0.5 wte Chief Internal Auditor
- 1 wte Audit Manager
- 3 wte Principal Auditor
- 2 wte Auditors

6.5 total.

2. The Chief Internal Auditor left in mid-April 2023 for a promotion opportunity and in conjunction with Monmouthshire Council who shared this role; it was decided to leave vacant whilst we reviewed a strategic regional collaboration opportunity for the services at both Councils.

One of our two Auditors and a Principal Auditor then left for promotional opportunities to a neighbouring Council and the other Auditor left to another internal role.

3. As the Committee are aware; this raises potential risk to the delivery of the audit plan for 2023/24 which was set based on resources in the above establishment minus the Chief Internal Auditor, a vacant Principal auditor and 80 days of external audit consultancy input from the South West Audit Partnership (SWAP) who the Council has used on numerous previous occasions.

As well as the short-term issues of delivery of the 2023/24 audit plan this current year, there is also a longer-term issue and impact of investigating and if advantageous, moving to a regional collaboration on audit services, subject to formal approval.

Short Term issue – impact on resources and delivery of the 2023/24 Audit Plan and action taken

Resources

4. In terms of resources, we are currently advertising for 2 Auditor, 2 Principal Auditor, and 1 Audit Manager roles, with deadlines for applications being mid-September. A longer period was allowed for responses to these adverts given the time of year we were advertising. In lieu of the resources lost from these vacancies, an additional 50 days of SWAP resources have been secured in addition to the 80 that was already assumed for the agreed audit plan. The Interim Chief Internal Auditor / Head of Finance should be able to update the committee verbally on the outcome of the recruitment process at the meeting.

With the decision to keep the Chief Internal Auditor role vacant, the existing Audit Manager at that time was able to cover their substantive workload (with reducing staff numbers) and the essential parts of the Chief Internal Auditor role. When this postholder also resigned, the HoF firstly enquired with neighbouring Councils and the Regional Service if they could provide 2-3 days per week of Audit Manager/Chief Internal Auditor cover in the short term, pending moving into the regional service or recruitment. No resources were available and therefore the SWAP service has also now been contracted to fulfil this role – for up to 2 days per week as needed. This is being fulfilled by one of their Assistant Directors and the Council has been fortunate that this is available given the importance of this role. As outlined above, the substantive Audit Manager role has also been advertised with deadline for applications for mid-September and the HoF will update the committee on progress here at the meeting.

Audit Plan Impact

- Analysing the impact of the vacancies on the Audit plan is challenging as there are many variables involved, not least which opinion jobs will be prioritised, any unknown difficulties in completing these audits, success of our recruitment exercise, how quickly any new recruits settle into the function and Council and the amount of opinion jobs they might complete in the last quarter of the year, to name a few.

However, the acting Chief Internal Auditor / Manager completed a review, taking account of those opinion related audits already completed/substantially progressed prior to their departure at the end of August, those audits which SWAP will complete in their contracted 130 days and an estimate of which audits new recruits might complete. Completion of opinion related audits within the original Audit Plan (48 opinion audits) ranged from 24 to 34 based on not recruiting to full recruiting respectively. This assumes that the SWAP team and the one member of staff currently in post and any new recruits focus their time on 'opinion related' audits.

To put this into context, the table below shows the number of opinion related jobs completed in the last 6 years.

2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
40	48	32	29	35	38

- The interim Chief Internal Auditor/Manager and the HoF will keep this under close review and will report progress against the plan to this Committee in the usual manner.

The HoF will review the position of bringing in more external resources when the results of the recruitment campaigns are known, our realistic capacity to manage / support more external resources, financial position and what further resources from SWAP could be available.

- In addition to a reduced amount of opinion related audits completed, the impacts also include:
 - Significant reduction on 'general advice' to services compared to previous years.
 - Little to no involvement in certain projects like the new finance system compared to the plan.
 - Reduced training carried out.
 - Reduced / no audits at individual schools.
 - No peer assessment of the service against the public sector internal audit standards in 2023; which is due.

Longer Term issues – Regional service

- As the Committee is aware, the HoF is informally reviewing the opportunities of moving into a regional collaboration alongside Monmouthshire Council as part of the Councils strategic/transformational programme. At this point, it is purely investigatory, and no formal decision has been made; which would need to be taken by Cabinet/Council in due course.

Both Councils HoF are meeting with the sponsor Council on this in early September and we understand that the collaboration board are meeting at the end of September. We hope to get positive news and progress this as soon as possible.

- On virtually all aspects, this provides positive opportunities for both the Council (resilience, expertise, learning from others, specialist services etc) and staff (progression, opportunities, development etc) and the key issue to understand is the cost/audit days within the regional services compared to existing arrangements.

Financial Summary (Capital and Revenue)

- The external resources from SWAP are being procured within the existing budget envelope for the Internal Audit function.

Risks

The progression of the Audit Plan is a key governance issue for the Council and that is why we have attempted; as inherently challenging that is, to forecast the likely range of the fulfilment of the plan based on likely worst and best case.

The risk to the delivery of the 2023/24 audit plan has been reviewed and escalated onto the Council's corporate risk register. This has been reported to Cabinet.

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
We are unable to recruit	H	M	Consider further SWAP resources to augment existing resources	HoF
External SWAP resources and/or new recruits are unable to progress audits as assumed due to internal issues within services being audited	H	M	Regular feedback with interim Chief Internal Auditor / Manager Feedback to CMT at earliest opportunity and Executive Board, as necessary	HoF

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Audit Plan and its fulfilment represents a key strand in the governance framework of the Council and also take as a lead and co-ordinating role in the assessment of the overall Council Governance framework.

The potential move into a regional collaboration will secure greater resilience in a small team whilst also developing its role and service.

Options Available and considered

N/A – the progression of the Audit Plan is a key priority and therefore the arrangements described in this report have already been made and are in progress.

Preferred Option and Why

N/A

Comments of Chief Financial Officer

There are no direct financial issues to consider at this stage. The report is an update on the resourcing position within the internal audit team. The temporary arrangements are being delivered within existing resources.

Comments of Monitoring Officer

There are no direct legal issues arising from this report. The issue of staff recruitment and retention is a matter for officers delegated to each Head of Service, for their service area. The ultimate responsibility for the organisation of the Council's staff lies with the Chief Executive under s54 of the Local Government and Elections (Wales) Act 2021.

Comments of Head of People, Policy and Transformation

As outlined in the report, any move to a regional service will require appropriate internal agreement and staff consultation. Existing Newport staff members will be subject to a TUPE transfer. HR are also supporting the current recruitment to roles as outlined in the report. If the move to the regional service does not take place, the Head of Finance and Interim Chief Internal Auditor should consider the longer term arrangements for the team ensuring a clear workforce plan is in place to support development, progressions and career pathways to avoid high one off turnover in the future.

The report provides an update on the challenge of maintaining the audit function and activity following attrition within the team, and assurances as to how this is being managed short term and medium term, considering financial challenges and well managed risk.

Scrutiny Committees

This has not been reported to Scrutiny to date but will feature in update reports on the Finance Service Plan mid year review in due course.

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act 2015**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

Wellbeing of Future Generations (Wales) Act 2015

The role of Internal Audit supports the Council in complying with the principles of the Wellbeing Act and providing assurance on the activities undertaken across the Council. In compiling this report the principles of this Act have been considered:

Long Term - The Internal Audit workload is based on an annual operational plan supported by a 5 year strategic plan that is aligned to the Council's Corporate Plan.

Prevention - Internal Audit identify strengths and weaknesses within the control environment of Newport City Council; addressing the weaknesses gives management the opportunity of preventing gaps in service provision getting worse. This should also minimise the potential for fraud, theft, loss or error.

Integration - Internal Audit opinions provide an objective opinion on the adequacy of the Council's corporate governance, internal control and risk management environment in operation and support sound stewardship of public money.

Collaboration - Internal Audit work in collaboration with operational managers to develop an appropriate action plan in order to address identified concerns.

Involvement - Heads of Service and Senior Managers are invited to contribute to the audit planning process each year in order to prioritise audit resources. The involvement of the Governance & Audit Committee provides assurance and oversight of an effective internal audit provision to carry out its duties.

Consultation

No consultation required for this report and action taken to date. If the Councils were to move into the Regional Audit partnership, this will then entail consultation with staff in line with The Council's policy.

Background Papers

Corporate Risk Register Report

Previous Reports to GAC – Internal Audit Annual Plan 2023/24

Annual Governance Statement 22/23

Dated:



DRAFT - Annual Corporate Plan (22-27) Self-Assessment Report 2022/23

DRAFT

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Introduction and Purpose of the Report

Welcome to Newport City Council's annual Corporate Plan Self-Assessment Report 2022/23. The purpose of this report is to assess the progress of delivery the Council has made against the Corporate Plan 2022-27; and the extent to which the Council has met its performance requirements under the Local Government and Elections (Wales) Act to support the delivery of the Corporate Plan and deliver continuous improvement.

In November 2022, Newport City Council agreed its five-year [Corporate Plan](#) to deliver an 'Ambitious, Fairer and Greener Newport for everyone'. To achieve this goal, the Corporate Plan has four Well-being Objectives that will prioritise the Council's focus over the next five years and contribute towards its longer term vision for Newport over the next 20 years:

Well-being Objective 1 (Economy, Education and Skills) – Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all.

Well-being Objective 2 (Environment and Infrastructure) – Newport is a city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future.

Well-being Objective 3 (Quality Social Care and Community Services) – Newport is a supportive city where communities and care are at the heart of what we do.

Well-being Objective 4 – (An Inclusive, Fair and Sustainable Council) – Newport City Council is an inclusive organisation that places social value, fairness and sustainability at its core.

The delivery of this Corporate Plan contributes towards Wales seven Well-being Goals and 5 Ways of Working set in the [Well-being of Future Generations Act](#). This Act requires all public bodies in Wales to think about the long term impact of our decisions and to work with our communities, people and each other to prevent persistent problems such as poverty, health, inequality and climate change.



About Newport

Newport is situated on the River Usk that has served as a port since medieval times when the first Newport Castle was built by the Normans. In the last 10 years Newport's population has grown by 9.5% to 159,600 (Census 2021). From the industrial revolution, Newport was built on the coal and steel industries, which saw the city becoming one of the key ports and a major exporter. Newport is home to some iconic landmarks such as the Transporter Bridge, Tredegar House, Belle Vue Park, Rodney Parade, International Conference Centre and the Civic Centre. Throughout the years Newport has welcomed people from across the world to settle and contribute towards the growth and success of the city. Newport also embraces the cultural diversity of the city allowing communities to come together to preserve its historic venues, support its music and art scenes, deliver inclusive festivals and events; and celebrate religious festivals.

Purpose of the Report

The Local Government and Elections (Wales) Act requires all local authorities to self-assess its governance, and performance arrangements for the previous reporting year. This report covers two areas: Self-assessment of progress against the Corporate Plan Well-being Objectives and a self-assessment on the effectiveness of its governance and performance arrangements to deliver the Corporate Plan and its statutory duties.

The Self-assessment of performance and progress against the Corporate Plan is based upon the End of Year (31st March 2023) position reported through the 11 service area plans. The Council's 11 service areas assessed its progress against their objectives, projects and actions which are contributing towards the delivery of the Corporate Plan. The Council will be assessing its progress based upon a Red / Amber / Green assessment.

Each service area presented a detailed overview of their progress to the Council’s Performance Scrutiny Committees in July 2023. Feedback from the committees has been considered in the production of this report. Links to the Reports can be found in the table below and a summary of service area performance in the overview of Performance and Risk Management arrangements which can be found on page 48.

Performance Scrutiny Report (Please click the link)	Service Area (Please click the link)
People Scrutiny Committee – 11th July 2023	Education Services
People Scrutiny Committee – 25th July 2023	Adult Services Children Services Prevention & Inclusion Service
Place & Corporate Scrutiny Committee – 10th July 2023	Environment & Public Protection Housing & Communities Infrastructure
Place & Corporate Scrutiny Committee – 24th July 2023	Finance Law & Standards People, Policy & Transformation Regeneration & Economic Development

In addition to the service plans, the report refers to other annual statutory / strategic reports produced by the Council to assess the performance and progress against key strategic priorities and statutory duties. Case studies, assessments and performance information has also been considered in this report and should further information be required, links have been provided to the full reports below.

- [Director of Social Services Annual Report](#)
- [Annual Safeguarding Report](#)
- [Climate Change Annual Report](#)
- [Information Risk Report](#)
- [Digital Annual Report](#)
- Strategic Equalities Plan Annual Report (Final to be provided)
- [Welsh Language Annual Report](#)
- Statement of Accounts (Final to be provided)
- Annual Governance Statement (Final to be provided)

To inform this assessment throughout this report, we will refer to other annual statutory / strategic reports, External Audit and Regulatory work, and progress against recommendations raised in the 2021/22 Annual Well-being Report.

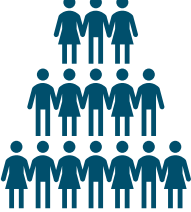











Welsh Local Government Association (Data Cymru) – Online Self-Assessment Toolkit and Benchmarking

In 2022/23 the Welsh Local Government Association (Data Cymru) launched its [online Self-Assessment toolkit](#). The purpose of the toolkit is to enable local authorities to access a standardised set of performance data to support the comparison of performance data. For the purpose of this report, where benchmarking data is available to support the Council’s own performance measures, we have provided the Welsh average to enable comparison. The reader of this report should also note:

- Data for 2022/23 has not been published at the time of drafting this report and therefore 2021/22 data has been used where appropriate to enable comparison.
- Not all performance measures reported by service areas in this report are included in the Self-Assessment toolkit.

Key Facts and Challenges faced by Newport and Newport City Council in 2022/23

Below is a summary of key facts and information about Newport but also some of the challenges faced by Newport in 2022/23. Figures as of 31st March 2023.

		
Population 159,600 9.5% Population Growth since 2001 (Census '21)	5,941 Staff (inc teaching staff) in Newport City Council	57 Schools in Newport
		
61,246 (provisional) NCC CO ² emissions (2022/23)	376 Children Looked After	443 People in Temporary Accommodation
		
3,757 children with Additional Learning Needs	26.6% (5,842) Free School Meals* (PLASC Jul '23 All school settings)	4.8% (3.1km) Principal A Roads in Poor Condition
		
£19.5m 23/24 Medium Term Revenue Plan Savings	607 No. Adults supported to live in residential care	801 No. people supported to live independently at home with a care & support package

Well-being Objective 1 – Economy Education and Skills

Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all.

No	Strategic Priority	RAG Assessment
Well-being Objective 1 Overall Assessment		
1	Newport will have a robust economic strategy and replacement Local Development Plan to support sustainable economic growth and strong placemaking across Newport's communities.	
2	Lead and collaborate to attract major investment into the city and support our local entrepreneurs to thrive and bring prosperity to Newport's communities.	
3	Re-vitalise its city centre and wider communities to benefit families, businesses, and visitors.	
4	Become a destination that celebrates cultural diversity, heritage and delivers elite sporting events.	
5	Develop education facilities that support future generations to achieve their potential and positively contribute to their communities.	
6	Work towards eliminating education inequality faced by young learners that are from disadvantaged, Black, Asian, and Minority Ethnic backgrounds, low-income households, and/or have additional learning needs.	
7	Increase the number of Welsh speakers in Newport by improving access to Welsh education, supporting businesses, and promoting the Welsh language.	
8	Become a living wage city helping people out of poverty and provide opportunities to retrain, learn new skills and find long-term work.	

Summary of Achievements and Challenges in 2022/23

Key Achievements 2022/23	Key Challenges 2022/23
<ul style="list-style-type: none"> • Delivery key regeneration projects including Mercure Hotel, Central Library & Museum. 	<ul style="list-style-type: none"> • Long term sustainability school finances, buildings and assets to meet the needs of communities.
<ul style="list-style-type: none"> • No schools in special measures at the end of 22/23 with Newport High school and Malpas Church in Wales Primary school coming out of special measures. 	<ul style="list-style-type: none"> • Improving visitor figures to Newport to pre-pandemic levels.
<ul style="list-style-type: none"> • Delivery of Ysgol Gwent Is Coed school redevelopment through Communities for Learning programme. 	<ul style="list-style-type: none"> • To progress key strategies and initiatives from the Corporate Plan including Placemaking Plan, Cultural Strategy, and Sports Strategy.
<ul style="list-style-type: none"> • Delivery of key adult and youth learning through initiatives such as Newport Youth Academy, job fairs and Adult Learning. 	<ul style="list-style-type: none"> • Regeneration Projects delivery managing inflationary costs.
<ul style="list-style-type: none"> • Aspire alternative learning programme supporting 36 learners to achieve recognised qualifications. 	<ul style="list-style-type: none"> • Managing increase demand and provision for children with Additional Learning Needs.
<ul style="list-style-type: none"> • Led and supported over 30 events across Newport including the Food Festival, and Newport Marathon. 	

At the end of 2022/23 the Council has reported an amber status against Well-being Objective 1. The Council has continued to make good progress in the delivery of key regeneration, economic and education developments. However, the Council faces a range of challenges in relation to its assets and school buildings in particular, and in increasing visitor numbers to Newport back to pre-pandemic levels. The last three years has also been a challenging time for Newport's economy, education and schools through the uncertainty of Brexit, Covid-19 Pandemic and now the cost of living crisis. It is important to understand that many of the challenges and decisions fall outside of the control of Newport City Council. But it is important that we are able to respond and provide a voice for the businesses, schools, learners and people who need support and provide opportunities across the city and wider region.

Strategic Priority 1

As a local authority, it is a statutory requirement for the Council to replace its current [Local Development Plan \(LDP\)](#) which will include policies used to determine all planning applications in Newport, identify land for development and enhance the city's environmental and historical assets. The delivery of this work will take place over the next three years and the Council will be undertaking several consultations at key stages with the public and other stakeholders to help inform future decisions. This work will be vital to support sustainable economic growth and development to meet the needs of the city and wider region.

Newport City Council is one of 10 local authorities involved with the [Cardiff Capital Region \(CCR\)](#). The role of CCR is to collaborate together to attract major investment, create new jobs, improve transport links and provide private sector leverage. Progress of the CCR to develop a Strategic Development Plan for the region has not progressed as expected as a result of the CCR establishing its Corporate Joint Committee arrangements. It will be expected in 2023/24 for a team to be established in CCR and to progress the development of the plan.

Strategic Priority 2

Over the last year, we have seen several regeneration projects completed such as the renovation of Chartist Tower into a four star hotel, the Indoor Market and more recently the refurbishment of the Central Library and Museum. You can view the Museum's latest video [here](#). In December 2022, the Indoor Market received the **Ystadau Cymru Award** for its work to ensure the Market remains at the heart of the city centre. In 2022/23, following the approval to commence the development of the Knowledge Quarter, work started on demolishing the leisure centre and to rejuvenate the area to accommodate a new leisure centre and building for Coleg Gwent.

Work also commenced on the development of the new Transporter Bridge Visitor Centre and despite increasing inflationary costs, the Council was able to secure additional funding from the Heritage Lottery Fund. As part of the Council's Corporate Plan, work has commenced on developing a new Placemaking Plan for the City Centre which will provide a long-term, targeted framework for regeneration, refurbishment and investment across the city centre.



In the last 10 years, Newport has seen the growth in semi-conductor and technology companies locating in the area. The Council's Regeneration & Economic Development team in collaboration with CCR and Welsh Government supported [KLA](#) in the expansion of their operation at Newport's Imperial Park, which will act as their European HQ. This is an example of how Newport Council is supporting industries to locate and sustain their presence in the city providing long term employment opportunities to residents across Newport and South East Wales. In April 2022, the UK Government (UKG) published details of its £2.6bn [Shared Prosperity Fund](#). Newport was allocated over £27m of core funding to deliver over 50 projects / initiatives over the next three years and work will be commencing in 2023/24 to deliver these projects. Throughout the year, the Council's Business Support team also continued to help businesses to access advice and financial support through the City of Newport Business Grants. In total £36k was awarded to 17 businesses creating a total of 52 new jobs.

Strategic Priority 3

City centres are places where people live, work, learn and play and perform a number of different functions at the heart of urban areas. Like many other small cities in the UK there are many external factors impacting the long term sustainability of the city centre such as online shopping and commerce, out of town shopping, the Covid pandemic and now the Cost of Living crisis. Over the last 3 years Newport City Council has offered business rates support to businesses and has been developing Grade A office spaces. In 2022/23 we supported 20,000 sq ft of empty floor space brought back into use including Griffin House, a new pool bar at Station Quarter, and the Creative Hub on Commercial Street. There are several strategies that we need to update and implement to support the recovery and regeneration of Newport including the city centre.

Many of these strategies such as the Placemaking Plan and the Replacement Local Development Plan are still in development. However, we have already started to make progress with the Indoor Market, new hotel and now the commencement of the Knowledge Quarter with the development of a new leisure centre and college.

Strategic Priority 4

Following the Covid Pandemic the Council's visitor performance measure has seen a fall in the number of visitors to Newport. The Council is working with partners to bring this back to pre-pandemic levels. To support this Newport is able to offer a diverse range of events across the city to celebrate our culture, heritage and sporting events. In 2022/23, Newport City Council supported over 30 events including the return of the Food Festival, Newport Marathon, Battle of Britain expedition, Art on the Hill and Small Business Saturday as some of the examples.

In January 2023, the Council and 'Friends of Newport Ship' reported the completion of a significant milestone in the preservation of Newport's Medieval ship. As widely reported

across the [BBC](#), and other major media outlets, this has been a long process collaborating with experts from the Mary Rose museum to dry out the timbers. Over the next year, the Council and its partners are going to be focusing on finding a permanent home for the ship to enable visitors to view the ship and experience medieval life in Newport.



As part of the Council's Corporate Plan, we are also developing the Cultural Strategy and Sports & Recreation Strategy which will support the City's long term vision to embrace and promote the city's diverse communities and also to ensure we are able to offer residents and visitors opportunities to participate in a wide range of sports and activities.

Strategic Priority 5

Newport's Education service alongside Education Achievement Service (Gwent Education partner) supports one nursery, 44 primary schools, nine secondary schools, two special schools and one pupil referral unit. At the end of the academic year 2022/23, the city had no primary, secondary or special schools in an Estyn Statutory category with it being the only local authority area in the region not to be in this position. During the year, Newport High school and Malpas Church in Wales Primary school were removed from special measures. Headteachers, and their staff are to be congratulated on their continuous hard work and resilience to achieve this position.

The Council is committed to ensuring schools are able to meet the needs of its pupils, and communities creating safe, learning environments which they can all maximise their potential. At the end of 2022/23, the Council had 6 projects in development through the Communities for Learning Programme and Welsh Medium programme. The maintenance of our school estate is a challenge for the Council as evidenced through Millbrook Primary School needing to operate in temporary accommodation. The Council is now working with the school to consider options for a long term solution and will announce the future of the school in 2023/24.

Ysgol Gyfun Gwent Is Coed

In January 2023, we delivered £18.7m new teaching block through the **Communities for Learning Programme**. Through the delivery of this project the school is now able to offer a full 11-18 Welsh-medium curriculum and improved external sports provision which can be used to support community use.

Newport is now able to meet the educational needs of children who are seeking Welsh-medium education from nursery to Post-16 removing the previous need for out of county provision. This also supports the Council's **Welsh in Education Strategic Plan**.



Strategic Priority 6

Recognising that there are many young learners who require additional support, it is important that schools can enable all learners to maximise their potential before entering into Post-16, further education, training and/or employment. The Council will be publishing a separate report on Key Stage 4 outcomes to the Council's Cabinet in October 2023.

Newport continues to perform well with low numbers of young learners not in education, employment and training (see performance measures). Schools have seen an increase in the number of learners with additional learning needs (ALN) and local authorities including schools are statutorily required to ensure their needs are met. Last year, Ysgol Bryn Derw was expanded from 68 to 96 placements through the creation of a dedicated Foundation Phase Satellite base by refurbishing Kimberley Nursery school which became vacant in July 2021. This meant we were able to provide additional specialist education places where mainstream environments are deemed inappropriate; a reduction in the number of current and future out of county placements and reduced travel time for those in out-of-county placements. In March 2023, the Council launched the '*Tackling all Aspects of Poverty in Education*' strategy in partnership with Children in Wales and all schools. The strategy is aimed to provide bespoke, targeted and universal approaches to tackling all aspects of poverty. Initiatives being implemented include subsidising school trips, 'One-million Mentors Programme' offering community based mentoring system through to courses on financial awareness and management as part of the curriculum. In September 2022, through Welsh Government funding, Newport's primary schools were able to offer all pupils in Reception, Year 1 and Year 2 free school meals as well as extending free school meals in holiday times to May 2023.

Llanwern High School – Culture of Cynefin

Llanwern High School received a [Professional Teaching Award](#) under the Betty Campbell Award category for promoting the contributions and perspectives of Black, Asian and Minority Ethnic communities in June 2022. The award recognised their work to install a culture of Cynefin, where all members of the school community foster a feeling of belonging.

The school reimagined the curriculum through the lens of diversity, embracing a whole school approach where pastoral and academic teams work together to ensure pupils authentically experience and celebrate diversity in their education.

In partnership with the Council, the school also established and developed an Education Hub for secondary aged pupils arriving from the Ukraine. This ensured Ukrainian young people were able to receive pastoral care and continue their educational development.



Newport City Council has also been collaborating with 3 high schools: Lliswerry High, Llanwern High and John Frost through the Aspire programme. Aspire is an alternative learning programme for pre-16 year olds providing learning opportunities to young people in years 10 and 11. Each school supported 12 young people (36 in total) in 2022/23 with their education and resulted in:

- 8 C-F grade in English and Maths G.C.S.E
- 19 YP achieved L2 Cert in Personal Dev and Employability (Princes Trust)
- 5 YP achieved L2 Award in Personal Dev and Employability
- 4 YP achieved L1 Cert in Personal Dev and Employability

[Newport Youth Academy](#) has been operating for over five years and has provided opportunities for disadvantaged and vulnerable young people to access training, employment and further education. The Academy in collaboration with ACT has supported young people to engage in education and training through innovative and exciting delivery programmes. The case study and videos below, showcases some of the work the Academy has delivered in 2022/23.

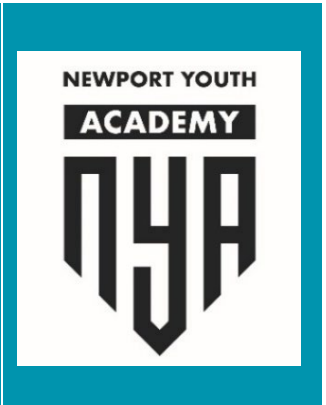
Newport Youth Academy Case Study

Two young learners with the Academy are aspiring sports coaches who have a strong interest in football. Both had been volunteering at local primary schools and wanted to further their knowledge and an opportunity to access and complete the Football Association of Wales Football Leaders Award.

Both learners achieved Level 1 Football Leaders Award and provided them with confidence and develop their own skills to progress further as football coaches. There are also videos linked below which also showcase some of its key achievements supporting young people:

[Liam's Interview](#)

[Study with Newport Youth Academy](#)



Strategic Priority 7

Last year the Council launched its new [Welsh in Education Strategic Plan](#) and its [Welsh Language 5 year Promotional Strategy](#). Both strategies support the Welsh Government's goal of a million Welsh speakers by 2050. Every year the Council leads, promotes and participates in many Welsh language events across the city with its schools, communities and businesses. This is in addition to improving the Welsh language skills of council officers as reported in the Council's [Welsh Language Annual Monitoring Report](#).

We want all Welsh speakers and learners to be able to access services through the Welsh language, which we promoted through the [Mae Geni Hawl video](#). The Council was also involved in key events and work such as: The Welsh for Adults services to support and signpost any adult who wants to start or increase their Welsh language skills; Welsh language child and parent events such as the *Cymraeg i Blant sessions*, baby shower events for expectant parents and reviewing and updating the 'Becoming Bilingual' information booklet for parents.



Newport City Council also made funding available to support local community groups, organisations and individuals to promote, facilitate and increase the use of Welsh language across Newport. Some of the organisations which benefited from the grant included the British Red Cross, Gaer Community Family Learning organisation, Newport Live, and Menter Iaith Casnewydd. Further information can be found in the Council's annual report linked above.

Strategic Priority 8

Poverty is a multi-dimensional, complex issue and is impacting more people in Wales. It is important to note that Newport City Council cannot eradicate and/or move people out of poverty alone. It requires significant leverages from UK Government and Welsh Government, our strategic partners across the city and more importantly Newport's communities and individuals to improve their life opportunities. The last year has been particularly challenging for the Council and partners with the cost of living crisis which has seen many households and families struggle to maintain their standards of living and meet the rising energy, food and fuel costs. Throughout this report we cover many areas which demonstrate the ongoing work the Council and its partners have been undertaking to support people in 2022/23.

This strategic priority focuses on the economic development, training and support which the Council has provided people but also our commitment for Newport to be recognised as a 'Living Wage City'. In collaboration between the Council and its partners in the One Newport group, the Council will be progressing this work further in 2023/24 establishing a Steering group to lead on its development.

Other examples of how the Council has been supporting young people to gain the qualifications, training and employment are highlighted in Strategic Priority 6 above.

Adult learning is a significant part of the Council's economic, education and community work. For young people leaving education and/or struggling with identifying the career path that is right for them, the Council alongside other government departments such as the Department for Work and Pensions support people to train, re-skill and find new employment.

Led by the Council's Regeneration & Economic Development team and collaborating with other services such as Prevention & Inclusion team and One Newport group, the Council has 19 job clubs operating across the city. Two jobs' fairs were delivered in 2022/23 in addition to other events such as Acorn Recruitment Day, Linc Cymru, Vital Rail / ARC training and His Majesties Courts and Tribunal Service. In September 2022, Newport City Jobs fair was held at Newport Market with 59 employers and partners and over 400 customers in attendance. Employers including Newport City Council attending included Pobl, Newport Live, Smyths Toys, Stagecoach, Tescos, Celtic Manor Gwent Police and TATA.



In collaboration with the Department for Work & Pensions / SERCO, Newport Council has been delivering the Restart scheme which welcomes all job seekers who have been out of work over a nine month period and receive tailored 1-2-1 mentoring. In the last year 130 participants were placed into work with 80 of these achieving their desired outcomes.

Restart Case Study 1 (AR)

AR had not been in paid work since 2015 and was coached for 8 months where they thought it was unlikely they would get a paid position before retirement. Working with AR and SERCO, AR was coached and supported through a robust interview process with Starling Bank. Following the interview process, AR was successful in securing the role with Starling Bank and has achieved their desired outcomes.

Restart Case Study 2 (GD)

GD joined the Restart programme not even having their own bank account. Working with GD, their coach helped them set up a bank account, develop their CV and right to work documentation. Prior to coming to the service GD had never succeeded at interview and helped coached them to a successful interview at Wagamama. Since obtaining the role, GD has remained in employment.

The council's Adult Community Learning team have been delivering a range of fully accredited ICT and Digital Skills courses at St Julian's Community Learning & Library Centre and the East Neighbourhood Hub in Maesglas. These include: Computers Don't Bite, Stay In Touch – IT in Everyday Life, Stay Safe Online, Internet & E-Mail, Calendars & Forms, Stay In Touch using Tablets & Smartphones, Introduction to Word Processing, Introduction to Spreadsheets, ICDL Level 1 and ICDL Level 2. Most of these courses only cost £5 and from Sept 2023 digital skills courses and Computers Don't Bite will have no course fee.

Adult Community Learning also offer a range of bespoke courses for community organisations which can be informal, non-accredited sessions if required. This includes offering courses in community venues including residential homes and housing schemes using laptops and tablets. If a venue can be provided, then these courses are usually free of charge. In November and December 2022 free drop-in sessions were held at the University of South Wales (USW) City campus where citizens could have a free digital health check and receive assistance from students studying at the USW. This was a project part-funded through by the UK Government through the UK Community Renewal Fund and was delivered as a partnership with NCC, USW and Welsh Institute of Digital Information (WIDI). Additionally, Community Connectors, Libraries and community hub teams signpost the availability of digital skills sessions. First point of contact employees such as librarians and hub staff can assist with basic digital queries and signpost citizens. Libraries have undertaken a digital skills audit with Digital Communities Wales so as to identify training needs in respect of the NCC libraries workforce.

Well-being Objective 1 – Performance Measures

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Number of tourism related visitors (Jan'22 to Dec'22)	3.68m	4.67m	Not Available	2.11m	4.67m	<p>Performance figures are for Jan – Dec 2022. The target figure reflected the 2019, pre pandemic visitor number and was considered a suitable benchmark to compare the rate at which the visitor economy is recovering.</p> <p>We cannot predict the amount of time it will take to recover from the various periods of lockdown and when factoring in the cost of living crisis, escalating energy costs, and loss of skilled staff following Brexit, and war in Ukraine resulting in the loss of hotel rooms for a number of months, there were clearly ongoing challenges within the sector. However, 3.68 million visitor numbers is positive and we expect to see this improve over the coming year as we have extra bed spaces through the new Mercure 4 star hotel, a growing programme of events and conferences at the ICCW and the Council's own events programme.</p>
(New) Number of young people aged 16 to 24 provided with employment and skills support through the Young Persons Guarantee	98*	200	Local Measure	Not Available	Not Available	<p>A full delivery year has not been completed for the Young Persons Guarantee.</p> <p>*Based on a 6 month period the performance figure is just short of the expected target.</p>
Percentage of young people NEET 13	1.4%	1.1%	2.8%	1.1%	2.1%	<p>Despite Newport not achieving its target 1.1%, in comparison to the Welsh average, Newport remains below the Welsh average of 2.8%. As highlighted in the report, we are supporting schools; and vulnerable and disadvantaged learners with pathways so that will not become NEET.</p>
Percentage of Young people NEET Year 11	1.3%	1.3%	2.1%	1.3%	1.4%	
Percentage of 16 - 18 year olds not in education, employment or training	2%	2%	Not Available	2.6%	2.6%	

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Percentage of Young people recorded as unknown following compulsory education	0.6%	1.1%	Not Available	1.09%	1.13%	
(New) Percentage of schools inspected that are in an Estyn statutory category.	0%	5%	Not Available	Not Available	Not Available	
(New) Number of Permanent exclusions per 1,000 pupils (Academic year 20/21)	0.33%	0.58%	Not Available	0.55	0.3	In October 2022, the Welsh Government produced statistical data detailing national, regional and individual performance of Local Authorities exclusion data for the academic year 2020-21. Although this data showed Newport was above the Welsh average for permanent exclusions during 2020-21 with 0.55 per 1,000 pupils, significant improvement has been made which can be demonstrated through the 2021-22 full Year data of 0.33 per 1,000 pupils which is reported in 2022-23.
(New) Percentage of young people positively progressing through the Youth Academy.	81%	60%	Local Measure	Not Available	Not Available	Target percentage is set by Welsh Government as a benchmark for all partners delivering on the Jobs Growth Wales+ contract. The percentages are RAG rated as per table below and therefore we finished 22/23 rated as Excellent .
Number of businesses supported through the provision of advice and guidance.	231	No Target / Comparator measure	Local Measure	3,922	4,114	Previous performance figures quoted were based on the number of businesses supported through the distribution of Welsh Government funding during the Covid period. The performance indicator is therefore being reset.
(New) Number of events supported or led by the Council	30	No Target (Baseline Year)	Local Measure	Not Available	Not Available	The events team have supported over 30 events including strategic events such as the Newport Marathon, Food Festival and Queen's Platinum Jubilee.
(New) Amount of floorspace brought back into use or developed / redeveloped in the City Centre.	20,000 sq. ft	No Target (Baseline Year)	Local Measure	Not Available	Not Available	Empty space brought back into use includes Griffin House and the former Trout bar at Newport Market, a new pool bar at Station Quarter, and the Creative Hub on Commercial Street.

*Welsh Average Data provided if available on Data Cymru Benchmarking or Stats Wales website.

Well-being Objective 1 – 23/24 Key Deliverables

Below is a summary of some of the key priorities and deliverables Newport City Council will be delivering / progressing in 2023/24:

- Development of key Council strategies including Placemaking Plan, Cultural Strategy, and Sports Strategy.
- Delivery of the Council's Shared Prosperity Fund.
- Consultation at key stages of the Council's Replacement Local Development Plan.
- Delivery / progression of key regeneration projects including the Transporter Bridge, and the Leisure and Wellbeing Centre.
- Meaningful progress on becoming a Living Wage City including establishment of a Steering group.
- Delivery of key Communities for Learning projects across the school's estate.
- Ongoing delivery of projects and initiatives to support disadvantaged learners.
- Delivery of training, support and job fairs to enable people to access training, qualifications and job opportunities.

DRAFT

Well-being Objective 2 – Newport’s Environment and Infrastructure

A city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future.

No	Strategic Priority	RAG Assessment
Well-being Objective 2 Overall Assessment		
1	Become a net zero carbon council and city through the delivery of the council’s organisational climate change plan and local area energy plan.	Orange
2	Collaborate and involve developers, communities, and businesses to create buildings for working and living in that are sustainable, affordable and enhance the environment.	Orange
3	Continue our progress as a world-leader for recycling contributing towards Wales’s net zero waste goal.	Green
4	To protect and enhance the biodiversity and environment of Newport’s urban and rural communities, improving well-being and health.	Green
5	Transform Newport’s highways and transport system to improve air quality and safety. Promote active travel across the city and south east Wales region.	Green
6	Collaborate and support investment into a digital infrastructure which will provide equitable access for residents and businesses across Newport.	Green
7	Support and champion reputable businesses that comply with environmental and regulatory requirements and take action against organisations that do not.	Green

Summary of Achievements and Challenges in 2022/23

Key Achievements 2022/23	Key Challenges 2022/23
<ul style="list-style-type: none"> Continuing good progress against waste performance targets and improvement on graffiti and gum litter 	<ul style="list-style-type: none"> Progress towards delivery Net zero carbon by 2030.
<ul style="list-style-type: none"> Delivery of key Active Travel projects including Newport train station footbridge. 	<ul style="list-style-type: none"> Affordable and sustainable housing in Newport to meet the housing demand needs.
<ul style="list-style-type: none"> Development of the Council’s Digital Strategy. 	<ul style="list-style-type: none"> Continuing deterioration of highways assets, especially within the carriageway and bridge asset groups.
<ul style="list-style-type: none"> Continuous work of regulatory services to comply with environmental and regulatory requirements. 	
<ul style="list-style-type: none"> Continuing achievements and recognition for the Council’s parks and bio-diversity. 	
<ul style="list-style-type: none"> Electric Vehicle procurement, charging points and solar panel installations. 	

This Well-being objective is focused on the Council’s work to support the city, its communities and businesses to meet the environmental, infrastructure and digital challenges of the future. Overall the Council has made a good start in the delivery of this Well-being objective and some notable projects such as the Newport train station footbridge and launch of key strategies such as the Local Area Energy Plan and Digital Strategy demonstrate the intention of the Council over the next 5 years. However, there are also many challenges which the Council needs to tackle such as the net zero carbon neutral target by 2030, meeting the Welsh Government’s waste targets and maintaining our highways assets and infrastructure.

Strategic Priority 1

The Welsh Government has set legislation requiring all public sector bodies to be net zero carbon neutral by 2030. In addition to this we also have to ensure the city’s infrastructure enables residents, commuters and businesses to become less reliant on cars; enable people to access high speed internet; and have buildings / communities which are sustainable, and enhance the city’s environment and communities.

In 2022/23 the Council commenced delivering against its [Climate Change Plan 2022-27](#). Progress against the Plan is reported separately through its annual report, which can be accessed [here](#). In the last year the Council reported a continued reduction with its CO2 emissions from 78,901 in 2021/22 to 61,246 (Provisional) in 2022/23. Some of the notable areas achieved by the Council include:

- Achievement of Carbon Literacy training and accreditation bronze award across the Council's Cabinet Members, senior leadership team and over half of the Elected Members.
- Installation of solar panels across 4 schools taking the overall number to 39.
- LED lighting upgrades across 4 secondary and 4 primary schools.
- 12 electric charging points installed across community car parks.



However, the report also highlights the significant work that the Council and its partners need to deliver over the next 7 years to achieve the net zero carbon goal by 2030 as highlighted in Well-being Objective 4.

In June 2022, the Council's Cabinet approved the [Local Area Energy Plan \(LAEP\)](#) for Newport which sets out its vision for reaching a zero-carbon local energy system by 2050. The LAEP is a long term Plan and will be delivered in collaboration with strategic partners at a local, regional and national level. Other Council strategies such as the Local Development Plan, Climate Change Plan, Digital Strategy will also contribute and support the delivery of this plan.

Strategic Priority 2

As already noted in Well-being Objective 1, work has commenced on developing the Replacement Local Development Plan which will be Newport's long term assessment of development of the city from 2026. Throughout the next 3 years, we will be involving and collaborating with a wide range of stakeholders including residents and businesses to develop this Plan.

As reported in Well-being Objective 3, Newport is facing a challenging housing situation with a lack of affordable and temporary accommodation to support households either at risk and/or are homeless. As Newport City Council does not own housing stock, we have to work closely with Registered Social Landlords such as Housing Associations and private landlords to deliver affordable and sustainable housing across the city. We acknowledge the challenge the Council and other local authorities across Wales face with reducing the number of empty private properties. Despite the offer of renovation grants and loans to support property owners, it is complex and challenging to encourage owners to provide affordable and sustainable properties. Last year the Council granted permission for 94 new affordable units in Newport and secured £24.9m for RSLs to deliver 396 units over the next 5 years. Newport was also one of six flagship areas selected to deliver the Prince of Wales 5 year transformative [Homewards](#) programme (see Well-being Objective 3, Strategic Priority 5 for more information).

We acknowledge that it is challenging to deliver more affordable homes to meet the demand and needs of residents across Newport which is why in 2023/24 the Council commenced a Housing Programme with the aim to improve the delivery of housing and homelessness services to residents, develop more affordable and sustainable homes and reduce the number of residents in temporary accommodation and on housing waiting lists.

Strategic Priority 3

The Welsh Government has set a target for zero waste by 2050 and at the end of the financial year 65.2% (provisional) of waste produced was either recycled, re-used or composted which is above the Welsh Government current target of 64%. The next challenge for the Council is to increase its performance further to meet the future Welsh Government target of 70% by 2025. If the Council does not achieve this target then there is a risk of the Council being fined. As a result, the Council has agreed to implement 3 weekly collections for domestic residual and garden waste and deliver service efficiencies. In 2023/24, the Council will roll out the new service and will report its progress through the service plan mid-year review and next year's annual report.

Graffiti Wall Project

The Council continued its graffiti wall project in 2022/23 working with partners and community groups to commission a number of murals to improve the local environmental quality of the city.

To date 12 areas across Newport have been enhanced through the project including Harlequin Roundabout, Brays Sweet Factory on Conway Road, Commercial Street, Glebelands Park and Pill Millenium Centre. With all of the projects, the Council has involved local residents and community groups to decide the theme of the art. The graffiti has enhanced the areas and have proven to be very popular with residents and local businesses.



Last year, the Council's Waste and Cleansing team received £20k funding through the [Chewing Gum task Force](#) grant fund to tackle chewing gum pollution across the city centre. The funding was used to increase the cleansing of gum off the streets and funded gum litter prevention work included improved signage across the city centre.

In the last year the Council continued to report strong performance in clearing reported fly-tipping across the city. Additionally, the Council's waste enforcement team recorded 14 prosecutions or waste duty of care offences and issued 25 fixed penalty notices.



Strategic Priority 4

The parks, woodlands, waterways (where Newport City Council is responsible), allotments and open spaces contribute towards improving the well-being and health of communities across Newport.

In 2022/23 Beechwood Park and Belle Vue Park retained their Green Flag and Green Heritage status for the sixteenth and fifth year running, respectively. The Green Flag awards are a UK-wide scheme which recognise and reward well-managed parks and green spaces.

Newport Pollinator Project

One of our ongoing projects delivered in partnership with Buglife and local community groups is the Newport Pollinator Project. The aim of the project is to restore pollinator habitats to improve the resilience of ecological networks, and raise awareness and inspire people to take action for pollinators in their community including some of Wales' most rare and threatened species. This has been coupled with other initiatives such as our bee-friendly bus stops, with several installed in 22/23. These shelters serve not only to provide habitat for invertebrates, but will also be highly visible and serve to raise awareness of the importance of these habitats for biodiversity.

For further information you can visit the Council's website through the link [here](#).



Newport has received [Tree Cities of the World](#) status, a programme run by the Arbor Day Foundation and the Food and Agricultural Organisation (FAO) of the United Nations. The programme is an international effort to recognise cities and towns committed to ensuring that their urban forests and trees are properly maintained, sustainably managed, and duly celebrated. A total of 168 cities and towns from 21 countries were recognised in 2022, with Newport one of over 50 cities earning the recognition for the first time.



Ash Dieback disease was one of the Council's Corporate risks due to the significant impact it has on the health & safety of residents and property, environmental impacts and the financial cost to remove and re-plant trees. In 2022/23 a significant programme of work along the Monmouthshire-Brecon Canal was completed to manage trees impacted by Ash Dieback disease. This work will be followed by other interventions in 23/24 to improve the area around Fourteen Locks and address issues with water retention along the canal. Due to this progress this risk was de-escalated from the Corporate Risk Register but will continue to be monitored by the service area.

NCC and Natural Resources Wales work in partnership with individuals and organisations to identify a number of green infrastructure (GI) interventions and nature-based solutions for the heart of the City during 2022. This resulted in a Green Infrastructure Feasibility Study that will inform green interventions in the city centre in the future. Some GI projects developed in the city centre during 22/23 include new raingardens along the riverfront and the new Devon Place Footbridge.

Strategic Priority 5

The Council is responsible for the maintenance and management of the local highway network for the city (not including motorways and major trunk roads). As with all other local authorities in Wales and England, the condition of the city's highways assets has continued to decline with highway investment failing to maintain "steady state" as a minimum asset condition, which is monitored via targeted performance indicators and the corporate risk register. The council continues to manage the highway assets in accordance with the Highway Asset Management Plan 2019-2023 which, as a quinquennial plan, is currently under review. In 2022/23, there were improvements to the A467 at Rogerstone that provided sections of new vehicle restraint (crash barrier) together with significant carriageway and drainage improvements under WG Resilient Roads funding. This was targeted at road safety and climate change sustainability as a result of the sites history of surface water flooding.

Newport City Council recognises it is important to work collaboratively with WG, Transport for Wales and CCR to attract significant investment to improve the local highway network. Over the last year, the Council's Infrastructure team has been collaborating with the Burns Delivery Unit to implement the recommendations from the report to improve the network across Newport and the region. The Burns Delivery Board Annual Report can be accessed [here](#). The Delivery Unit has been working on developments including improvements to Newport Central travel (Old Green roundabout), and the A48 Cardiff and Newport Active Travel and Bus Corridor. Through the Council's involvement with CCR, ongoing development is being made with the South Wales Metro across the region. There is ongoing development to increase the number of stations between Newport Cardiff and Bristol which will make it easier for residents to become less reliant on using their cars to travel across the region. Further information can be found [here](#).

Throughout 2022/23, the Council has been preparing for the Welsh Government default 20mph speed limit introduction on 17th September 2023. To implement the changes, Newport City Council has been drafting new traffic regulation orders and amending signage and lines across the city. Further information can be found on the Council's website [here](#).

The Council's Active Travel programme has continued to deliver projects that improve the way we can sustainably travel across the city. In 2022/23, four projects were completed including Sorrel Drive and, 14 Locks. The Council's Active Travel team will continue to work with Welsh Government to identify and deliver new Active Travel projects in 2023/24. Work is underway on the development of a city wide cycle hire scheme which will include safe storage for bikes and continues to work with Newport Live in their delivery of the Welsh Government funded Behaviour Change Programme.

In support of a modal shift to sustainable travel, significant improvements have been made to the city's bus passenger shelter infrastructure with a continuation of the shelter replacement programme. This has delivered significant improvements to the asset group which has included living roof (bee friendly shelters) together with solar powered lighting and passenger information screens.

Successful school street trials were undertaken at three schools within the city in partnership with Sustrans. The three sites trialled were Malpas Church Primary School, St Joseph's Primary School and Tredegar Park Primary School. Their locations facilitated the closing of their roads without impacting on through traffic and had well documented issues with school gate congestion. Further roll out of school street trials are planned for 2023/24.

Active Travel Programme - Newport Train Station Footbridge

At the end of the financial year Newport train station footbridge was officially opened connecting Devon Place to the city centre. The footbridge was completed in collaboration with Network Rail, Arup, Grimshaw and Corderoy, which provided many challenges to build the footbridge over a busy station with the requirement to ensure the safe running of the railway. The footbridge replaced the old subway providing residents and visitors a safer, more accessible route across the railway line. The new footbridge also provides access for wheelchair users, cyclists and walkers.

This is one of many successful Active Travel projects delivered by the Council and further information can be found through the Council's website [here](#).



The council has available data from both the 2021 and 2022 [Air Quality Progress Reports](#). These reports provide information for air quality data captured in those years. In summary, and for both years, monitoring demonstrates the annual concentration of nitrogen dioxide is below the air quality objective of 40 µg/m³ in all Air Quality Management Areas (AQMA). Whilst the nitrogen dioxide reductions for 2020 were celebrated with a note of caution, due to much-reduced travel due to pandemic travel restrictions, the reductions for 2021 support the view that the air quality is moving towards sustainable compliance. This can be attributed to the ever-increasing use of electric vehicles (EV) across the city, increases of EV vehicles in Council and other fleets such as Newport Transport, and other measures to encourage reduced use of vehicles in the city and cleaner air. To illustrate the progress; in 2018, of the 82 monitoring stations, 26 showed an annual reading in excess of 34 µg/m³, in 2021 this reduced to 5 stations and in 2022 this reduced further to 2 stations.

Strategic Priority 6

Newport's digital infrastructure is vital to enable residents, businesses and visitors being able to access services online, engage in digital transactions and connect through the global markets. As highlighted in Well-being objective 1 it is important that Newport has a digital infrastructure which enables high-tech companies such as KLA to locate in Newport as well enabling home grown, innovative and creative industries such as the film / tv industries to locate in Newport. To support the Corporate Plan, in March 2023, Newport Council launched its new [Digital Strategy](#) which has identified as one of its themes 'Digital Infrastructure and Connectivity'. The Strategy outlines the collaborative work which we will do to support invest in new technology to improve networks ensuring residents and businesses have access to fast and reliable digital services.



In 2022/23, the Council went out to tender for a supplier to deliver the Welsh Government's Local Broadband Fund (LBF). The Outcomes of the LBF will improve the full fibre connectivity and provision of in-building assistive technology and telecare services to three council managed residential care homes. Delivery of the project will complete in 2023/24. The Further information on the Council's digital transformation is reported in Well-being Objective 4.

Strategic Priority 7

Newport Council is required to protect the environment and ensure services delivered by businesses meet the necessary regulatory requirements such as health & safety and public protection. The Council's Public Protection team have continued to support businesses to comply with regulations and where non-compliance has been identified, taken action. In 2022/23 the Council's enforcement team:

- **Illegal Tobacco** – 8 premises received 3 month closure orders and seized over 300k of counterfeit cigarettes and 64,51 kilos of tobacco. Four businesses prosecuted and over £100k frozen assets.
- **Illegal vaping devices** – 1,930 illegal vapes seized from 10 shops and 1 shop owner prosecuted.
- **Age restricted sales** – 21% of 103 businesses tested sold age restricted items to underage children.
- **Food ingredients** – 40% of 449 food standard inspections failed allergen labelling requirements with 4 prosecutions for unsafe food.
- **Counterfeit goods** – 14 investigations undertaken with one investigation resulting in £140k confiscation order and another investigation with a £4k fine.

In October 2022, Newport Dogs Home won gold in two categories at the RSPCA Cymru Pawprints Awards for their work with stray dogs and kennel service. Newport Dogs Home takes in stray dogs found by residents or the council's dog wardens. The Dogs Home also provides a Re-homing service and offer opportunities for people to become a dog fosterer.

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Well-being Objective 2 – Performance Measures

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Percentage of principal A roads that are in overall poor condition	4.8%	2.3%	Not Available	2.1%	2.3%	The condition of the city's highway assets is declining, with asset condition continuing to deteriorate year on year. This is also reflected in the Council's Corporate Risk Register.
Percentage of principal B roads that are in overall poor condition	4.5%	3.5%	Not Available	3.1%	4.4%	
(NEW) Number of play areas replaced or improved annually	4	10	Local Measure	Not Available	Not Available	There have been improvements to the play areas planned work with a new heavy focus on engagement with residents. Significant work to develop and implement the engagement plan and complete preparatory work was carried out in 22/23, with a number of interventions being progressed. While overall number of interventions may be below target, the wider improvement programme is on track and results will be visible from 23/24
Percentage of significant Regulatory issues resolved	91%	95%	Local Measure	79.3%	78.3%	This is good performance given that 22/23 was a year of recovery from the impact of the pandemic, some staff were still focussed on the Covid response until August, standards in businesses have been more challenging to deal with due to reduced regulation during the pandemic, and certain teams have carried vacancies through much of the financial year.
(NEW) Number of Pocket parks/ rain gardens created or improved.	3	4	Local Measure	Not Available	Not Available	This indicator is close to the target, majority of the work carried out in 22/23 will lead to completion of another rain garden in early 23/24.
(NEW) Value of the impact service actions have on returning and protecting funds to residents	£257k	£300k	Local Measure	Not Available	Not Available	This new indicator aims to provide, for the first time, a monetary reference to the work carried out to protect residents. The service area aimed for an ambitious target as a starting point, so an overall result only 15% short of the target is a positive outcome.
Number of Active Travel (AT) Journeys	360,057	400,000	Local Measure	393,952	280,145	The decrease was due to Malpas-Bettws Canal towpath resurfacing where the AT counter was removed for 7-8 months. Corporation Rd AT counter had defects for part of the year. Pandemic recovery led to an overall drop in AT journeys.

*Welsh Average Data provided if available on Data Cymru Benchmarking or Stats Wales website.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Percentage of all planning appeals dismissed.	71.43% (30 / 42)	77%	Not Available	76.9%	74.1%	We aim to make good quality decisions and have set a target above the Welsh Government target of 66%. Planning is often subjective in respect of matters such as design and Planning Committee are entitled to make decisions against officer recommendation.
Percentage of Bi-monthly cleanliness inspections of highways and relevant land	99.6%	97%	Not Available	98.7%	99.2%	
Percentage of Municipal waste re-used, recycled or composted.	65.2% (45,485 T / 69,793 T)	64%	65.2% (21/22)	67.1%	67.2%	This figure is provisional (subject to WG validation). Commentary discretionary as service achieved its target.
Kilograms of residual waste generated per person	152.25 kg / person	155 kg/person	Not Available	155.54 kg/person	153.24 kg/person	
Percentage of municipal waste recycled at the HWRC	84%	70%	Local Measure	82.4%	93.7%	
Average number of days taken to clear fly tipping incidents.	1.4 days (1,654 days / 2,219 days)	1.5 days	Not Available	1.23 days	1.53 days	
Number of events held on a range of countryside biodiversity and recycling related matters.	96	45	Local Measure	102	0	
Percentage of all planning applications determined in time.	66.5% (658 / 989)	65%	Not Available	62.4%	67.1%	Performance is improving steadily as the year has progressed despite recruitment issues. Team continues to reduce the backlog of applications created during the prolonged covid period.
(New) Number of programmed highway safety inspections completed on time	100%	90%	Local Measure	Not Available	Not Available	
Percentage of principal C roads that are in overall poor condition	7.4%	8.8%	Not Available	5.9%	6.4%	The condition of the city's highway assets is declining, with asset condition continuing to deteriorate year on year. This is also reflected in the Council's Corporate Risk Register.

*Welsh Average Data provided if available on Data Cymru Benchmarking or Stats Wales website.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Number of reactive highway safety inspections completed on time	100%	90%	Not Available	Not Available	Not Available	
(New) Category 1 Defects completed within response time	100%	90%	Local Measure	Not Available	Not Available	
(New) Category 2 Defects completed within response time	89.1%	85%	Local Measure	Not Available	Not Available	
(New) Metres (M) of new or improved Active Travel Routes completed	3,710m	500m	Local Measure	Not Available	Not Available	Newport Train Station footbridge, Sorrel Drive and Fourteen Locks.
(NEW) Percentage of businesses that were either compliant or brought into compliance during the period	97%	97%	Not Available	Not Available	Not Available	
(New) Number of new affordable housing units granted planning permission during the year.	94 units	No Target (Baseline Year)	Local Measure	Not Available	Not Available	A new performance indicator. Note this figure does not include Reserved Matters applications where the % of units to be affordable was secured at outline stage.
Percentage of Food establishments broadly compliant with food hygiene standards	95%	95%	96.4% (19/20)	95.5%	96.6%	
(NEW) Value of the impact service actions have on regulatory criminality	£1,748m	£1.5m	Local Measure	Not Available	Not Available	
(NEW) Total Council Carbon Emissions (Tonnes of CO2 equivalent)	61,246 CO2e	74,900	Not Available	78,900	89,942	

*Welsh Average Data provided if available on Data Cymru Benchmarking or Stats Wales website.

Well-being Objective 2 – 23/24 Key Deliverables

Below is a summary of some of the key priorities and deliverables Newport City Council will be delivering / progressing in 2023/24:

- Continuing delivery of the Council's Climate Change Plan and Local Area Energy Plan
- Implementation of the 20mph default speed limit.
- Continuing the roll out of the 3 weekly bin collection.
- Delivery of the Active Travel programme and Safe Routes in Communities.
- First year of delivery of the Council's Digital Strategy
- Delivery of new and refurbished parks, play areas and open spaces across Newport.
- Continuing delivery of affordable and sustainable housing units in Newport.

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Well-being Objective 3 – Quality Social Care and Community Services

Newport is a supportive city where communities and care are at the heart of what we do.

No	Strategic Priority	RAG Assessment
Well-being Objective 3 Overall Assessment		
1	Create sustainable adult, children’s and prevention services through a co-production model with providers, service users, and carers to meet our statutory duties, future demands, and eliminate profit from children’s social care.	
2	Safeguarding our children, young people, vulnerable adults and families so that future generations can maximise their potential and have control over their lives.	
3	We will support individuals and carers to maintain their independence and support them when they need help by providing equitable access to early intervention and prevention support.	
4	Strengthening our investment in early intervention and prevention with a range of youth, play and community based activities supporting families and individuals to live positive and healthy lives.	
5	Reduce the number of people that are and/or at risk of becoming homeless through the provision of a holistic housing and preventative multi-agency support services.	
6	Newport will be a City of Sanctuary which supports Asylum Seekers, refugees and our global community to settle and become part of our community.	
7	Promote positive community inclusion and culture by engaging with key stakeholders and communities to address issues of anti-social behaviour and crime.	

Summary of Achievements and Challenges in 2022/23

Key Achievements 2022/23	Key Challenges 2022/23
<ul style="list-style-type: none"> Youth Services recognised for Bronze Quality Mark. 	<ul style="list-style-type: none"> Housing and Homelessness demands on the Council and impact on other front line services such as Social Services and Education.
<ul style="list-style-type: none"> Meeting the demand to support Ukrainian refugees in Newport. 	<ul style="list-style-type: none"> Eliminate Programme and remove profit from the care of children.
<ul style="list-style-type: none"> Establishing Cost of Living Delivery group collaborating with health, GAVO, charities and other not for profit organisations providing advice and support such as ‘Warm Spaces’ during winter period. 	<ul style="list-style-type: none"> Stability of social care providers and provision of residential / domiciliary care.
<ul style="list-style-type: none"> Development and approval of the Pillgwenlly Master Plan 	<ul style="list-style-type: none"> Pressures on Adult and Children services to meet demand.
<ul style="list-style-type: none"> Expansion of the Council’s Flying Start offer to residents in Newport. 	<ul style="list-style-type: none"> Improve Safeguarding training provided to Members and staff through the roll out of the National Safeguarding training standards and ensure compliance.
	<ul style="list-style-type: none"> Prevention & Inclusion grant funding from Welsh Government.

The progress towards delivering some of the Council’s strategic priorities in social services, housing and homelessness have been impacted by the need to manage winter pressures across health and social care, the cost of living crisis such as households struggling to meet increases in their mortgage and rental costs, increase cost of food and energy prices. Pressures across the Council’s Social Services, Housing & Communities service also have an impact on the Council’s financial revenue position as we meet our statutory duties to manage increases in demand, and inflationary cost pressures. These are reflected in some of our performance measures where the resilience to meet these demands is challenging.

In response, the Council has established a new service area (Preventions and Inclusions), and commenced several projects / initiatives to find long term solutions and improve our performance and to have more resilient services to meet demand.

Strategic Priority 1

Newport City Council is responsible for delivering Adult, Children and Preventative services for residents across Newport. The Council's Director of Social Services produces an annual report which self-reflects on the achievements, and challenges Social Services have faced and looking forward on their priorities for 2023/24. The full report can be found through the link [here](#).

As with many services across the Council, Adults, Childrens and Preventative services collaborate with third sector, private and charity organisations to deliver the range of statutory and non-statutory services. It is also important that the voices of individuals, families, and carers are also considered in the delivery our services. As highlighted above, the Council has experienced increasing demand to meet the needs of people with long term and complex care and support needs. Within Adult Services, there has been continuing review of the Adult Services structure and the provision of residential and domiciliary care services which is covered further in Strategic Priority 3 below.

Reablement Service, Adult Services

Newport Reablement Care Team are based within the Newport Integrated Frailty service. The Team provides short term Reablement Care for any adult living in Newport. The aim is to support people to be as independent as possible following a stay in hospital or to prevent people being admitted to hospital.

During the past twelve months the Reablement Care team support staff have continued to visit people in their own home after they have been discharged from hospital or become unwell at home and required some support. Initially when someone commences support with the team, they may feel very vulnerable and have experienced a loss of confidence. The team have a close, professional working relationship working with Frailty falls service, rapid nurses, occupational therapists, physiotherapists, mental health nurses, district nurses as well as social workers, NHS staff and GPs.

At the end of the reablement care support some people are assessed as requiring a more long-term care package and a social worker will complete an assessment of needs to put this in place.

During the past six months 60% of people the care team have supported through reablement were discharged from the service as being independent. We regularly receive compliments from people, or their relatives and they often individually name staff.

Within Children services co-production in the context of complex family situation is often challenging but the Council's role is to navigate those complexities with the needs of all in mind but the needs of those requiring care support to the fore. One of the biggest challenges and risks the Council faces is the requirement for all Council's to implement the WG policy to eliminate profit from the care of children looked after (fostering and residential placements) by 2027. Prior to this Newport Council has already taken steps to increase the number of children residential settings through the development of Windmill Farm and Rose Cottage. In response Newport Council is leading in collaboration with the other Gwent local authorities a programme to develop more homes and placements through its own service and social enterprises. However, the Council has experienced challenges over the last year, as existing private sector providers are starting to leave the market and reducing the supply of providers and placing the Council at risk of non-compliance with the Social Services Well-being act. The Council is working closely with Care Inspectorate Wales, WG and other local authorities to prevent this risk.

Strategic Priority 2

The Council's Social Services presented its annual [Safeguarding Report 2022/23](#) to the Council's Cabinet in June 2023. The report highlighted and demonstrated how the Council is meeting its safeguarding requirements and that safeguarding is everyone's responsibility. However, the report highlighted some challenges in ensuring Members and officers had completed required safeguarding training, but also how this has been addressed.

As identified in the Annual Governance Statement and Internal Audit reports (reported to Governance & Audit Committee), weaknesses were identified in Children Services relating to the financial management of Adoption Allowances and Safeguarding of Children's money (Related to Junior Savings Accounts and Child Trust Funds). Improvements are being made with the internal controls and processes in Children Services and further updates will be provided in 2023/24.

In 2022/23, the Council saw increasing numbers of safeguarding referrals to both Children and Adult Services. Within Children Services we received over 11,000 contacts (majority from Police, Health and Education) relating to children at risk of harm and abuse. In Adult Services, 246 investigations were completed (up from 140 in 21/22) of which 92 resulted in criminal investigations. All referrals / contacts are managed within a clear framework of understanding risk with a need to balance personal determination and recognising risk is rarely a straightforward binary position.

Safeguarding Hub

The Safeguarding HUB is the first point of contact for the public and professionals who are making referrals with concerns for children who are at risk of significant harm or have care and support needs. The team processes a variety of enquiries ranging from requests for information and services through to concerns about the welfare or safety of a young person between the ages of 0 – 18 years.

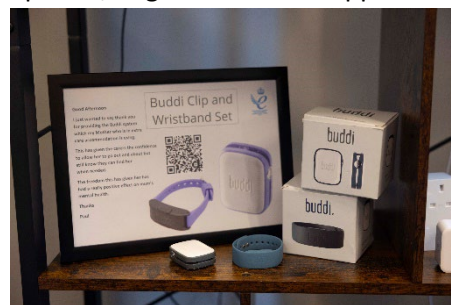
The HUB is responsible for making initial decisions about what should be done in regard to referrals to Social Services. The Hub is extremely busy and processes more than 1,000 referrals a month, ranging from care and support needs to high end child protection concerns. The HUB is multi-disciplinary and has close working relationships with partner agencies including, Youth Justice Service, Early intervention and Prevention, Adult Safeguarding, Police, Education, health and IDVA's. Having multi agency partners all sat together in one room is invaluable in ensuring that families get the right support at the right time. As we know safeguarding is everyone's business and not just social services.

There are several positive success stories for the hub, where working together has supported families to feel empowered and included in the assessment process. The Hub staff work tirelessly to ensure that families are supported, and children remain safe. They work in a strengths-based way, whilst considering the families personal outcomes to exact and maintain change.

Strategic Priority 3

Independent living is important for people to remain living at home and within their communities. One of the biggest challenges is to support people transitioning from hospital care either back into their homes or into a suitable residential setting. The Council has been collaborating closely with Aneurin Bevan University Hospital (ABUHB) to improve this process for individuals, but the last year has seen the Council needing to review the pathways available and what the Council can deliver and where we need to look at other social enterprises / organisations to support.

In collaboration between Adult Services and Digital Services, the Council launched its SMART home pilot project in Newport Market. The purpose of this is to demonstrate the assistive technologies and to support residents with independent living. The service provides individuals and families information about how different technology can help people with complex needs such as Alzheimer's, and support with implementing the technology into their homes.



A significant pressure for the Council has been the provision of domiciliary care provision where external providers have been unable to offer the support needed for people to live independently at home. At its worse the Council saw up to 1,200 hours not commissioned for one week. In response and self-reflecting the Council worked closely with service providers, individuals and their families and with other teams to reduce this to less than 10 hours waiting to be commissioned. However, the pressures are likely to remain for the foreseeable future as inflationary pressures, workforce retention and demands on the service remain.

Strategic Priority 4

Early prevention and intervention work with families and communities are vital to prevent long-term impacts on other services delivered by the Council and other public sector organisations. Majority of the Council's work is delivered through WG grants, programmes and initiatives such as Flying Start. In 2022/23 the Prevention & Inclusion team successfully brought together a range of services such as Adaptations, Substance Misuse, Youth and Play services, Flying Start and Families First.

The service area, which is predominately grant funded, is committed to ensuring service provision is meeting the needs of Newport residents and is making a difference to their lives on the issues that matter to them. However, the financial position will be challenging in 23/24 as future grant funding is reviewed by WG. From 2023/24, Community Connectors Carers Officer and the Community Development team will have joined the service area from Adult services to continue front-line and work and support to vulnerable residents.

In 2022/23 the service has been working with partner organisations recommissioning key services in substance misuse and Families First programme. The service area also remodelled its Play services and improved its Youth service offer which was recognised with the Bronze Quality Mark for Youth Services. The service area also delivered the phased expansion of its Flying Start offer across Newport to a further nine areas, and procurement of an additional 5 childcare providers (2 of which are Welsh medium) and integrating its services more closely with health, Adults, Children and Education services to improve early intervention pathways. There are many emerging opportunities and challenges which the service is facing including the ongoing financial pressures of the grant funding to meet rising costs and are collaborating with the Asset Rationalisation programme to examine how communities are using Council buildings and services and improving the performance measures used to demonstrate the delivery of the Prevention and Inclusion services.

The cost of living crisis, pressures in the housing market, legislation and welfare benefit changes has had significant impact on households across Newport with people experiencing increases in their energy, food, rent and mortgage costs. Throughout 2022/23 monthly updates were reported to the Council's Cabinet on the impact of cost of living and the Council's response. The Prevention & Inclusion service established a multi-agency 'Cost of Living Delivery group' collaborating with a broad range of Council, health, third sector partners to deliver initiatives and support people struggling with the cost of living. This ranged from providing grant funding and support to food banks / organisations, delivering 'Cost of Living' events providing energy, debt, housing and employment / training advice and the provision of "warm spaces". Using funding from Welsh Government and in collaboration with GAVO, we supported 6,466 people across 498 sessions with "Warm Spaces".

Strategic Priority 5

Housing and homelessness in Newport is a significant pressure for the Council and the Registered Social Landlords. In 2022/23 the Council saw increase of 115% of people approaching the Council, with 450 people placed in temporary accommodation, an average of 28 people sleeping rough at any one time, and around 10,000 registered on the Common Housing Register. Newport has also reported the highest numbers of rough sleepers in Wales with an average of 28 people sleeping rough at any one time. All of this is impacting the Council's ability to meet this demand and increasing the waiting times for assessment. The Council's performance in this area is therefore challenging as a result of these pressures.

In response, the Council's Housing & Communities team has established a major programme of work which includes reviewing the structure of the service, improving systems and processes to improve the efficiency to support and signpost people to appropriate services and working with RSLs to increase the number of affordable and sustainable housing across Newport. Already, in 2022/23, the Council was able to distribute £24.9m of Social Housing Grant to RSLs to deliver affordable housing which will provide an additional 396 units of accommodation across the next 5 years. In June 2023, Newport welcomed Prince William to the city, where it was announced that the city will be one of six areas in the UK to launch his [Homewards](#) programme to end homelessness. Further progress on how the Council will be supporting this work will be reported in 2023/24.

Strategic Priority 6

As a Home Office Dispersal area, Newport City Council has a legal requirement to support Asylum Seekers and refugees. Newport City Council and our partners recognise the additional pressures which this has on existing services but we also understand that we have a duty of care and safeguarding duties to ensure vulnerable people, especially children are supported and not put at risk of exploitation, and criminal activity. In 2022/23, Newport City Council's Children Services has been leading and sharing best practice on a regional collaboration between Gwent local authorities to support Unaccompanied Asylum Seeker Children (UASC) and families seeking refuge. To meet the demands on the Council, we have expanded the capacity of the team to employ an additional support worker, senior practitioner and an immigration specialist advisory post. Additionally, the team has also funded a third sector partner to provide support work capacity for the Council and improving sharing of information across the Council's services to provide holistic support.

The Ukrainian conflict has continued to cause disruption for many Ukrainian families who have been unable to return home. Since the UK and Welsh Government's commitments to support the Ukrainian conflict and refugees, At the end of March 2023 Newport had 118 people living with 56 sponsors in Newport and 40 households living in one Newport hotel, 3 households living in Housing Justice Cymru interim accommodation and a further 12 householders living in a hotel under the Welsh Government Super Sponsor scheme. Across Newport's schools we had 50 Ukrainian learners. Newport Council is working closely with the Welsh Government, the third sector and charities to ensure that we are able to find longer term secure accommodation for those that are living in the hotels.

Strategic Priority 7

Throughout 2022/23, the Council has led as part of the One Newport Partnership the development of the Pillgwenlly Master Plan which was reported to the Council's Cabinet in [May 2023](#). Collaborating with partner organisations and involving local residents, community leads and local businesses, the Council developed the Master Plan as the key, strategic driver to improve the Pillgwenlly. The Master Plan sets out 5 key work areas:

1. Improving communication
2. Fly-tipping and refuse collection
3. Housing quality and management
4. Local businesses and community support
5. Physical environment and green spaces.

The Master Plan also set out improvements to the Safer Pill group jointly chaired by Gwent Police and the Council. As part of the plan the group will be focusing on the Exploitation of vulnerable people, drug supply, women and children and communications and community engagement. Finally, the Master Plan has also set out 3 Community Ambitions to improve green and public areas, better business and shopping offer and environment and mix of community and youth facilities. In 2023/24 the partnership will be implementing the proposals and developing feasibility and costings to support the projects and initiatives.

Newport City Council is a lead partner in the 'Safer Newport' Community Safety partnership which is engaged with preventing and challenging antisocial behaviour, Serious violence and local neighbourhood issues. The partnership includes other partner organisations such as Gwent Police, South Wales Fire and Rescue Service, ABUHB, Public Health Wales and Gwent Probation Service. Full information on the Safer Newport activities are outlined in the report presented to the [Partnership Scrutiny Committee in March 2023](#). Some of the activities highlighted by partnership include:

- Community Action Days, assist days and neighbourhood walkabouts with a focus on tackling ASB.
- School, and community engagement and direct prevention work with families and young people around organised crime.
- Retention of the Purple flag award for the night-time economy in Newport.
- Working in partnership with Newport BID and Gwent Police to appoint 2 Community Safety Guardians in the city centre. Since July 2022, the service responded to 1,052 incidents relating to ASB, violence and support to women and girls.

Well-being Objective 3 – Performance Measures

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Percentage of newly eligible children requesting childcare in Welsh medium (Flying Start)	0.8% (3 / 364)	2%	Local Measure	Not Available	Not Available	This area of work is linked to the Flying Start expansion programme and NCC's commitment to Welsh Governments' Welsh in Education Strategic Policy (WESP) to increase Welsh speakers by 2050. WG aspiration is for 1 million Welsh speakers in Wales by 2050. This WESP has a set target of 4%, however this needs to be an aspirational target whilst we develop more Welsh Medium provision across the city. The Welsh Medium infrastructure is currently being developed. Ivor Hael Early Years provision is complete and waiting for CIW registration. Pill Capel Crescent Welsh Medium Early Years provision is now complete. The procurement process recently undertaken has successfully secured a Welsh medium provider who will offer Flying Start provision and broader Early Years provision strategically placed to support transition into the new primary school. Ringland Early Years provision has also expanded and has now become an Education provider supporting transition from Flying Start. Work force challenges are significant within Early Years. Recruitment into Welsh speaking practitioner posts are challenging.
Percentage of people seeking housing assistance who are determined as statutorily homeless.	15.1% (341/2,261)	30%	Not Available	17.6%	21.6%	As the Housing Transformation Plan is delivered, we expect the total number decrease in direct correlation to homelessness prevention and relief outcomes increasing.
The percentage of empty private properties brought back into use.	0.4% (4 / 993)	1.52%	Not Available	2.02%	0.9%	Empty properties are a complex issue with barriers including emotional attachment to properties, legal issues. A revised offer to property owners will be developed and publicised during the first two quarters. This will be combined with a reviewed and robust approach to enforcement.

*Welsh Average Data provided if available on Data Cymru Benchmarking website.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
The percentage of households for whom homelessness was prevented.	33.6% (181 / 539 cases)	50%	66.8% (21/22)	40.1%	43.5%	Performance for 22/23 has been challenging but since the homelessness prevention team was created in quarter 3 there has been a consistent improvement (quarter 4 performance was just under 40%), this improved performance is anticipated to continue. Increasing homelessness prevention performance is a key priority of the housing transformation work. Further interventions will be put into place over 23/24 including the establishment of a housing advice and homelessness prevention task force which will ensure effective interagency messaging and joint work.
(New) Households in temporary accommodation under homelessness duties.	443	360	Not Available	Not Available	Not Available	This figure represents a snapshot at the end of quarter 4. There has been an overall increase of 31% of households in temporary accommodation over the year compared to end of 2021/22. Almost 60% of people living in TA are single adults to whom the council owes a statutory duty following changes to homelessness legislation. Reducing the number of people living in TA is a key priority for the council. A such a fortnightly Temporary Accommodation reduction group has been established and various measures are in place or will be rolled out across the course of 23/24.
(New) Number of private sector dwellings improved with local authority grants or loans.	2	5	Not Available	Not Available	Not Available	Several applications could not be progressed as they posed too great a financial risk under the terms of the loans. A revised offer to private sector owners will be agreed and publicised in 23/24 alongside a revised and robust approach to enforcement.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Percentage of households for whom homelessness was relieved.	32.4% (381 / 1,175)	35%	34.1% (21/22)	19%	18.3%	Performance has improved over the course of the year and reached 37.27% by the end of quarter 4. Initiatives which are being currently developed, including Leasing Scheme Wales, a revised offer to private landlords and partnership work with RSLs will sustain and build on this improvement.
Percentage of significant Regulatory issues resolved	91%	95%	Local Measure	79.3%	78.3%	This is good performance given that 22/23 was a year of recovery from the impact of the Covid pandemic, some staff were still focussed on the Covid response until August, standards in businesses have been more challenging to deal with due to reduced regulation during the pandemic, and certain teams have carried vacancies through much of the financial year.
Total Number of first Time Entrants (Youth Justice Service)	23	20	Local Measure	13	38	Less is better as we would want to see a reduction in first time entrants' and have diverted them to other services or earlier engagement and prevention
(New) Number and percentage of participants with improved emotional/mental wellbeing.	92% (315 / 343)	100%	Local Measure	Not Available	Not Available	Preventions, Mind and Newport Live are the commissioned services that deliver this outcome within Families First. Emotional/mental wellbeing is not the primary aim of all families that Preventions works with, therefore it is not possible to reach the target of 100% as the total number of cases (343) includes other primary needs.
(New) Number of children and young people achieving national and local accreditation with Youth Service.	128	150	Local Measure	Not Available	Not Available	Work is ongoing to increase the number of young people achieving national and local accreditation through Aspire and the Youth service.
(New) Number of childcare spaces (Flying Start): • Medium of Welsh • Medium of English	Welsh – 24 English – 602 Total – 626	Welsh 28 English 662 Total - 690	Local Measure	Not Available	Not Available	Flying Start has completed a procurement process to secure additional Welsh medium provision, which will increase the number of children engaging through the medium of Welsh in future once formal agreements are in place.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Quality of life for substance users is improved or unchanged between start and most recent review /exit.	74%	82%	Local Measure	Not Available	Not Available	This KPI is mandate for all substance misuse services in receipt of Area Planning Board funding. This is information direct from the WG database and is the official source of validated data for treatment service providers and APBs to monitor and report performance against. Substance misuse treatment is a complex physical and emotional process for individuals and the Treatment Outcome Profile is reviewed once every 3 months and therefore is a snapshot at that moment where they could be dealing with a variety of issues and not necessarily representative of the full 3-month process. Newport reports a higher level of QoL than some other areas of Gwent.
(New) Percentage of participants whose financial situation has stabilised or improved.	48.1% (165 / 343)	40%	Local Measure	Not Available	Not Available	This figure is made up of support offered as part of the Families First contract provided by Preventions (internal NCC service) and Citizens Advice Bureau, case studies are also available. As above the number of total cases will include all families, not only those whose primary aim was to improve their financial situation.
(New) Number of Disabled Facility Grants completed yearly	105	90	Not Available	78	86	
(New) Number of Youth Service Projects delivered.	6	6	Local Measure	Not Available	Not Available	
(New) Attendance figures at childcare provisions (Flying Start).	64.6%	60%	Local Measure	Not Available	Not Available	
(New) Percentage of places taken up in parenting groups resulting in positive distance travelled.	73.9%	60%	Local Measure	Not Available	Not Available	

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Number of places taken up on community speech and language group provision.	519	200	Local Measure	Not Available	Not Available	
(New) Percentage of individuals who engage with substance misuse services between assessment and planned ending of treatment.	83.7%	75%	Local Measure	Not Available	Not Available	
(New) Number of Information, Advice and Assistance (IAA) contacts made with children and young people.	506	No Target	Local Measure	Not Available	Not Available	
(New) % of cases open to the YJS on a prevention basis	67.2% (225 / 335)	80%	Local Measure	66.4%	46.3%	More is better as we would want to see higher levels of cases receiving preventative services.
(New) % of cases open to the YJS on an out of court disposals	23.3% (78 / 335)	80%	Local Measure	24.1%	38.3%	Whilst we would want to see a reduction in out of court disposals, on the whole, this is a preferred option instead of a statutory order. Target will be reviewed as part of the service area 23/24 review.
(New) % of cases open to the YJS on a statutory order	8.7% (29 / 335)	38%	Local Measure	8.8%	15.1%	Less is better as we would want to reduce the amount of statutory orders cases. Target will be reviewed as part of the service area 23/24 review.
(New) % of cases on remand	0.9% (3 / 335)	1%	Local Measure	0.7%	0.4%	Less is better as we would want to have no remands cases where possible Target will be reviewed as part of the service area 23/24 review.
(New) % of cases re-offending (re-offending rates)	3.6% (12 / 335)	25%	Local Measure	8.9%	19.3%	Less is better as we would want to see numbers of re-offending cases to be as low as possible Target will be reviewed as part of the service area 23/24 review.
(New) % of cases open to the service with Criminal Exploitation (CE) /Criminal Sexual Exploitation (CSE)	14.6% (49 / 335)	Baseline Year	Local Measure	29.5%	27%	Less is better as we would want to see a reduction in CE or CSE cases. Target will be set for 2023/24.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Percentage of ASB incidents resolved by wardens	97.3%	93%	Local Measure	95%	92.3%	
Number of people approaching authority for statutory housing advice and assistance.	2,261	2,000	Local Measure	1,830	1,778	The service is demand-led. There has been an increase in the numbers of households requesting assistance and due to changes to statutory 'priority need' categories and other external factors such as the impact of changes to landlord and tenant legislation and the cost-of-living crisis.
Number of employees trained in Prevent PVE.	527	145	Local Measure	136	145	A concerted effort to train staff in schools means that the service performed very well in this metric.
Percentage Quality Indicators (with targets) achieved by the library service.	60%	60%	Not Available	60%	70.3%	The number of Quality Indicators with targets in the WPLS return for 2022-23 was reduced from 22 to 6. As a greater number of the QIs retained were based directly upon revenue spend, the service met a lower overall percentage.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual
National (AD/002) – The number of contacts received by Adult Services where advice and assistance was provided during the year.	1,571	No Target	Not Available	1,725	1,718
National (AD/004) – The number of new assessments completed for adults during the year.	1,306	No Target	Not Available	1,444	1,538
National (AD/010) – The total number of packages of reablement completed during the year	439	No Target	Not Available	601	583
National (AD/011a) – The number packages of reablement completed during the year that reduced the need for support	32	No Target	Not Available	24	43
National (AD/011b) – The number of packages of reablement completed during the year that maintained the need for the same level of support.	64	No Target	Not Available	62	95
National (AD/011c) – The number of packages of reablement completed during the year that mitigated the need for support	314	No Target	Not Available	484	409
National (AD/011d) – The number of packages of reablement completed during the year that increased the need for support	29	No Target	Not Available	31	43
National (AD/012) – The number of adults with a care and support plan as at 31 st March.	2,249	No Target	Not Available	1,940	1,861
National (AD/013) – The total number of adults with eligible needs for care and support maintained by Direct Payments at 31 st March	101	No Target	Not Available	94	93
National (AD/023) – The total number of reports of adults suspected of being at risk where it is necessary for enquiries to be made.	730	No Target	Not Available	783	648
National (AD/024) - No. of Adult Protection Enquiries Completed Within Timescale	671	No Target	Not Available	745	Not Available
National (AD/020) - The total number of reports of an adult suspected of being at risk received during the year.	957	No Target	Not Available	Not Available	Not Available
(NEW) AD/L001 - Number of Adult Professional Safeguarding Concerns raised in the year.	39	No Target	Not Available	Not Available	Not Available
National CH001- The number of contacts for children received by statutory Social Services during the year.	11,024	No Target	Not Available	11,311	10,104
National CH/005b- The number where physical punishment by a parent or carer was the only factor	119	No Target	Not Available	85	144
National CH/015- The total number of children with a care and support plan at 31 st March	978	No Target	Not Available	945	978

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual
National CH/026- The total number of children on the child protection register at 31 st March.	135	No Target	Not Available	127	158
National CH/033- The total number of reports of child exploitation received during the year	141	No Target	Not Available	122	62
National CH/036- The total number of children removed (de-registered) from the child protection register in the last 12 months	201	No Target	Not Available	207	148
National CH/037- The number of children becoming looked after during the year.	122	No Target	Not Available	166	91
National CH/039 - The number of children looked after at 31 st March.	376	No Target	Not Available	372	378
Local CH/L002- The number of children who ceased being looked after during the year.	113	No Target	Not Available	120	92
National CH/043- The total number of children looked after at 31 st March who have experienced three or more placements during the year.	34	No Target	Not Available	50	26
National CH/045 - The total number of children who returned home during the year	49	No Target	Not Available	33	36
National CA/011 - The total number of contacts to statutory social services by young carers or professionals contacting the service on their behalf received during the year. Provided by Barnardos	111	No Target	Not Available	127	74
National CH/L004 – Number of Childrens Residential Fostering Beds	24	No Target	Not Available	22	20
National CH/L005 – Number of Children in care proceedings during the year	73	No Target	Not Available	56	44

Well-being Objective 3 – 23/24 Key Deliverables

Below is a summary of some of the key priorities and deliverables Newport City Council will be delivering / progressing in 2023/24:

- Continuing delivery of the Eliminate Programme and Housing Transformation Programme
- Continuing delivery of Unaccompanied Asylum Seeker Children programme.
- Delivery of the Strategic Needs Assessment for the Community Safety Partnership.

Well-being Objective 4 – An Inclusive, Fair and Sustainable Council

Newport City Council is an inclusive organisation that places social value, fairness and sustainability at its core.

No	Strategic Priority	RAG Assessment
Well-being Objective 4 Overall Assessment		
1	Become an inclusive organisation that represents the citizens of Newport, providing equitable opportunity for people to succeed and places the citizen at the centre of decision making.	Orange
2	Transform our neighbourhood and community services to enable communities to make best use of land and property through community asset transfer.	Green
3	Deliver our organisational Climate Change Plan to become a net zero organisation by 2030.	Orange
4	Provide fair access to the council's in-person and digital services, including digital skills training and support.	Green
5	Promote and improve the way in which residents and businesses can interact with the council's democratic process and decision making.	Green
6	Rationalise, protect, and enhance our buildings and assets enabling co-productive working environments with our strategic partners, public sector bodies and other organisations.	Green
7	Generate opportunities to build wealth across Newport's communities through progressive procurement of goods and services and other initiatives such as participatory budgeting.	Green

Summary of Achievements and Challenges in 2022/23









Key Achievements 2022/23	Key Challenges 2022/23
<ul style="list-style-type: none"> Launch of the Council's new Digital Strategy 	<ul style="list-style-type: none"> Sickness and Check In performance did not achieve its intended targets
<ul style="list-style-type: none"> Commencement of the Asset Rationalisation programme 	<ul style="list-style-type: none"> Progress towards delivery Net zero carbon by 2030.
<ul style="list-style-type: none"> Participatory budget programme supporting community and charity organisations across Newport. 	<ul style="list-style-type: none"> Increasing meaningful public participation in the Council's decision-making processes.
<ul style="list-style-type: none"> Launch of the Council's Participation strategy 	<ul style="list-style-type: none"> Increasing and supporting the number of staff from disabled and minority ethnic communities
<ul style="list-style-type: none"> Gender pay gap closed from 2% (21/22) to 0.4% with 69% women occupying highest paid jobs. 	<ul style="list-style-type: none"> Delivery of new website and review of customer contact

At the end of the financial year 2022/23, the Council has made a good start in the delivery of Well-being Objective 4. Good progress has been made to reduce the gender pay between men and women but we know more can be done to improve workforce resilience; and representation across minority ethnic, LGBTQ+ and disabled groups. There are significant challenges over the next 5 years to develop a long term sustainable estate to meet our climate change goals and the needs of Newport's communities. This is particularly challenging in the context of challenging budget settlements, and the need to transform the delivery of our services.

Strategic Priority 1

The health and well-being of staff is extremely important to the Council. The People Strategy has been pushed back to 2023/24 as we engaged and involve staff in its development. The performance measures indicate an increase in sickness and we recognise further work needs to be undertaken to embed the Wellness at Work policy and improve the check in performance across the Council. The number of women in senior officer positions and Cabinet has increased in 2022/23. But we recognise further work needs to be undertaken to increase the representation of minority ethnic, disabled and LGBTQ+ staff. Below provides further assessment across the strategic priorities in 2022/23.

Newport City Council has a [Strategic Equality Plan 2020-24](#) which outlines the Council’s duties to comply with the Equalities Act and also support the Corporate Plan goal to become an inclusive organisation. The Plan will be developed in 23/24. The Council’s annual **Strategic Equality Plan 2022/23** report provides further detail of the Council’s progress. In 2022/23, the Council increased its representation in upper pay quartiles and senior officer roles and the gender pay gap closed. The Infographic below highlights some of the headline areas from the 2022/23 annual Strategic Equality Plan report.

			
4.9% Staff identify as Black and Minority Ethnic	6.1% leavers Black and Minority Ethnic (increase from 4.1% in 21/22)	2.51% workforce disabled (2.52% in 2021/22)	22.5% of 151 staff left NCC declaring disability in 21/22
			
1.95% workforce identified as LGBTQ+ (Increase from 0.13%)	76.9% female workforce	Gender Pay Gap closed 2% (21/22) to 0.4% (22/23)	69% women occupy highest paid jobs.

Newport City Council is committed to advancing equity for people across all backgrounds and increasing the representation of minority ethnic people, disabled people and people who identify as LGBTQ+ to address under-representation across all levels of the organisation. The Council’s three staff networks are supporting the delivery of this change playing a pivotal role in ensuring their voices were heard, listened and influenced policy and procedure changes such as the Wellness at Work policy and employee exit process.

To deliver the priorities of the Corporate Plan it is important that we are able to provide a package which not only provides equitable financial reward but more importantly is flexible to support people in the workplace. This includes flexible working, hybrid working and also other benefits. The implementation of the People Strategy has been pushed back to 2023/24 as we engage and involve staff in its development.

Sickness absence performance has been challenging, with Covid absences now featured as part of our performance reporting. It is recognised that further work needs to be undertaken by the Council’s Human Resources team to better understand the reasons for absences and to assess the impact of the Wellness at Work approach. This is also the same with the ‘Check In’ performance for 2022/23, where significant work has been completed to understand performance levels, resulting in changes to the process and wider engagement with staff. Consequently, the last quarter saw an improvement to the check in performance which has continued into 2023/24.

Strategic Priority 2

Three of the Council’s strategic priorities in this objective relates to the long term use of the Council’s assets and to also ensure assets remain sustainable for future use by residents, businesses and staff. Newport City Council owns over 400 assets and land across Newport including schools and community centres. The Council also has a maintenance backlog circa £100m and has a commitment to ensure our assets are net zero carbon by 2030. In 2022/23, the 5 year Asset Rationalisation programme commenced and is tasked to review and rationalise the use of the Council’s estate to ensure buildings and land are effectively used by residents and staff, can meet net zero carbon goals and provide social value to the communities they serve. One of the projects in this programme is to review the use of our buildings and land to develop a new Strategic Asset Management Plan. It is important that we examine and understand how these assets are being used by staff and communities, the value and benefits which the assets provide and where we can make long term investment to meet the needs now and in the future. The Corporate Plan also outlines the priority to work with community groups and organisations who have the opportunity to own, and maintain assets for use by local communities.

Over the last five years we have seen the community groups such as Maindee Unlimited run key assets such as Maindee Library, and Maindee Triangle. But we want to ensure more groups are able to do this as well and will be looking at how we can develop the potential for more Community Asset Transfer over the next 5 years.

Strategic Priority 3

As highlighted in Well-being Objective 2, the delivery of the Climate Change Plan will provide many opportunities and challenges to become a net zero organisation by 2030. As highlighted in the Climate Change annual report, good progress has been made towards providing training and development for Members and staff to understand the impacts of climate change and what it means for the Council and city over the next 20 years. Additionally, we have continued to improve access for staff and residents to use electric vehicles, alternative transport to commute to work and also modal shift of staff being able to work flexibly from home, office and onsite using digital technology. However, we also understand that one of the biggest challenges is how assets such as the Civic Centre, schools and other buildings can become net zero carbon by 2030 considering significant costs to retrofit and improve the maintenance / insulation.

Strategic Priority 4

As noted in Well-being Objective 2, the Council launched its new [Digital Strategy](#) at the end of 2022/23 and reported its progress in its annual **Digital Report**. The Digital Strategy has several themes focused on 'Digital Transformation', 'Digital Skills and Inclusion' and 'Data & Collaboration'. Digital Transformation is a key theme for the Council and using technology to improve the efficiency and delivery of council services to people and businesses. In 2022/23 the Council delivered several internal projects such Microsoft 365, replacement telephony system using Microsoft Teams Phone, Hybrid committee room and meeting rooms. We also commenced the re-development of our website. During the initial development it was identified that the Council would not be able to achieve its original deadline due to technical issues and the resources (external) needed to deliver the project. The outcome of this has been for the Council to deliver a revised project plan and to implement a new technical solution, Local Government Drupal, which is used by 37 councils at the time of this report and for a new website to be available in the first quarter in 2024/25.

As reported in the performance measures section, customer services reported good performance against its targets and has continued to see an increase in the number transactions completed using the online My Council Services app. As part of the Council's transformation work in 2023/24, the Council will be commencing work on examining the customer experience and understanding the Council's strengths and weaknesses towards enabling people to complete transactions online, in person and also signposting to other organisations to access the services they need. Newport Council also continued the delivery of the Welsh Government EdTech programme to support individual schools and pupils to develop their digital and learning practice. £567k was spent on improving digital access including:

- 924 digital devices including laptops, PCs, Chromebooks, iPads, Macbooks and iMacs
- 156 projectors, with 98 of these being laser projectors
- 165 digital screens
- 144 sets of speakers
- 89 webcams
- 344 class sets of headphones

Strategic Priority 5

One of the Council's principles in the delivery of the Corporate Plan is that we will consider the views of communities, service users and partners in shaping the services we deliver and the places people live and work in Newport. Throughout this report we have highlighted where we have engaged with service users, communities and individuals in either improving the delivery of key services or developing new policies, or changing the way we deliver our services. On page xx of the we have provided an overview of all the consultations Newport Council has delivered in 2022/23, where we have engaged with businesses and with Trade Unions.

In May 2022, Newport Council agreed its new Participation Strategy to encourage local citizens to participate in the democratic process and decision making. One of the first areas of improvement has been the reintroduction of Ward meetings from 2023/24 with at least one meeting to support the budget setting process and another meeting to highlight the progress which the council is making against key objectives and projects. Additionally residents will also be provided the opportunity to set their own points of discussion and set agenda to discuss the key matters in their own community.

The Council has taken other steps to promote and improve the way in which residents and businesses can interact with the democratic process and decision making. As part of the budget consultation, rather than a simple agree/disagree response, residents were able to give their view on whether they agree with the proposal or support a smaller saving or now saving at all. Furthermore residents were able to rate the relative importance of particular savings proposals to others within the draft budget, giving them a richer opportunity to inform budget decisions. This new approach was well received by the Scrutiny committee tasked with oversight of the budget consultation.

Over the course of 2022/23 the volume of engagement work was increased as Covid restrictions were lifted. The Newport 50+ Forum was reinitiated following a period of suspension during the pandemic. Survey work undertaken using the Citizens Panel and Bus Wifi recommenced as normality returned. During the 2022 calendar year the Policy and Partnership Team ran 40 engagement exercises for the Council and its partners and received over 10,000 responses from local residents.

Every year the Council reports on its performance relating to Compliments, Comments and Complaints to the Council's Cabinet and Governance & Audit Committee. In March 2023, the Council's Cabinet approved the Compliments, Comments and Complaints policy which was updated to reflect improvements to the Council's processes and improved processes. An overview of the Council's progress against its action plan from 2021/22 is provided on page xx. And further information can be found in the 2022/23 annual report [here](#).

Strategic Priority 6

In Strategic Priority 2 we stated how the Council commenced the Asset Rationalisation programme towards the end of 2022/23 to examine the Council's estate to ensure that the Council has a sustainable and affordable estate to support the long term needs of its communities, services and staff. To deliver the programme, the Council has established an officer led programme board which will oversee the delivery of this work. The initial focus of the Board has been on building the evidence to understand how buildings and land are being used alongside our organisational needs. From 2023/24, we will start to see some outcomes from this work as various projects use this data to inform decisions on the future use of assets. This programme will be delivered over the next 5 years and future decisions on asset use will be determined by the new Strategic Asset Management Plan.

Towards the end of 2022/23, we commenced work on reviewing the Council's contract arrangements with its Property Services provider, Newport Norse. The contract will be ending in December 2025 and in preparation the Council will be exploring different options and presenting further updates on its progress in 2023/24.

Strategic Priority 7

One of the Council's strategic priorities is to build wealth across Newport's communities through progressive procurement of goods and services. In March 2023, [the Council's Cabinet](#) approved the adoption of TOMs (Themes, Outcomes and Measures) to unlock social value through its integration into procurement and project management. From 2023/24, Newport City Council will use the framework to evaluate future procurement work and to measure the Council's progress in implementing the new framework with six monthly reports presented to Cabinet and will be included this report. In 2022/23 we trialled the use of the TOMs to evaluate procurement tenders with the case study below to demonstrate how it supported a tender exercise.

Traffic Management Tender (Infrastructure)

In February 2023, the Council's Infrastructure service area retendered for traffic management to meet legislative requirements and because the Council does not have the specialist expertise to deliver the service. Companies were invited to tender for the contract and as part of the evaluation exercise had to submit evidence to support how they meet the Council's TOMs in addition to their tender quotation. The evidence submitted by the successful company demonstrated how their work contributes over £96k per annum of direct social value to Newport through local employment and contributing towards reducing carbon emissions such as using electric vehicles and latest energy saving technology with equipment.

In January 2023, Newport City Council collaborated with Aneurin Bevan University Health Board and One Newport partners including Gwent Police, GAVO and Newport City Homes to deliver the fourth **Participatory Budget** programme with £300k available to strengthen volunteering and the third sector in Newport. The core aims of this year's programme was informed by the Council's Corporate Plan building safer, stronger and more resilient communities; improving people's health, well-being and independence; reducing inequalities, tackling disadvantage and supporting our most vulnerable people; tackling the climate and nature emergency; and making Newport a better place to live, work and visit. The premise of the Participatory Budget programme is that people in Newport are involved and support the decisions on which organisations and projects will receive the funding.

Across 4 sessions, 80 projects from across Newport submitted applications with 44 projects securing funding. 530 people also took part in deciding which projects received funding and covered a range of community projects including services for older people; sports and fitness; arts, culture and creative arts; minority ethnic community projects; mental health and loneliness. Following the receipt of the funding, projects were asked to provide the Council an update on how the funding has supported their projects and improved their local communities. Below are some links to the videos submitted by organisations on how the funding has supported their projects and communities:

- [Forget Me Not Choir](#)
- [Gypsy Stars Choir](#)
- [New Life in the Park Reality Theatre CIC](#)
- [Newport Veterans Hub CIC](#)
- [IQRA Youth Club](#)

Well-being Objective 4 – Performance Measures

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
NCC Sickness Days Lost.	12.35days	10.06 days	Not Available	10.06 days	7.28 days	<p>19/20 & 20/21 reported a change in previous variations on sickness data due to the pandemic, and therefore the last few years within and coming out of the pandemic, normal absence rates reduced, although COVID absence, which was not part of the reporting at that time, is now included in this figure. April 22 also saw the Council approve its Wellness at Work approach, which adopted a more mature approach to managing absence. It is also widely reported that absence across sectors has increased as we emerge from the pandemic, into other crises such as cost of living.</p> <p>Work is required to understand Council absence and further engagement work is required in the still embedding wellness approach and this has started in 23/24.</p> <p>(actual 22/23 amended following report to Scrutiny from 14.13 to 12.35 which includes teaching staff, for consistency with previous years)</p>
Percentage of managers undertaking regular check-ins	37.91%	80%	Local Measure	23.9%	No Data	<p>Following changes in practice during the COVID pandemic we are relaunching our check-in process and ensuring these are recorded.</p> <p>As outlined above, considerable activity has taken place in Q3/Q4 to assess and redress this measure. Managers tell us that they do regularly hold conversations with their team members and recording it may not always be at the forefront. Work is continuing to develop this measure in 2023/24 to ensure we continue to improve and record.</p> <p>To demonstrate this, quarter 4 data (Dec-Mar) since the changes, is 50.52%, representing improvement.</p>

*Welsh Average Data provided if available on Data Cymru Benchmarking website.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) % of staff that are able to speak Welsh at least intermediate or above level.	8.1%	20% (to be amended to 7.5% 23/24)	Local Measure	No Data	No Data	<p>This performance measure is reliant upon staff members self-assessing their Welsh language skills within their Employee Self-Service account and therefore may not be accurate. We are working to remind all staff to complete this section in their accounts.</p> <p>In addition, we are working with partners on a programme of Welsh Language training aimed at improving Welsh Language skills across our officers and in increasing confidence for people to use Welsh in the workplace.</p> <p>The target will be reviewed for 23/24 to reflect the language skills of our population, ensuring we continue to develop but reflecting our recruitment challenges. 7.5% is the percentage of people in Newport who said they could speak Welsh in the 2021 census.</p>
(New) Percentage of complaints to the PSOW intervention	17.0%	Less than 14%	Not Available	11%	11%	<p>This is a new measure which has missed the target for the full year, although following changes to processes and policy has improved and was within target for Quarter 4. The overall number of upheld complaints is relatively low, at 8.</p> <p>During autumn 2022/23, the newly revised complaints policy and improved processes, are anticipated to result in improved future performance. In addition, there is a lag in the figures as they are based on when complaints referred to the Public Services Ombudsman for Wales (PSOW) are closed not when received.</p>
Number of Apprentices per 1,000 employees	17 per 1,000 employees	20 per 1,000 employees	Not Available	20 per 1,000 employees	29 per 1,000 employees	<p>As budget pressures continue across the Council the ability to convert roles into apprentices or support workplace apprenticeships becomes more challenging. Opportunities for further funding are being developed and apprentice pay is now being reviewed.</p>

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
Number of staff undertaken Equality, Diversity, and Inclusion training.	339	240	Local Measure	168	7	High levels of engagement in equality and inclusion training during the year at all levels. Plans for 2023-24 include building on the awareness raising training and adding more specific equality and inclusion related subjects. Updated FEIA to be launched in quarter 1 of 2023-24 alongside associated training to aid awareness and understanding.
(New) Number of Council staff completing Welsh language training.	194	180	Local Measure	No Data	No Data	Engagement with Welsh Language training has been encouraging this year and has been supported by the new Welsh Language Policy Officer. Discussions with a 3 rd party are continuing with plans to extend the offer of training in different ways to encourage further uptake in 2023-24.
Percentage of customer transaction requests carried out Face to Face	0.6%	30% or less	Local Measure	0.86% (1,459)	29%	
Customer Contact Centre average wait time- Council Tax enquiries	20 mins 23 secs	25 minutes	Local Measure	22 minutes 59 seconds	14 minutes 29 seconds	
Customer transaction requests made online using My Council Services	78.4% (326,190)	70% or more	Local Measure	76.5% (320,133)	Not available	
Customer Contact Centre average wait time- main enquiry line.	4 mins 29 secs	5 minutes or less	Local Measure	8 minutes 1 second	4 minutes 56 seconds	
Customer Contact Centre average wait time- Welsh enquiry line	2 mins 17 secs	5 minutes or less	Local Measure	3 minutes 44 seconds	2 minutes 26 seconds	
(New) No. of views of Scrutiny meetings including live and You Tube.	593	First year measure – monitoring data	Local Measure	Not Available	Not Available	

Well-being Objective 4 – 23/24 Key Deliverables

Below is a summary of some of the key priorities and deliverables Newport City Council will be delivering / progressing in 2023/24:

- Commence delivery of the Council's Asset Rationalisation programme and review of the Council's property services function.
- Delivery of the Council's updated website.
- Development and approval of the Council's new 4 year Strategic Equality Plan.
- A review of customer experience across Council services.
- Further implementation of the Council's TOMs and regular reporting to the Council's Cabinet.
- Delivery of the Council's Digital Strategy and Digital Transformation.

DRAFT

Self-Assessment of Governance & Performance Arrangements

This section of the report provides an overview of how Newport City Council meets the performance requirements under the Local Government and Elections Act to deliver its Corporate Plan, strategic priorities and statutory duties. To assess its effectiveness, we have included the outcomes of the Council's Annual Governance Statement (AGS), external regulatory reviews, and Internal Audit's overall assessment of the Council's internal controls.

We have also included in this section of the report an overview of the Council's internal governance arrangements and key policies in place for ensuring good governance is applied throughout the Council. This section of the report provides an overview of how the Council has involved and engaged with key stakeholders throughout 2022/23. Finally, we have concluded the effectiveness of the Council's Governance and Performance arrangements and recommendations for improvement.

Newport City Council Governance Arrangements

Newport City Council consists of 51 elected members representing [21 Wards](#) across Newport. Local Councillors are elected by the community to decide how the council should carry out its various activities and represent public interest as well as individuals living within the ward.

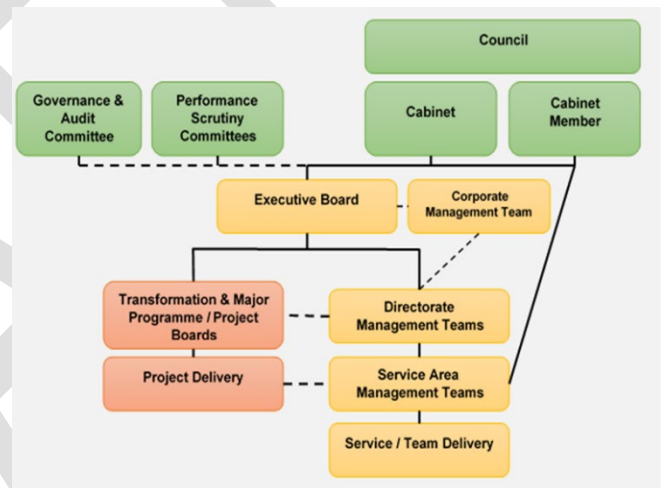
The Roles and responsibilities of the Council, its Cabinet and supporting committees are outlined in the [Council's Constitution](#) which was last updated in July 2023.

Officers (employees, staff inc. agency or other non-employed situations) are responsible for carrying out the Council's functions.

The Cabinet carries out all the Council's functions which are not the responsibility of any other part of the Council (whether by law or under the Council's Constitution). The Cabinet consists of the Leader with a maximum of 9 other Councillors appointed to the Cabinet to oversee the delivery of specific functions.

The diagram above provides an overview of the key officer groups and democratic groups responsible for monitoring and reporting on the Council's governance and performance arrangements. At Newport City Council there are four Performance Scrutiny Committees (Overview Scrutiny Management Committee / Partnerships Scrutiny Committee / Place & Corporate Scrutiny Committee / People Scrutiny Committee) responsible for assessing the performance of key Council services. The Governance & Audit Committee is responsible for overseeing the Council's Governance, Internal Control and Risk Management arrangements including the activities of the Council's external regulators, Internal Audit and its financial accounts.

The Council's Chief Executive is the Council's primary policy advisor, works with elected members and lead the Council's strategic management team to ensure that direct services to the public and support services are managed effectively and economically to provide best value. To support the Chief Executive in carrying out her duties, the Council has three Strategic Directors and 11 Heads of Service including key roles of the Section 151 Officer and Monitoring Officer. The Chief Executive leads the Council's Executive Board which oversees the delivery of the Council's 11 service areas and key functions. The Council also has 4 Directorate Management Teams responsible for overseeing the delivery of the service area functions, performance, risk, finance and human resources.



Newport City Council Performance and Risk Management Arrangements

As part of the Council's Corporate Plan 2022-27 development, the Council undertook a review of its performance and strategic planning arrangements considering the feedback from the performance scrutiny committees, staff as well as the requirements of the new Local Government Act. As a result, in 2022/23 the Council's [Performance and Planning policy](#) was updated to reflect the feedback and changes of legislation.

To support the delivery of the Corporate Plan and deliver continuous improvement, each service area has their own Service Plan which sets out their objectives, projects, actions, performance measures and risks which will monitor and report progress. As identified in the diagram above, the Council's Executive Board, Directorate Management Teams and service area management teams are responsible for monitoring and reporting progress against these plans.

Considering feedback from the 2021/22 annual Well-being Self-Assessment report, improvements were made to align key actions, projects and performance measures to support the monitoring and reporting of the Council's Corporate Plan. Additionally, improvements have also been made internally to effectively challenge and assess service area delivery. In June 2022, the Council's Executive Board held their first Challenge reviews of the End of Year service area performance. Feedback and recommendations to Heads of Service identified areas of improvement to service plans including:

- Improvements to performance measures to demonstrate the impact of service delivery.
- Review of targets to ensure targets are set to demonstrate continuous improvement, reflect resources required to achieve targets.
- Requirement from the Executive Board for service areas to provide more data and supporting information to support narrative provided by service areas.

A summary of Service Area End of Year performance in 2022/23 is highlighted below:

Service Area (Directorate)	Service Plan Objectives End of Year Status (Red / Amber / Green)				
	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5
Adult Services (Social Services)	Green	Amber	Green	Green	Green
Children Services (Social Services)	Amber	Green	Amber	Green	Green
Education (Chief Executive)	Green	Green	Green	Amber	Green
Environment & Public Protection (Environment & Sustainability)	Green	Green	Green	Green	Green
Finance (Transformation & Corporate)	Green	Green	Green	Green	Green
Housing & Communities (Environment & Sustainability)	Amber	Green	Green	Green	Green
Infrastructure (Environment & Sustainability)	Green	Green	Green	Amber	Green
Law & Standards (Transformation & Corporate)	Green	Green	Amber	Green	Green
People Policy & Transformation (Transformation & Corporate)	Green	Amber	Green	Green	Green
Prevention & Inclusion (Social Services)	Green	Green	Green	Green	Green
Regeneration & Economic Development (Chief Executive)	Green	Amber	Green	Green	Green

Service areas have considered the feedback from the Challenge reviews and Performance Scrutiny Committees to review and update their service plans for 2023/24 and will be used to support Mid-year and End of year performance reviews in 2023/24. From 2023/24, the Executive Board will be undertaking quarterly challenge reviews and will be using the Council's Management Information (Mi) Hub to support the reviews.

Towards the end of 2022/23 and into 2023/24, the Council's People, Policy & Transformation service area also implemented improvements in the monitoring and reporting of performance and projects in the Council. Continuous development of this work will be progressed in 23/24 and is also covered in the Council's Annual Governance Statement and Action Plan later in the report.

Newport City Council has an established risk management approach which monitors and reports Corporate and service area risk every quarter to the Council’s Cabinet, Governance & Audit Committee, Executive Board and Directorate Management Teams. At the end of 2022/23 the Council had 45 risks across the 11 service areas. Fourteen out of the 45 risks were deemed to pose the most risk to the Council and were reported on the Corporate Risk Register.

Risk	Lead Directorate / Service	Q1 Risk Score	Q2 Risk Score	Q3 Risk Score	Q4 Risk Score
Pressure on the delivery of Children Services.	Social Services / Children Services	20	25	25	25
Stability of Social Services Providers	Social Services / Adult Services	25	25	25	20
Pressure on Adult & Community Services	Social Services / Adult Services	25	25	25	20
Balancing the Council’s Medium-Term budget	Transformation & Corporate / Finance	12	20	20	20
Highways Network / Infrastructure	Environment & Sustainability / Infrastructure	20	20	20	20
Pressure on Housing and Homelessness Service	Environment & Sustainability / Housing & Communities	20	20	20	20
Newport Council’s Property Estate	Transformation & Corporate / People, Policy & Transformation	16	16	16	16
Eliminate Profit from Social Care	Social Services / Children Services	-	-	15	15
Information and Cyber Security	Transformation & Corporate / People, Policy & Transformation	16	12	12	12
Schools Finance / Cost Pressures	Chief Executive / Education Services	9	12	12	12
Demand for ALN and SEN support	Chief Executive / Education Services	12	12	12	12
Educational Out of County Placements	Chief Executive / Education Services	12	12	12	12
Welsh Government’s Net Carbon Zero Target by 2030	Environment & Sustainability / Environment & Public Protection	12	12	12	12
City Centre Security and Safety	Environment & Sustainability / Infrastructure	10	10	10	10

A Summary of the quarterly risk reports presented to Cabinet and the Governance and Audit Committee in 2022/23 are highlighted below:

Quarter	Cabinet	Governance & Audit Committee
Quarter 1	14th September 2022	29th September 2022
Quarter 2	14th December 2022	26th January 2023
Quarter 3	22nd March 2023	30th March 2023
Quarter 4	12th July 2023	27th July 2023

Last year we acknowledged that the current Risk Management policy needed to be updated and at the end of the 2022/23 financial year, we were behind in this development. However, the People, Policy & Transformation service area have scheduled for the policy to be approved by January 2024. This has also been identified in the Council’s Annual Governance Statement and raised as an action for improvement.

Newport City Council also has a statutory duty under the Civil Contingencies Act to provide local emergency planning and business continuity support to the Council and communities across Newport. The Council’s Civil Contingencies team is responsible for supporting the Council’s services and emergency response team to manage and co-ordinate the Council’s joint service response. National and community risks including the Council’s response are managed through the Civil Contingencies and Local Resilience Forum. Further information can be accessed [here](#).

Newport City Council Annual Governance Statement

The Council is required to undertake an **Annual Governance Statement (AGS)** as required by the Accounts and Audit (Wales) Regulations 2014. The AGS provides an overview on the effectiveness of the Council's governance arrangements including performance. The AGS is assessed on the principles set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE).

Principle	Annual Governance Statement Principles	RAG Assessment	No. of Actions
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Amber	6
B	Ensuring openness and comprehensive stakeholder engagement.	Green	3
C	Defining outcomes in terms of sustainable economic, social, and environmental benefits.	Green	0
D	Determining the interventions necessary to optimise the achievement of intended outcomes.	Green	4
E	Developing the Council's capacity, including the capability of its leadership and the individuals within it.	Amber	3
F	Managing risks and performance through robust internal control and strong public financial management.	Green	2
G	Implementing good practices in transparency, reporting, and audit to deliver effective accountability.	Green	1

In summary, the AGS found that the Council's overall governance and performance arrangements to be **effective**. As noted in the table above 2 out of 7 principles were assessed as Amber with the remaining 5 areas assessed as Green. The assessment identified 19 actions for improvement across the 7 principles to improve its governance arrangements.

Key areas for improvement included:

- Improvement to the Council's Counter fraud arrangements (see also External regulators assessment).
- Review and update the Council's Code of Corporate Governance.
- Delivery of key Human Resources training and staffing policies around the People Plan, and staff values.
- Development and understanding of the Council's workforce capacity and capability to deliver its transformation plan and Corporate Plan.
- Implementation of the Council's TOMs (Procurement see Well-being Objective 4).
- Improvements to Capital and grant governance / performance monitoring.
- Finalising and implementing the Council's Risk Management policy.

A copy of the full AGS can be found as part of the Council's Statement of Accounts. The findings of the AGS were agreed by the Council's senior officers and was presented to the Council's Governance & Audit Committee for comment. The final version of the AGS will be signed off by the Council's Leader and Chief Executive before being included into the Council's Statement of Accounts for 2022/23. The 2023/24 AGS actions have been included in this report as further action to improve its governance and performance arrangements and can be found at the end of this report.

Internal Audit and External Regulator Assessments

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It provides a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. It also objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the economic, efficient and effective use of resources.

The Council's Internal Audit service gave an overall opinion of the Council's 2022/23 internal controls as **Reasonable** based upon the completion of 77% (80% target) of the audit plan. This means that they are adequately controlled although risks identified which may compromise the overall control environment; improvements are required; and reasonable level of assurance. This was also included into the Council's AGS covered in the section above. The full Internal Audit annual report can be found [here](#).

Audit Rating	2021/22		2022/23	
	Audits Completed	%	Audits Completed	%
Good	10	29	9	24
Reasonable	23	66	25	66
Unsatisfactory	2	5	3	8
Unsound	0	0	1	2
Total	35	100	38	100
Overall Opinion	Reasonable		Reasonable	

In 2022/23 4 audit reviews were deemed Unsatisfactory (3) and Unsound (1). These were reported to the Council's Executive Board and to the Council's Governance and Audit Committee. These reports were related to:

- **Unsound** – Safeguarding – Children's Money, Children Services (Social Service Directorate)
- **Unsatisfactory** - Purchasing Cards (Transactions), Finance (Transformation & Corporate)
- **Unsatisfactory** - Adoption Allowances Follow Up 2, Children Services (Social Services Directorate)
- **Unsatisfactory** - Passenger Transport Unit Contracts Follow Up Infrastructure (Environment & Sustainability)

At the end of the financial year and into the first quarter of 2023/24, the Internal Audit team has been impacted by the loss of several key members of staff which will impact the delivery of the annual audit plan for 23/24. Further updates on the delivery of the service will be provided separately to Governance & Audit Committee and escalated as a Corporate Risk at the time of this report.

External Regulatory Reports - Audit Wales, Estyn and Care Inspectorate Wales

The Council's three External Regulators are responsible for providing assurances and assessments into the effectiveness of the Council's services. Estyn and Care Inspectorate Wales (CIW) are responsible for providing assurances in relation to the Council's delivery of Education Services and Schools (Estyn) and Social Services including Residential settings (CIW).

In [July 2023](#) the Council reported to the Council's Governance & Audit Committee an overview of the three external regulators. A summary of the external regulator's reports published is below. In addition we have also included the Audit Wales reviews commenced in 2022/23 but at the time of this report have not been published. These will be reported in 2023/24 as part of the 6 monthly updates to Governance and Audit Committee.



Audit Wales	Estyn	Care Inspectorate Wales*
NCC Annual Audit Summary 2022	Thematic Review – Effective approaches to assessment that improve teaching and learning.	Frailty Reablement Care
National Report - Digital Inclusion in Wales	Tredegar Park Primary School	Childrens Provision A
Poverty in Wales 'Time for Change'	Jubilee Park Primary School	Childrens Provision B
Social Enterprises 'A Missed Opportunity'	Milton Primary School	Childrens Provision C
Together We Can – Community Resilience and Self-Reliance.	High Cross Primary School	Childrens Provision D
Flood Risk Management	Langstone Primary School	Childrens Provision E
Assurance and Risk Assessment Review	Caerleon Lodge Hill Primary School	
National Review – National Fraud Initiative 2020/21	Newport High School	
Springing Forward Workforce.	Monnow Primary School	
Equality Impact Assessments 'More than a tick box exercise'	Newport Nursery School	
Springing Forward, Strategic Asset Management	Malpas Church in Wales Primary school (Special Measures Follow Up)	
Direct Payments for Adult Social Care	St Patrick's Roman Catholic Primary School	
NCC Counter-Fraud Arrangements	Crindau Primary School	
Setting of Well-being Objectives (To be Published)	Ysgol Gyfun Gwent Is Coed	
Digital Strategy (To be Published)		
Service user perspective Performance (To be Published)		

* Reports and details of Childrens Provision settings cannot be published as per Care Inspectorate Wales requirements

As part of the Well-being of Future Generations Act and Audit Wales work programme, in 2022/23, Audit Wales undertook a review of the Council's Corporate Plan and setting of Well-being Objectives. At the time of the report, the Audit Wales findings have not been published (subject to change). Overall, Audit Wales found that the Council had applied the sustainable development principle in setting its well-being Objectives but raised one recommendation for the Council to develop measures which enables it to monitor progress against its long and short term objectives and progress against objectives that cut across multiple of its own services and other organisations. This recommendation has been captured in the action plan on page 67.

Newport City Council's Financial Outturn 2022/23

The Council produces its annual **Statement of Accounts**. This provides a detailed analysis of where the Council spent its money during the previous financial year. It includes the Council's income, revenue (money used to deliver services) and capital (money it uses to build assets like roads and buildings). The full version of the Statement of Accounts can be found here. The below is a summary of key areas covered in the report.

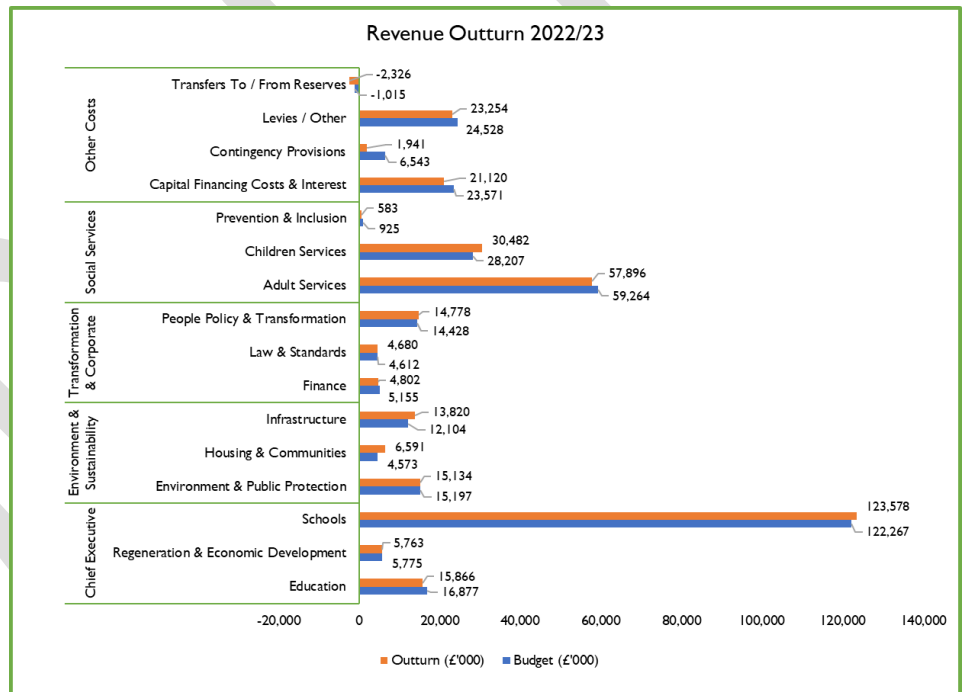
 Llywodraeth Cymru Welsh Government	
£265,617,000 (Revenue Support Grant & Non Domestic Rates)	£77,411,000 (Council Tax)

Newport City Council's net budget is funded primarily by the Welsh Government through an annual grant and also through Non Domestic Rates. The remaining income comes from households through Council Tax.

Revenue Outturn 2022/23

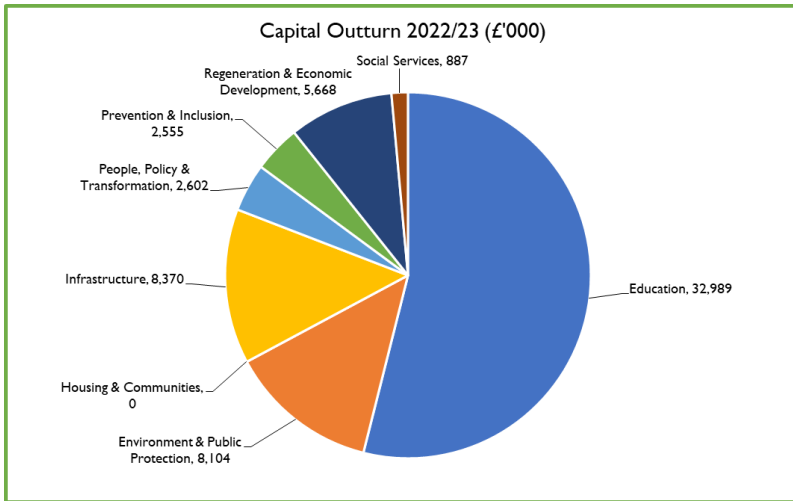
In 2022/23, the Council's revenue outturn produced a net underspend of £5.1m against the £343m budget. The underspend was because of the underspend against general and covid contingency budgets; and an underspend against the capital financing budget, partly due to capital programme slippage and higher than expected returns on investments because of rising interest rates.

These underspends were partly offset by increase in demand / costs in delivering services and higher than anticipated pay award.



Newport City Council monitors its revenue finances on a monthly basis with budget holders (Team / Service managers, Heads of Service) responsible for ensuring actual and forecasted spending are accurate. Service area management teams, Directorate Management Teams and Executive Board are provided monthly monitoring updates against their budgets. The Council's Executive Board also through its Challenge review and assess the service areas financial performance against their budget and MTFP savings targets.

Capital Outturn 2022/23



The Council's capital programme delivers large-scale investment towards its assets and infrastructure such as schools, roads, regeneration projects e.g. Cardiff Capital Region. In 2022/23 the Council's budget was £91.8m with £61.2m spent across service areas. £30.6m has been 'slipped' into future years capital spending. As identified in the Council's AGS, improvements have been identified with the governance and monitoring capital spending.

NCC Budget and Medium Term Revenue Plan 2023/24

In February 2023, Council agreed the 2023/24 budget and a council tax increase of 8.5%. In addition the Council also agreed a £20.1m savings over the next three years with £19.5m to be achieved in 23/24. The Council recognises the risk (see Corporate Risk Register) many services are under significant financial pressure to meet its statutory duties, deliver the goals of the Corporate Plan and to transform services. For the preparation of the Council's budget for 2024/25 we will consider these pressures as well as any further announcements from Welsh Government following their own statement on budget pressures. In December 2023 and January 2024 we will be consulting on future budget requirements.

Finance – Performance Measures

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Grant claims Percentage of grant claims submitted in line with awarding body deadlines.	77%	95%	Local Measure	No Data	No Data	The percentage shown reflects the total performance for both Quarter 3 and Quarter 4 in 2022/23. Across the period, a total of 114 grant claims were submitted, with 88 of those being submitted on time. Of those that were submitted late, in a number of cases the delay would have been only a small number of days and, in some of those, there may have been agreement with the funding body for a claim to be submitted late. Delays are often caused by delays in receiving information from either the funding body or service contacts. Going forward, relevant parties will be reminded of the need to provide information in a timely fashion and additional planning work will be undertaken to ensure that preparatory work is completed in advance of deadlines.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Budget monitoring – Budget Manager submissions Percentage of monthly forecasts submitted by budget managers.	67.3%	80%	Local Measure			The percentage shown reflects the cumulative performance throughout the 2022/23 financial year, across the whole Council. The performance is inconsistent across service areas, with a number of services exceeding the target and others performing significantly under the target. Going forward, especially in light of revised budget monitoring arrangements for 2023/24, Finance Business Partners will work closely with budget managers (providing training where required) with the aim of increasing compliance. Heads of Service will also need to ensure that their budget managers prioritise the submission of forecasts on a monthly basis.
Increased Council Tax paid by Direct Debit.	66.7%	67%	Local Measure	65.35%	62.4%	The number of direct debit payers has increased overall, with a large increase early in the year to coincide with the cost-of-living payment scheme. However, as the year has progressed a larger than expected number have subsequently cancelled their direct debits possibly due to the cost of living crisis.
Percentage Council Tax Collection	96.1%	96%	Local Measure	96.1%	95.4%	
Percentage Non-Domestic Rates Collected.	97.8%	96.5%	Local Measure	96.3%	94.4%	
Percentage total Council Tax Collected as a percentage of annual budgeted amount.	100.3%	100%	Local Measure	100.53%	101%	
Percentage of Council Tax arrears collected	30%	30%	Local Measure	32.71%	25.4%	
Percentage of NDDR arrears collected	50%	40%	Local Measure	42.51%	22.8%	
Percentage Payment of Invoices within timescales	90%	90%	Local Measure	92.61%	91.9%	
(New) Average time of processing new housing benefit claims	25.7 days	32 days	Local Measure	33.19 days	34 days	The team have been focussed on reducing the time to process housing benefit claims and a number of initiatives have enabled the target to be exceeded.

Performance Measure	22/23 Actual	22/23 Target	Welsh Average*	2021/22 Actual	2020/21 Actual	Commentary
(New) Average time of processing change events.	6.3 days	14 days	Local Measure	7.9 days	9.32 days	The use of some automation in the processing of changes in circumstance for benefit customers as well as removal of some of the covid support schemes has enabled the target to be exceeded.
(New) The amount of housing benefit overpayments recovered during the quarter as a percentage of the total amount of housing benefit overpayments identified during the quarter	115.1%	Min 103%	Local Measure	105.4%	102.02%	The team's proactive collection strategy has enabled the target to be exceeded.
(New) The amount of housing benefit overpayments written off during the quarter as a percentage of the total amount of housing benefit overpayments outstanding	0.49%	2%	Local Measure	3.84%	0.01%	Due to the improved collection of housing benefit overpayments a lower than anticipated write of percentage was achieved.
(New) Budget monitoring – Forecast accuracy. Percentage variance between January forecast and final outturn	0.1%	0.5%	Local Measure	No Data	No Data	
(New) Financial Training Satisfaction or better ratings from individuals participating in training provided by Finance service	100%	80%	Local Measure	No Data	No Data	

Involvement and Engagement with Citizens, Businesses and Trade Unions

Newport City Council uses several mechanisms to engage and involve people in the development of policies, decision making and insight into perceptions of how we deliver our services. The three main mechanisms which we use are the Online SNAP Surveys, Bus Wi-Fi (in collaboration with Newport Bus) and Newport Citizen Panel (circa 697 members). In 2022 the Council introduced the Participation Strategy that sets out the Council's commitment to the principle of participative decision making, and supporting residents to be actively involved in the democratic process.

Date	Subject	Service Area	Consultation Source	Responses
May 2022	One Newport Climate Change Survey	People, Policy & Transformation	Online SNAP Survey	64
	Perception of Newport Survey and Safety in Newport Survey	People, Policy & Transformation	Newport Citizen Panel	200
	Perception of Newport Survey	People, Policy & Transformation	Bus Wi-Fi Survey	2,354
	Parental Free School Meal survey	Education	Online SNAP Survey	856
August 2022	One Newport Climate Change Survey	People, Policy & Transformation	Newport Citizen Panel	220
	City Centre Safety in Newport	People, Policy & Transformation	Bus Wi-Fi Survey	1,631
September 2022	NCC Corporate Plan	People, Policy & Transformation	Online SNAP Survey	266
	School Category Survey	Education	Online SNAP Survey	33
October 2022	Newport Food Festival 2022 and Newport Food Festival (Trader Survey)	Regeneration & Economic Development	Online SNAP Survey	110
	One Newport Climate Change Survey (Primary & Secondary)	People, Policy & Transformation	Online SNAP Survey	400
November 2022	Shared Prosperity Fund	Regeneration & Economic Development	Bus Wi-fi Survey	1,352
			Online SNAP Survey	79
	Understanding our Audience	People, Policy & Transformation	Online SNAP Survey	308
	Safe Streets - CCTV	People, Policy & Transformation	Newport Citizen Panel	144
			Online SNAP Survey	84
	Education and Exploitation Survey	Education	Online SNAP Survey	14
	Schools Active Travel Plan Survey			18
Secondary ALN Provision (Llanwern High)	78			
December 2022	EU Citizen Survey	Housing & Communities	Online SNAP Survey	9
	One Newport Climate Change Survey	People, Policy & Transformation	Online SNAP Survey	1,444
	NCC Budget Consultation 2023-24	Finance	Online SNAP Survey	820
Bus Wi-fi Survey			653	
January 2023	Over 55s Accommodation Survey	Environment & Public Protection	Online SNAP Survey	176
February 2023	Cost of Living Crisis	Prevention & Inclusion	Newport Citizens Panel	164
	Perception of Newport Survey			
	Safety in Newport Survey			
	Perception of Newport	People, Policy & Transformation	Bus Wi-Fi Survey	2,180
March 2023	Pill Parks	Environment & Public Protection	Online SNAP Survey	91

NCC Corporate Compliments, Comments and Complaints

The Council publishes its annual Corporate Compliments, Comments and Complaints report which is presented to the Council's Governance and Audit Committee and Cabinet. A copy of the full report can be accessed through the link here. Below is a summary of the key findings in relation to Compliments and Comments are below:

- 106 Corporate Compliments recorded (39% decrease since 2021/22).
- 1,168 comments recorded (73% decrease since 2021/22).

For complaints received by the Council, the table below provides an overview of Stage 1, 2 and Ombudsman complaints received in 2022/23 and in comparison to the last 5 years.

Year	No. Stage 1 Complaint	No. Stage 2 Complaint	Stage 2 Complaint %	No. Ombudsman Complaints	Ombudsman Complaints %
2018/19	271	28	9.4%	38	14%
2019/20	354	33	8.5%	31	8.8%
2020/21	261	39	9.5%	14	7.7%
2021/22	271	31	11.4%	24	8.6%
2022/23	341	46	11.9%	47	12.14%

A summary of progress against the action plan from 2021/22 annual report is highlighted in the action plan update where it reported 4 out of 7 actions were completed and 3 remained in progress and has been included in the 2023/24 action plan.

NCC Involvement and Engagement with Businesses in Newport

The economy and businesses of Newport are a vital backbone to providing prosperity and opportunities for the communities of Newport. At Newport City Council we have continued to ensure the views and engagement of businesses are considered in the development and delivery of Council strategy and policies. Throughout 2021/22 the Council was represented at the Newport Now (Business Improvement District) and has continued to engage with businesses through the following mechanisms. In 2022/23 Newport engaged and involved businesses through the following activities:

- General responding to business enquiries from the NCC Business Services inbox, including:
 - o Property enquiries
 - o Funding enquiries
 - o Signposting to general support
- Hosting of business events (M4 Business Breakfast)
- Engagement through business grants programme
- 1:1 meetings with specific businesses
- Newsletter
- Chair and host the Newport Business Account Managers Meeting
- Maintain sites and property register
- Developed and managing new business directory, free to public access

NCC Involvement and Engagement with Trade Unions and Staff

Working in partnership with our Trade Unions and staff is critical to the successful delivery of a number of our workforce strategies. The Cabinet Member with responsibility for Human Resources continues to chair our Employee Partnership Forum (EPF) on a quarterly basis for strategic matters. EPF brings together all our Trade Unions colleagues in a consultative forum with officers from HR to engage in and help steer direction for workforce matters. Alongside EPF, some of our service areas, supported by HR, hold joint consultative committees (JCW's) to discuss strategic issues affecting their areas. The EPF arrangements were again consulted our Trade Unions on restructuring proposals to meet our financial challenges as an organisation.

At an operational level regular dialogue continues with our internal and regional Trade Union representatives on employee relations issues, such as individual concerns around wellbeing and conduct. Our Trade Union colleagues continue to support their members through transformation across the Council. Our Trade Unions have supported the development of enhancing working relationships by supporting action plans as appropriate.

Partnership working with our Trade Unions is important to the Council. Trade Union colleagues bring our staff voice to discussions and supplement our staff forums and challenge the Council to do more for our staff, which in turn provides a more productive and engaged workforce and helps build employee relations.

As also highlighted in Well-being Objective 4, the staff network groups and Newport Managers Network also engaged and involved with ongoing policy development, health and well-being support and staff development.

Examples of our staff and Trade Union engagement is outlined below:

New Normal Policies	Flexible Working Policy
Travel & Subsistence	Working from Home
Flexi Scheme	Drug & Alcohol Policy
Drug & Alcohol Testing Policy	Annual Staff Conference
Service Area & Directorate Meetings	Newport Manager Network
Chief Executive Focus Groups	Staff Networks
Changes to Pay and Terms and Conditions	Pay Policy

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Key Newport Council Decisions & Achievements 2022/23

The below table provides a summary of Newport City Council's key strategic decisions and achievements in 2022/23.

Month	Decision / Achievement
April 2022	The Council's Cabinet agreed to sign the Joint Committee Agreement for the National Adoption Service for Wales to oversee the governance and delivery of Foster Wales.
	The Council's Cabinet agreed the Transporter Bridge project funding uplift from the Heritage Lottery Fund.
May 2022	Local Government Elections held and appointment of the Council's Cabinet, Scrutiny and Regulatory Committees.
	Newport City Council's received £78k from the Transformation Capital Grant
	Newport City Council approved and adopted the Public Participation Strategy and Petition Scheme.
	Newport City Council, Job Centre Plus and Restart hosted jobs fair in Newport Centre.
June 2022	The Council's Cabinet approved Newport's Local Area Energy Plan to support the city to become net zero carbon by 2050.
	Cabinet Member for Education and Early Years approved the adoption for the agreed syllabus for Religion, Values and Ethics for implementation from 1 st September 2022.
	Newport receives the official Purple Flag for its evening and night time economy.
July 2022	Newport City Council agreed Dog Control Public Spaces Control Orders.
	The Council's Cabinet endorsed Rhondda Cynon Taff County Borough Council as Lead local authority to oversee the delivery of the UK Shared Prosperity Fund and delegation of powers to Head of Law & Standards on behalf of the Council.
	Cabinet Member for Infrastructure and Assets approved the adoption of the Infrastructure Highways Maintenance manual as the new Code of Practice for Highways Maintenance delivery in Newport.
	Cabinet Member for Community Well-being approved Newport City Council to deliver a Community Food Organisation support fund to help support ongoing revenue costs of community food organisations in Newport.
	Green Flag awarded to Beechwood Park and Belle Vue Park.
August 2022	Joint Cabinet Member decision between the Leader of the Council and Cabinet Member for Community and Well-being to support the allocation of cost of living payments from Welsh Government to households.
	Cabinet Member for Organisational Transformation approved the updates to the Council's Human Resources policies for Flexible Working, Homeworking and Travel and Subsistence.
	Work commenced on site at the Transporter Bridge Centre.
	Adult Services achieves Carer Friendly accreditation.
	Welsh in Education Strategic Plan was approved by Welsh Government to increase the number of Welsh-medium places in Newport.
September 2022	Newport City Council hosted a recruitment and jobs fair hosted at Newport Market with over 40 employers offering opportunities for prospective residents.
	Newport City Council in collaboration with GAVO launched a £100k grant fund to support community food groups.
	Flying Start expansion launched offering support to children and families for those in part time, parenting support, enhanced health visitor support and speech, language and communication skills.
October 2022	The Leader of the Council approved 18 month pilot ' <i>International Sort Landing Programme</i> ' aimed at increasing the presence of international businesses in the city centre.
	Newport City Council's Dogs Home won gold in two categories at the 2022 RSPCA Cymru PawPrint Awards.
	Newport hosted the Knife Angel event as part of the national anti-violence tour with a giant angel sculpture made from over 100,000 knives.
	Return of Newport Food Festival to the city centre.

Month	Decision / Achievement
November 2022	Newport City Council approved the Council's Corporate Plan 2022-27.
	The Council's Cabinet approved to enter into a cost sharing arrangement with Coleg Gwent as part of the development of the city centre Knowledge Quarter.
	Cabinet Member for Education & Early Years approved the establishment of a 20 place specialist base for pupils with Autistic Spectrum Disorder at Llanwern High School.
	Cost of Living support event delivered by Newport City Council and other partners providing advice, guidance and support to households and individuals struggling with the cost of living.
	New cycle storage unit opened in Newport City Centre offering 24/7 access to store their bikes securely when visiting the city centre.
December 2022	The Leader of the Council approved the Council's Business Development Fund for 2022/23 to 2025/26.
	Joint Cabinet Member decision between the Leader of the Council and Cabinet Member for Community and Well-being to support the allocation of second and final cost of living payments from Welsh Government to households.
	Cabinet Member for Strategic Planning, Regulation & Housing approved the planned public consultation on a Public Spaces Protection order within Maesglas.
	Newport Market receives an award at the Ystadau Cymru Awards 2022.
	Newport City Council, religious groups, and community organisations offer 'Warm Places' for households and individuals struggling with the cost of living crisis.
	Jubilee Park Primary School receives an outstanding report from Estyn.
January 2023	Newport City Council approved the Council Tax Reduction Scheme for 2023/24.
	Cabinet Member for Strategic Planning, Regulation and Housing approved the Pavement Café Licensing Policy to allow businesses to apply to the Council for a licence to place tables and chairs on the highway.
	Conservation of the Medieval Ship timbers was completed.
February 2023	Newport City Council approved the Council's 2023/24 budget, Medium Term Financial Plan and national Non-Domestic Rates: Discretionary Rate Relief Schemes 2023/24.
	Newport City Council approved the Gwent Well-being Plan 2023-28.
	Cabinet Members approve 11 service area plans 2022-24 to support the delivery of the Council's Corporate Plan 2022-27.
	Ysgol Gyfun Gwent Is Coed new teaching block was completed providing new classrooms and facilities for learners.
March 2023	The Council's Cabinet approved the Council's core Themes, Outcomes and Measures (TOMs) for measuring Social Value in future contract and procurement arrangements.
	The Council's Cabinet approved the Council's updated Compliments, Comments and Complaints Policy.
	Cabinet Member for Education & Early Years to set the Council's admission arrangements for the academic year commencing September 2024 as consulted upon without amendment.
	Newport schools, Newport High School and Malpas Church in Wales removed from Special Measures.
	Gender Pay Gap for the year one of the smallest in Wales

Self-Assessment Actions Update 2021/22

The table below provides an update on the actions raised in the 2021/22 Well-being Self-Assessment Report. Where actions remain in progress, these will be carried forward into 2023/24 Action Plan.

Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date	2022/23 Progress Update
Improve the reporting and presentation of the Council's performance and Annual Well-being Self- Assessment Report in line with the newly developed Corporate Plan and considering feedback from the Council's Scrutiny and Governance and Audit Committee.	<ul style="list-style-type: none"> Consider how best to self-assess performance against the Corporate Plan and Well-being Objectives. Evaluate the impact which key decisions and activities have had on service users and communities. Ensure the Council's service plans align to strategic priorities. 	People, Policy & Transformation	31 st March 2023	<p>Complete</p> <p>Following the approval of the Council's Corporate Plan, service areas updated their Service Plans 2022-24 to align with the Corporate Plan. Actions across all of the service plans have been aligned to the Corporate Plan Well-being Objectives and strategic priorities.</p> <p>This year's annual report now shows the progress against each strategic priority. The Council is developing mechanisms to assess the impact of key decisions and activities in the published Participation Strategy. The FEIA process supports key decisions and impact on communities.</p>
Review the Council's Planning, Performance and Risk Policies to align with the Local Government Act and to support the Council to deliver its new Corporate Plan.	Review and update the Strategic Planning, Performance and Risk Management Framework considering feedback from key stakeholders to support the delivery of the new Corporate Plan.	People, Policy & Transformation	31 st March 2023	<p>In Progress</p> <p>The Performance & Planning policy was approved July 2023 and is aligned to the new legislation.</p> <p>The Risk Management Policy review is ongoing and a new action will be taken forward in this year's annual report.</p>

Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date	2022/23 Progress Update
The Council needs to deliver the priorities identified in its Participatory Strategy to strengthen the arrangements to involve and engage its key stakeholders in the democratic process and decision making.	Deliver the actions from the Council's Participatory Strategy to improve involvement across Council activities including their role with the Council's performance and meeting with the requirements of the Local Government Act.	Law & Standards	31 st March 2024	In Progress The Participation Strategy was approved by Council in May 2022. Since that time feedback from Scrutiny Committees and public is being reviewed by Democratic Services to develop ways of improving engagement. The reintroduction of Ward meetings has been approved, and these have commenced, with a view to engaging the public in budgetary and service performance related issues.
A review of the governance arrangements around the development, delivery and monitoring of the Council's future Transformation Plan is currently underway and will also include clear responsibilities and arrangements for other key areas, such as financial management, capital programme, major projects etc.	To conclude the review and ensure arrangements are in place.	People, Policy & Transformation	31 st March 2023	In Progress Transformation approach under development June 2023. The first programmes have commenced and new project management documentation is being reviewed. Clear owners (SROs) are established for the programme, and the escalation is to Executive Board. Included in Planning and Performance Policy update as above.
New Members have the appropriate skills to effectively undertake their roles.	Training and Induction for new Members will be reviewed and updated following Local Government elections in May 2022.	Law & Standards	31 st March 2023	In Progress Following the elections in May 2022, a full programme for members has been implemented. All members have received induction training and Code of Conduct training. Carbon Literacy has been introduced and take up has been positive. Full member training plans are being developed. A survey of members will inform the second year of training and capture feedback on topics / methods most valued by members.
Ensure key decisions within NCC support the principles of equalities and Welsh Language	To deliver the actions identified in the Council's Annual Report 2021/22 against the Strategic Equalities Plan.	People, Policy and Transformation	31 st March 2024	In progress The strategic equalities plan is in its penultimate year and will be updated during 2024-25. The latest annual Welsh language and Strategic Equalities Report for 22-23 demonstrate progress to date and key actions for 23-34.

Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date	2022/23 Progress Update
Development of the engagement and participation strategy.	Ideally there should be a formal policy for the type of issues that the Council will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service provision is contributing towards the achievement of intended outcomes needs to be developed. Consideration to be given to developing a formal policy and communicating it to all relevant stakeholders.	Law & Standards / People, Policy & Transformation	31 st March 2023	Complete The Public Participation Strategy was agreed by full Council in May 2022. Participation Strategy Final Format (newport.gov.uk) Engagement in the Strategy will be considered by Democratic Services Committee and performance scrutiny committees as part of their terms of reference.
The Council's Constitution is kept up to date following recent legislation.	The Council's Constitution is kept up to date following recent legislation. Consideration needs to be given to further update the Council's Constitution to reflect the Local Government and Elections (Wales) Act 2021.	Law & Standards	31 st March 2023	Complete This is an ongoing process. Council Constitution last updated in March 2023 and includes Local Government and Elections (Wales) Act.
Revised decision making and review/reporting arrangement.	Following the new structure, the interim decision making arrangements which have been in place should be formally updated and implemented.	Law & Standards	31 st March 2023	Complete The Scheme of Delegation has been updated and implemented following the restructure in September 2022. This is reflected in the constitution.
The Council will continue to improve safeguarding arrangements	To deliver the actions identified in the Corporate Safeguarding Annual Report 2021/22.	Children Services (Safeguarding Team)	31 st March 2024	In Progress As reported in the annual Safeguarding report 2022/23, two actions relating to Member and staff training and external communications have been carried forward into 2023/24. Additionally, three new actions have been raised to improve audit cycles, regional self-assessment tool, and training.

Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date	2022/23 Progress Update
<p>The Council should demonstrate longer-term considerations for its property portfolio strategic planning and associated decision-making processes.</p>	<p>Following the pandemic and the introduction of our 'New Normal' working policies and the development of our new Corporate Plan we will review our Strategic Asset Management Plan, and Disposal and Asset transfer strategies. This will be supported by an asset rationalisation programme in our Transformation Plan.</p>	<p>People, Policy & Transformation</p>	<p>31st August 2023</p>	<p>Complete The Council has commenced its Asset Rationalisation Programme which is now examining the long term strategy in use of the Council's estate to meet the needs of its citizens and users. In the delivery of this programme, the Council is ensuring evidence based cases are considered to support strategic decision making. The delivery of this work is monitored and reported through the People, Policy & Transformation service plan.</p>
<p>Engage with public sector partners across Gwent to realise the potential benefits arising from a strategic approach to a single public estate.</p>	<p>The asset rationalisation programme in our Transformation Plan will also consider opportunities for working with partners, which may be within a Gwent or local/Newport context.</p>	<p>People, Policy & Transformation</p>	<p>31st December 2023</p>	<p>Complete The Council is delivering its Assets Rationalisation programme. The Council will be considering all viable avenues as part of evidence based cases which its estate have can be effectively used by other partners including public, charity, not for profit and private organisations. The delivery of this work will be monitored and reported through the People, Policy & Transformation service plan.</p>
<p>Implement the actions identified through Information Risk Report and Digital Report to improve the Council's Information and digital governance and processes.</p>	<p>Deliver the actions identified through the Council's Information Risk Report 2021/22 and Digital Report 2021/22.</p>	<p>People, Policy and Transformation</p>	<p>31st March 2023</p>	<p>Complete Full action plan monitoring is outlined in the Annual Information Risk Report 2022-23 and Annual Digital Reports. And the service plan. Main achievements – accreditations achieved, and Digital Strategy developed and published.</p>

Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date	2022/23 Progress Update
<p>Implement the 'Actions for improvement' from the Compliments, Comments and Complaints Annual Report 2021/22.</p>	<p>Deliver the seven 'Actions for Improvement' identified in the Compliments, Comments and Complaints Annual Report 2021/22:</p> <ul style="list-style-type: none"> Roll out of hybrid training to service areas. Review 'My Council' services and improve data capture in the Contact Centre. Analyse complaint demographics and improve recording of data. Standardise digital complaints process. Improve compliance with the Compliments, Comments and Complaints Policy across service areas. Review and update the Unacceptable Actions Policy. Improve accessibility for disadvantaged and vulnerable customers. 	<p>People, Policy and Transformation</p>	<p>31st March 2023</p>	<p>In Progress</p> <p>At the end of March 2023, 4 out of 7 were completed and 3 actions remained in progress and continuing into 2023/24. The actions continuing into 2023/24 are:</p> <ul style="list-style-type: none"> Analyse complaint demographics and improve recording of data. Review and update the Unacceptable Actions Policy. Improve accessibility for disadvantaged and vulnerable customers. <p>A full report on the progress against the actions will be presented separately to the Council's Governance & Audit Committee in September 2023 and Cabinet in November 2023.</p>

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Overall Conclusion and Self-Assessment of NCC Governance and Performance Arrangements 2022/23

At the end of the last financial year the Council has made an encouraging start to the delivery of the new Corporate Plan 2022-27. As the report highlights good (Green) progress has been made in two of the four Well-being objectives (Objective 2 and 4). But challenges remain across our Social Services, Housing, Infrastructure and Education services on the long term sustainability to meet the demands of residents in Newport within the financial and legislative pressures which the Council is needing to make. The Council has started to deliver several programmes to meet these challenges but we recognise further work will be needed to transform the way which we deliver our services over the next 5 years.

Since the last annual report, we have considered the feedback of the Council's Governance & Audit Committee and Oversight Management Scrutiny Committee to improve how we monitor and report progress against the Corporate Plan and our other strategic priorities across the Council. As the Annual Governance Statement report 2022/23 highlights, the governance and performance arrangements have overall remained **effective**, but we acknowledge that further actions are needed to improve existing arrangements and ensure the Council's governance arrangements continue to improve to support the delivery of its services and ensure stakeholders are involved in decision making. The actions for 2023/24 will support this work and progress will be reported through the Council's service plans and next year's annual report.

Looking ahead at 2023/24 and beyond the Council will need to make challenging and difficult decisions not only to ensure our statutory services remain sustainable but also to ensure that we will have a balanced budget for 2024/25 and in our medium term financial plan. As part of our ongoing monitoring and assessment against the Council's Corporate Plan we will continue to assess and evaluate our Well-being Objectives and strategic priorities to ensure that they remain achievable and will benefit Newport's communities, economy and long term sustainability of Newport City Council.

Actions for Improvement 2023/24

Action No.	Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date
1	<p>Carried Forward (Annual Report 21/22) and AGS</p> <p>Review the Council's Planning, Performance and Risk Policies to align with the Local Government Act and to support the Council to deliver its new Corporate Plan.</p>	Review and update the Strategic Planning, Performance and Risk Management Framework considering feedback from key stakeholders to support the delivery of the new Corporate Plan.	People, Policy & Transformation	30 th January 2024
2	<p>Carried Forward (Annual Report 21/22)</p> <p>The Council needs to deliver the priorities identified in its Participatory Strategy to strengthen the arrangements to involve and engage its key stakeholders in the democratic process and decision making.</p>	Deliver the actions from the Council's Participatory Strategy to improve involvement across Council activities including their role with the Council's performance and meeting with the requirements of the Local Government Act.	Law & Standards	31 st March 2024
3	<p>Carried Forward (Annual Report 21/22) and AGS</p> <p>A review of the governance arrangements around the development, delivery and monitoring of the Council's future 'Transformation Plan' is currently underway and will also include clear responsibilities and arrangements for other key areas, such as financial management, capital programme, major projects etc.</p>	To conclude the review and ensure arrangements are in place.	People, Policy & Transformation	31 st March 2024
4	<p>Carried Forward (Annual Report 21/22)</p> <p>New Members have the appropriate skills to effectively undertake their roles.</p>	Training and Induction for new Members will be reviewed and updated following Local Government elections in May 2022.	Law & Standards	31 st March 2023

Action No.	Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date
5	Carried Forward from Annual Report 21/22 Ensure key decisions within NCC support the principles of equalities and Welsh Language	To deliver the actions identified in the Council's Annual Report 2021/22 against the Strategic Equalities Plan and draft the future Strategic Equalities Plan	People, Policy and Transformation	31 st March 2024
6	Carried Forward from Annual Report 21/22 The Council will continue to improve safeguarding arrangements	To deliver the actions identified in the Corporate Safeguarding Annual Report 2021/22.	Children Services (Safeguarding Team)	31 st March 2024
7	Carried Forward from Annual Report 21/22 Implement the 'Actions for improvement' from the Compliments, Comments and Complaints Annual Report 2021/22.	Deliver the seven 'Actions for Improvement' identified in the Compliments, Comments and Complaints Annual Report 2021/22: Roll out of hybrid training to service areas. Review 'My Council' services and improve data capture in the Contact Centre. Analyse complaint demographics and improve recording of data. Standardise digital complaints process. Improve compliance with the Compliments, Comments and Complaints Policy across service areas. Review and update the Unacceptable Actions Policy. Improve accessibility for disadvantaged and vulnerable customers.	People, Policy and Transformation	31 st March 2024
8	Annual Governance Statement 2022/23 Implementation of the 19 actions identified in the Council's Annual Governance Statement 2022/23	Deliver the 19 actions identified in the Council's Annual Governance Statement 2022/23 and to report progress to the Council's Governance & Audit Committee.	Transformation & Corporate Directorate (Finance, Law & Standards and People, Policy & Transformation)	31 st March 2024

Action No.	Recommendation / Issue(s)	Action	Lead Service Area	Anticipation Completion Date
9	<p>Audit Wales – Setting of Well-being Objectives Report 2022/23</p> <p>As the Council develops the measures it will use to monitor progress against its Well-being objectives, it should ensure they reflect the sustainable development principle – for example enabling it to monitor:</p> <ul style="list-style-type: none"> • Progress against long and short-term objectives and • Progress against objectives that cut across multiple of its own services and other organisations. 	<p>The Council will examine the performance measures available and assess these alongside the Welsh Government’s National performance indicators and Milestones.</p> <p>These will enable the Council to provide an assessment of progress between the short term delivery /service plans and the longer term work which it is undertaking through other programmes such as the Gwent Public Services Board, Cardiff Capital Region.</p>	People, Policy & Transformation	31 st March 2024

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Glossary

The table below provides an explanation of the acronyms and terms used throughout the report:

Acronym	Description
AT	Active Travel
ALN	Additional Learning Needs
AQMA	Air Quality Management Areas
CCR	Cardiff Capital Region
CLA	Children Looked After
TFW	Transport for Wales
UASC	Unaccompanied Asylum Seeker Children
WG	Welsh Government

Corporate Plan / Service Area Plan Red / Amber / Green Assessment

RAG Assessment	Description
Red	The delivery against the strategic priority or objective is not on track. Immediate management intervention is required to improve performance and escalation to relevant senior officer group(s).
Amber	The delivery against the strategic priority or objective is mainly on track with some areas requiring management intervention to improve performance and escalation to relevant senior officer group(s)
Green	The delivery against the strategic priority or objective is achieving and/or succeeding against its agreed targets.

Performance Measure Monitoring and Tolerance Assessment

Newport City Council has an agreed 15% tolerance against targets set in service plans.

RAG Assessment	Description
=> 15%	Performance is under achieving against target or previous year's performance. Immediate management intervention and escalation to relevant senior officer group(s) is required.
< 15%	Performance is off target or previous year's performance but within the agreed 15% tolerance. Management intervention and close monitoring by the service area and Directorate is required.
Green	Performance measure is achieving or succeeding against its agree target or previous year's performance. Commentary provided is at the discretion of the service area.

Have Your Say

We welcome your views on this report, the council's plans for the future and how it did last year. We would also like to know how you; your family and your community have been affected by our work to improve the services that we deliver.

Ways to get in touch:

Newport City Council Website: www.newport.gov.uk



Download the My Newport App to your Smartphone device.

Available on Apple and Android devices.



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Minicom – (01633) 656 657



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Godfrey Road
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Report

Governance and Audit Committee

Part 1

Date: September 2023

Subject Annual Corporate Plan Self-Assessment Report 2022/23

Purpose For the Governance and Audit Committee to review and consider the process undertaken to complete the annual Corporate Plan Self-Assessment Report and to make recommendations as necessary for Cabinet to consider.

Author Director of Transformation and Corporate
Head of People, Policy and Transformation

Ward All

Summary Newport City Council is required to self-assess the extent to which it has met the performance requirements under the Local Government and Elections Act and also the progress it has made in delivering against its Corporate Plan Well-being Objectives (Well-being of Future Generations Act). This Annual Report provides an overview of the Council's 2022/23 performance and the governance / performance arrangements in place. In compiling the assessment the report has considered other strategic and statutory reports published by the Council for 2022/23.

In the Council's overall conclusion the Council has assessed that it has made good progress against 2 out of 4 of its Well-being Objectives (Objectives 2 and 4) but challenges remain in the delivery of Well-being Objectives 1 and 3. The Council has also assessed its governance and performance arrangements to be effective in the use its resources economically, efficiently and effectively through its Annual Governance Statement, Statement of Accounts, Internal Audit and External Regulatory activity.

The role of the Council's Governance and Audit Committee is to ensure the self-assessment has been completed in accordance with the Act; review the draft report with its considerations and actions; and propose recommendations for change. The final report will be presented to Council in November for approval.

Proposal For the Council's Governance and Audit Committee to be provided with an overview the Council's Annual Corporate Well-being Self-Assessment Report 2022/23 and for the Committee to make any recommendations for the report.

Action by Executive Board
Corporate Management Team

Timetable Immediate

This report was prepared after consultation with:

- Executive Board
- Corporate Management Team

Signed

Background

The Local Government and Elections (Wales) Act 2021 requires local authorities across Wales to conduct an annual self-assessment of performance to:

- 1. Keep performance under review** – ensuring that the Council is exercising its functions effectively; using its resources economically, efficiently, and effectively; and that governance arrangements are effective for securing these areas.
- 2. Duty to consult on performance** – ensuring that Councils consult with local people, businesses operating in Newport, Council staff and Trade Unions.
- 3. Duty to report on performance** – demonstrating the extent to which the Council has performed in the previous financial year, the action it intends to take or has taken to meet and increase upon performance requirements.

Local authorities are also required to publish an annual report on the self-reflection / assessment of its performance and progress in the delivery of its Well-being Objectives as part of the Well-being of Future Generations Act.

The Local Government and Elections (Wales) Act guidance from Welsh Government suggests local authorities may wish to consider opportunities to integrate its self-assessment report with reports on other duties such as Well-being of Future Generations. Last year the Council presented a report to Cabinet and Governance & Audit Committee outlining its preferred approach to integrate its annual self-assessment report with its assessment of its progress against the Council's Well-being Objectives.

Role of The Governance & Audit Committee

As outlined in the Act and [guidance](#) it is required that the draft report is reviewed by the Council's Governance & Audit Committee and may make recommendations for changes to the conclusions or action(s) the Council intends to take. If the Council does not make a change recommended by the Governance & Audit Committee, it must set out in the final Self-assessment report the recommendation and the reasons why the Council did not make the change.

The final report will be presented to Full Council in November 2023 following presentation at the Council's Overview Scrutiny Management Committee (OSMC) and Cabinet in October 2023.

Newport City Council Annual Corporate Plan Self-Assessment Report 2022/23

This year's annual Corporate Plan Self-Assessment Report 2022/23 (Appendix 1) provides a self-assessment on the progress of delivery against the Council's Corporate Plan 2022-27 and the effectiveness of the Council's governance and performance arrangements to ensure it is using its resources economically, efficiently and effectively. Self-reflecting back to last year's report, this year's report has considered the recommendations and comments raised by the Council's Governance & Audit Committee and Overview Scrutiny Management Committee.

In November 2022, the Council approved its 5 year Plan to deliver an '*Ambitious, Fairer and Greener Newport for everyone*' with four Well-being Objectives focusing on the Economy, Education and Skills; Environment and Infrastructure; Quality Social Care and Community Services; and an Inclusive, Fair and Sustainable Council. To support the delivery of the Corporate Plan the Council's 11 service areas developed their service plans outlining the programmes and projects, objectives and actions which will be supporting each Well-being objective(s) and its strategic priorities; and delivering continuous improvement. These supporting documents are also published.

To self-assess the progress against the Well-being Objectives and the governance & performance arrangements, the Council examined the position reported by the Council's 11 service areas at the end of 2022/23 which were reported to the Council's Performance Scrutiny Committees in July 2023. Additionally, the report also referred to several annual reports on the delivery of specific strategies and statutory duties such as the Director of Social Services Report, annual Equalities and Welsh Language reports and Climate Change reports. A full list of reports considered are included in the annual report.

To assess the effectiveness of the Council's Governance and Performance arrangements, the report referred to the Council's Annual Governance Statement (AGS), Statement of Accounts, Internal Audit and External Regulatory reviews completed by the Council's 3 regulators: Audit Wales, Estyn and Care Inspectorate Wales. A progress update against the recommendations raised in the 2021/22 Annual Report have also been included in the report.

In relation to the progress made against the 14 actions raised in last years Annual Report, the Council has 7 completed actions with 7 actions still in progress. The actions still in progress at the end of 2022/23 have been carried forward into 2023/24 action plan. The Annual Report has also been subject to review by the Council's Executive Board and senior officer group Corporate Management Team.

Overall Conclusion and Self-Assessment of NCC Governance and Performance Arrangements in 2022/23

The overall conclusion made by the Council is that it has made an encouraging start to the delivery of the Council's Corporate Plan 2022-27. Good progress has been made by the Council in 2 out of 4 Well-being Objectives (Well-being Objective 2 and 4). But significant challenges remain across the Council's Social Services, Housing, Infrastructure and Education on the long term sustainability to meet the demands of residents in Newport within the financial and legislative pressures. Additionally, the governance and performance arrangements of the Council as outlined in the Council's Annual Governance Statement report remain effective but further actions are needed to improve existing arrangements to ensure the Council remains transparent in the delivery of its services and ensure key stakeholders are involved in decision making.

Including the actions carried forward into this year's Annual Report, the Council has raised a further 2 actions bringing the overall total to 9. Progress against these will be monitored and reported through the Council's Directorate Management Teams and Executive Board through service plan delivery.

Below is a summary of the Council's assessment including its achievements and challenges the Council has faced in 2022/23 and a summary of the Council's Annual Governance Statement 2022/23.

		2022/23 RAG Assessment Status
Well-being Objective 1- Education, Skills and Employment		
Key Achievements 2022/23	Key Challenges 2022/23	
<ul style="list-style-type: none"> • Delivery key regeneration projects including Marriott Hotel, Central Library & Museum. • No schools in special measures at the end of 22/23 with Newport High school and Malpas Church in Wales Primary school coming out of special measures. • Delivery of Ysgol Gwent Is Coed school redevelopment through Communities for Learning programme. • Delivery of key adult and youth learning through initiatives such as Newport Youth Academy, job fairs and Adult Learning. • Aspire alternative learning programme supporting 36 learners to achieve recognised qualifications. • Led and supported over 30 events across Newport including the Food Festival, and Newport Marathon. 	<ul style="list-style-type: none"> • Long term sustainability school finances, buildings and assets to meet the needs of communities. • Improving visitor figures to Newport to pre-pandemic levels. • To progress key strategies and initiatives from the Corporate Plan including Placemaking Plan, Cultural Strategy, and Sports Strategy. • Regeneration Projects delivery managing inflationary costs. • Managing increase demand and provision for children with Additional Learning Needs. 	

		2022/23 RAG Assessment Status
Well-being Objective 2- Environment & Infrastructure		
Key Achievements 2022/23	Key Challenges 2022/23	
<ul style="list-style-type: none"> Continuing good progress against waste performance targets and improvement on graffiti and gum litter 	<ul style="list-style-type: none"> Progress towards delivery Net zero carbon by 2030. 	
<ul style="list-style-type: none"> Delivery of key Active Travel projects including Newport train station footbridge. 	<ul style="list-style-type: none"> Affordable and sustainable housing in Newport to meet the housing demand needs. 	
<ul style="list-style-type: none"> Development of the Council's Digital Strategy. 	<ul style="list-style-type: none"> Continuing deterioration of highways assets, especially within the carriageway and bridge asset groups. 	
<ul style="list-style-type: none"> Continuous work of regulatory services to comply with environmental and regulatory requirements. 		
<ul style="list-style-type: none"> Continuing achievements and recognition for the Council's parks and bio-diversity. 		
<ul style="list-style-type: none"> Electric Vehicle procurement, charging points and solar panel installations. 		

		2022/23 RAG Assessment Status
Well-being Objective 3 – Quality Social Care and Community Services		
Key Achievements 2022/23	Key Challenges 2022/23	
<ul style="list-style-type: none"> Youth Services recognised for Bronze Quality Mark. 	<ul style="list-style-type: none"> Housing and Homelessness demands on the Council and impact on other front line services such as Social Services and Education. 	
<ul style="list-style-type: none"> Meeting the demand to support Ukrainian refugees in Newport. 	<ul style="list-style-type: none"> Eliminate Programme and remove profit from the care of children. 	
<ul style="list-style-type: none"> Establishing Cost of Living Delivery group collaborating with health, GAVO, charities and other not for profit organisations providing advice and support such as 'Warm Spaces' during winter period. 	<ul style="list-style-type: none"> Stability of social care providers and provision of residential / domiciliary care. 	
<ul style="list-style-type: none"> Development and approval of the Pillgwenly Master Plan 	<ul style="list-style-type: none"> Pressures on Adult and Children services to meet demand. 	
<ul style="list-style-type: none"> Expansion of the Council's Flying Start offer to residents in Newport. 	<ul style="list-style-type: none"> Improve Safeguarding training provided to Members and staff through the roll out of the National Safeguarding training standards and ensure compliance. 	
	<ul style="list-style-type: none"> Prevention & Inclusion grant funding from Welsh Government. 	

		2022/23 RAG Assessment Status
Well-being Objective 4 – An Inclusive, Fair and Sustainable Council		
Key Achievements 2022/23	Key Challenges 2022/23	
<ul style="list-style-type: none"> Launch of the Council's new Digital Strategy 	<ul style="list-style-type: none"> Sickness and Check In performance did not achieve its intended targets 	
<ul style="list-style-type: none"> Commencement of the Asset Rationalisation programme 	<ul style="list-style-type: none"> Progress towards delivery Net zero carbon by 2030. 	
<ul style="list-style-type: none"> Participatory budget programme supporting community and charity organisations across Newport. 	<ul style="list-style-type: none"> Increasing and supporting the number of staff from disabled, minority ethnic and LGBTQ+ communities. 	
<ul style="list-style-type: none"> Launch of the Council's Participation strategy 	<ul style="list-style-type: none"> Delivery of the Council's Digital Strategy / and customer contact. 	

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

Next Steps

The conclusions and recommendations by the Council's GAC will be considered alongside the recommendations of the Council's Overview Scrutiny Management Committee before it is presented to Cabinet in October and Council in November 2023.

Following approval the report will be shared with Welsh Government, and its three Regulatory bodies (Audit Wales, Care Inspectorate Wales and Estyn). A final published version will also be made available on the Council's website in Welsh and English.

Appendix 1 – DRAFT Annual Corporate Plan Self-Assessment Report 22/23

Financial Summary

There are no direct costs associated with this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Non-compliance with the Local Government & Elections Act and Well-being for Future Generations Act.	M	L	The approach outlined in the report will mitigate against non-compliance with the Acts.	Director for Corporate and Transformation

*Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Corporate Plan 2022-27

Annual Governance Statement

Options Available and considered.

1. Governance and Audit Committee to provide comments and recommendations on the Council's approach to the Annual Report note the contents of this report and the approach that the Council will undertake to comply with requirements set in the Local Government & Elections Act 2021.
2. Governance and Audit Committee do not accept the contents of the report and require further information and assurances to support the Council's overall self-assessment conclusion.

Preferred Option and Why

1. Option 1 is the preferred option and Officers will consider any feedback received in relation to report presented.

Comments of Chief Financial Officer

As the report states, there are no financial implications directly arising from this report. The Annual Governance Statement is referenced within the report and this document provides a clear position of the Council's overall control environment, including areas where further action is required.

Whilst there are no direct financial implications arising from the report, it does highlight a number of areas where challenges remain, many of which will or could have a financial consequence, in either revenue or capital terms. Examples include the demand pressures being experienced within Children's Services and the ongoing growth in the challenge surrounding homelessness. Both of these are impacting significantly upon the Council's in-year financial position and are likely to in the future. As result, these pressures have been incorporated into the Council's Medium Term Financial Plan and form part of the budget gap to be addressed as part of setting the 2024/25 revenue budget.

These examples highlight the need to ensure that there remains a clear ongoing link between the Council's Corporate Plan, performance and risk management, and financial management. Any new or ongoing challenges which also present a financial risk will need to be appropriately reflected as part of medium term financial planning, to ensure that any unavoidable financial consequences are reflected in future revenue and capital budgets. In addition, where relevant, certain financial matters will be reported through the annual Statement of Accounts.

The need for this clear link is heightened whilst the Council, like all local authorities, continue to operate within significantly constrained financial parameters. Because of this, there is a requirement for clear prioritisation of aims and objectives, to ensure that the most critical are afforded as part of future financial plans.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. The Local Government & Elections (Wales) Act 2021 has removed the previous statutory duty under the Local Government (Wales) Measure 2009 for councils to secure continuous improvement in the delivery of services. The continuous improvement duty has been replaced by a more flexible performance self-assessment process which requires the Council to keep under review the extent to which it is exercising its functions effectively, using its resources economically, efficiently and effectively and has in place effective governance arrangements to secure these performance requirements. As part of that self-assessment process, the Council is required to produce an annual self-assessment report, setting out its conclusions on the extent to which it has met these performance requirements and any actions it intends to take, or has already taken, to increase performance. How the Council develops and publishes the annual self-assessment performance report is a matter for the Council to determine. The agreed approach, as previously endorsed by Governance & Audit Committee, is to combine the performance self-assessment with the Council's existing annual Well-being report and to integrate the findings of other annual performance reports. Therefore, this annual self-assessment report has been prepared on that basis. Governance & Audit Committee have a statutory role under the 2021 Act to review, assess and make reports about the effectiveness of the arrangements the Council has put in place for the performance assessments to meet the requirements of the legislation and can make recommendations for changes to the conclusions or actions contained in the draft report. However, any comments or recommendations must relate to the effectiveness of the processes and arrangements, and whether they should be more rigorous or comprehensive, not the performance itself. Overview & Scrutiny Committee will consider any performance issues in relation to meeting the well-being and strategic objectives set out in the Corporate Plan.

Comments of Head of People, Policy and Transformation

This is the first annual report on the progress the Council is making in the delivery of its Corporate Plan 2022-27 Well-being Objectives and the effectiveness of the governance and performance arrangements to achieve these. Following the first Annual Well-being Self-Assessment Report 2021/22, the feedback from the Governance & Audit Committee and Overview Scrutiny Management Committee have been taken into consideration to improve the self-assessment of the Council's arrangements. Throughout the last

financial year, the Council has made significant progress in improving the governance and performance arrangements across the Council to ensure officers, Cabinet Members and elected members are provided with timely and evidence based information to make well informed decisions.

As the Annual Report highlights, the Council has significant challenges across key front-line areas of the Council and challenging decisions will need to be made over the term of this Plan to ensure services remain sustainable and meet the needs of the city.

Prior to the report being published, we will consider the feedback and recommendations of the Governance & Audit Committee and Overview Scrutiny Management Committee.

Scrutiny Committees

The scrutiny of the 11 Service area plans were completed by the Council's Performance Scrutiny Committees in July 2023. Links to the Performance Scrutiny Committees are included in the table below and can also be found in the Annual Report attached.

Performance Scrutiny Report (Please click the link)	Service Area (Please click the link)
People Scrutiny Committee – 11th July 2023	Education Services
People Scrutiny Committee – 25th July 2023	Adult Services Children Services Prevention & Inclusion Service
Place & Corporate Scrutiny Committee – 10th July 2023	Environment & Public Protection Housing & Communities Infrastructure
Place & Corporate Scrutiny Committee – 24th July 2023	Finance Law & Standards People, Policy & Transformation Regeneration & Economic Development

This report will be presented to the Overview Scrutiny Management Committee on 9th October 2023. The recommendations from GAC and OSMC will be included in the October Cabinet report and final report to Council in November.

Equalities Impact Assessment

As this is an information only report there is no requirements to complete an Equalities Impact Assessment. The Annual Report provides a summary of the Council's Equalities Annual Report which provides an overview of activities undertaken in relation to equalities, consultations and engagement.

The final version of the report will be published in Welsh and English.

Wellbeing of Future Generations (Wales) Act 2015

The Annual Report has considered the five ways of working principles in the delivery of the Well-being Act.

Consultation

Considered by Governance and Audit Committee and Cabinet.

Background Papers

[Corporate Plan 2022-27](#)

[Cabinet Report – NCC approach to the Self-Assessment, April 2022](#)

[Governance & Audit Committee Annual Report 2021/22](#)

[Overview Scrutiny Management Committee Annual Report 2021/22](#)

[Well-being of Future Generations Act](#)

[Welsh Government Self-Assessment Guidance](#)

Dated: 20th September 2023

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Report

Governance & Audit Committee

Part 1

Date: 28th September 2023

Subject Draft Annual Governance Statement 2022/23 (AGS)

Purpose To present an updated draft of the 2022/23 AGS which will need to be signed by the Council Leader and Chief Executive before inserting into the Council's Annual Statement of Accounts

Author Head of Finance

Ward N/A

Summary A draft 2022/23 AGS went to this committee in their July meeting and general feedback was received indicating that further internal review and assessment was required. The Council has taken on board those general comments and further feedback from Corporate Management Team members have highlighted a number of issues and considerations with more recommendations to strengthen Governance and which are reflected in an updated AGS which is appended.

Proposal To review the updated draft of the 2022/23 AGS and provide specific feedback, as needed, which can be further considered before the document is finalised.

Action by HoF -consider any feedback and make changes as appropriate to the 2022/23 AGS before review and signing by Leader of the Council and Chief Executive

Timetable Immediate, to meet statement of accounts deadlines

This report was prepared after consultation with:

- Corporate Management Team
- Director of Corporate Services
- Monitoring Officer

Signed

Background

As a reminder to the committee, the Councils Governance Framework brings together / incorporates both its legislative responsibilities and various management processes such as its policies, strategies, communication, decision-making and management of risk and performance. Its arrangements are designed to fulfil the following broad principles:

Acting in the public interest:

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

B. Ensuring openness and comprehensive stakeholder engagement.

Having effective arrangements for:

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

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

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

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

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

The Council Code of Corporate Governance is based on the above with each one having a number of sub-set of principles. Against these are the arrangements in place at the Council to meet those principles, be they plans, strategies, policies, frameworks, processes and how we manage risk and monitor performance etc. Via these, good governance is achieved.

A first draft of the 2022/23 AGS was brought to this committee in the July meeting. Comments received then were focussed on the committees view that the AGS was unduly focussed on justifying that Governance was 'satisfactory' as opposed to a review process which identified areas for improvement.

The AGS has been developed further since then. It has benefited from feedback from many of the Council's Corporate Management Team as well as the Policy/Transformation team who are also heavily involved in the Councils 'Annual assessment review' of which the AGS is a key part. Main changes include:

1. A revised introduction / context which:
 - is more focussed.
 - includes a section ("About Newport City Council and its Governance Framework) which explains, in summary, how the Council is organised and structured and how decisions are made and the processes and procedures around these which contribute to our governance arrangements and framework. This provides a summary, high level view of how decisions are made, and risks managed.
 - explains how we have reviewed our governance arrangements.
2. Updated detailed review of the policies/procedures/plans and processes against each of the principles / sub-principles above which contribute to governance. The wider input and feedback into this have identified a greater number of improvements – 19 areas vs 11 previously. It also includes more detail of the review undertaken and some of the arrangements in place to confirm / justify the review conclusions.

The Governance & Audit Committee are asked to review and provide specific feedback to the updated 2022/23 AGS. Any changes resulting from this will be made as needed and then the document will be considered by the Council's Chief Executive and Leader who are required to then sign it when satisfied. The signed document will be incorporated into the Councils 2022/23 Statement of Accounts and the Council's external auditors will also review it to ensure it is reasonable and accurate in its coverage and content. IKt also features in the Council's annual self-assessment.

Financial Summary (Capital and Revenue)

- The annual review of the AGS has no specific financial impact. There may be a cost associated with a very small number of the improvements identified and services will need to consider and manage these appropriately.

	Year 1 (Current) £	Year 2 £	Year 3 £	Ongoing £	Notes including budgets heads affected
Costs (Income)					
Net Costs (Savings)					
Net Impact on Budget					

Risks

Member review and involvement in developing and finalising the AGS is a key part of the overall governance arrangements in-itself and also is a requirement of the Public Sector Internal Audit Standards. The management of risks is a significant of the Council's governance arrangements.

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Members not involved in the review of the AGS	M	L	Governance & Audit committee fully engaged in the review.	HoF

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Governance framework and arrangements supports all of the Council's priorities and plans.

Giving management assurance on the systems in operation gives them confidence that there is sound financial management in place, that more effective services can be provided and the risk of theft, fraud and corruption is minimised. Better service provision and looking after the public pound makes our City a better place to live for all our citizens, hence delivering an ambitious, fairer, greener Newport for everyone. (Corporate Plan 2022-2027).

Options Available and considered

This is a factual report and therefore there are no specific options to be considered. The review of the original draft 2022/23 AGS was requested by the Governance & Audit Committee.

The Annual Governance Statement is a statutory requirement and forms part of the Annual Statement of Accounts. The statement sets out how the Authority is meeting its own Code of Corporate Governance.

Preferred Option and Why

That the Committee further considers the 2022/23 AGS and the improvements made and provide any further specific comments as needed.

Comments of Chief Financial Officer

In accordance with the Accounts and Audit (Wales) Regulations 2014, an Annual Governance Statement must be prepared with the Annual Statement of Accounts, setting out how well the Council complies with its Code of Corporate Governance. The Council has a comprehensive set of arrangements, processes and policies in place which meets the requirements of the Code. As expected, there are a number of improvements and developments required and these are identified in the self-assessment.

Comments of Monitoring Officer

In accordance with the Accounts and Audit (Wales) Regulations 2014, an Annual Governance Statement must be prepared with the Annual Statement of Accounts, setting out how well the Council complies with its Code of Corporate Governance. The Council's internal governance arrangements are set out in various constitutional framework documents under the umbrella of the Code of Governance. The Code has been prepared in accordance with relevant Guidance and incorporates the seven core governance principles developed by the Independent Commission on Good Governance in Public Services. It also reflects legislative requirements and ethical principles of democratic decision-making. Compliance with the Code will ensure that decisions continue to be made lawfully and with propriety and in a fair and transparent manner.

Comments of Head of People, Policy and Transformation

There are no other specific HR issues arising as a result of the report. Newport City Council is now required to self-assess its governance and performance as outlined in the Local Government and Elections (Wales) Act 2021. The Annual Governance Statement supports the Council's approach to self-assessing the effectiveness and efficiency of its performance and governance arrangements. The recommendations and actions for the Council to improve will be integrated into the Council's Annual Well-being and Self-Assessment Report. This work also aligns to the Council's statutory responsibilities under the Well-being of Future Generations Act (2015).

Scrutiny Committees

N/A as the Governance & Audit committee provides the review and scrutiny of the AGS

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

The role of Internal Audit supports the Council in complying with the principles of the Wellbeing Act and providing assurance on the activities undertaken across the Council. In compiling this report the principles of this Act have been considered:

Long term - The Internal Audit workload is based on an annual operational plan supported by a 5 year strategic plan that is aligned to the Council's Corporate Plan.

Prevention - Internal Audit identify strengths and weaknesses within the control environment of Newport City Council; addressing the weaknesses gives management the opportunity of preventing gaps in service provision getting worse. This should also minimise the potential for fraud, theft, loss or error.

Integration - Internal Audit opinions provide an objective opinion on the adequacy of the Council's corporate governance, internal control and risk management environment in operation and support sound stewardship of public money.

Collaboration - Internal Audit work in collaboration with operational managers to develop an appropriate action plan in order to address identified concerns.

Involvement - Heads of Service and Senior Managers are invited to contribute to the audit planning process each year in order to prioritise audit resources. The involvement of the Governance & Audit Committee provides assurance and oversight of an effective internal audit provision to carry out its duties.

Consultation

N/A

Background Papers

2022/23 Approved Internal Audit Plan; 2022/23 Annual Internal Audit Report; Corporate Plan; Cabinet and Scrutiny papers; Council policies and procedures. NCC Code of Corporate Governance 2020/21.

Dated:

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NEWPORT
CITY COUNCIL
CYNGOR DINAS
CASNEWYDD

**Annual Governance Statement
2022/23**

DRAFT

Introduction

Newport City Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and to proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions and arrangements for the management of risk.

'CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (2010)' sets out the governance arrangements which are in place within the Council to ensure sound financial management. The Council's [Code of Corporate Governance](#) sets out its commitment to good Governance, which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. This was initially approved by Cabinet and then Council in July 2013 with a further update approved by Cabinet in July 2014. The Code was updated in 2019/20 and approved by Cabinet in April 2021.



Purpose of the Annual Governance Statement

The Council's Annual Governance Statement (AGS) provides assurances over the effectiveness of Council's Governance arrangements together with identifying areas of future focus and improvement. The AGS is based upon an assessment of the Council's Code of Corporate Governance and the 7 principles:

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

The AGS is a requirement of the Accounts and Audit (Wales) Regulations 2014. It also takes account of the Local Government and Elections (Wales) Act 2021. This Statement will be incorporated into the Council's Annual Wellbeing Self-Assessment Report. This Statement demonstrates that Newport City Council is compliant with these regulations for 2022/23.

Section 2 of the AGS provides an overview of the Council's Self-Assessment and the recommendations / further actions it needs to undertake to improve its governance arrangements.

Local Government and Elections (Wales) Act 2021

The Local Government and Elections (Wales) Act 2021 requires local authorities to secure continuous improvement in the way, which its functions are exercised, having regard to strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation. As part of the Act, the Council has to annually self-assess its governance and performance arrangements and to keep under review the extent to which it is fulfilling the 'performance requirements' that is, the extent to which:

- It is exercising its functions effectively;
- It is using its resources economically, efficiently and effectively; and
- Its governance is effective for securing the above.

To assess the effectiveness of the Council's governance and performance arrangements, the Act advises that local authorities can integrate its Annual Well-being Report (Well-being of Future Generations Act), AGS and other annual / statutory reports to support the Council's overall self-assessment. The findings, areas for improvement and actions of this AGS will be integrated into the Council's annual Well-being Self-Assessment report.

About Newport City Council and its Governance Framework

Newport City Council consists of 51 elected members representing [21 Wards](#) across Newport. Local Councillors are elected by the community to decide how the Council should carry out its various activities and represent public interest as well as individuals living within the ward.

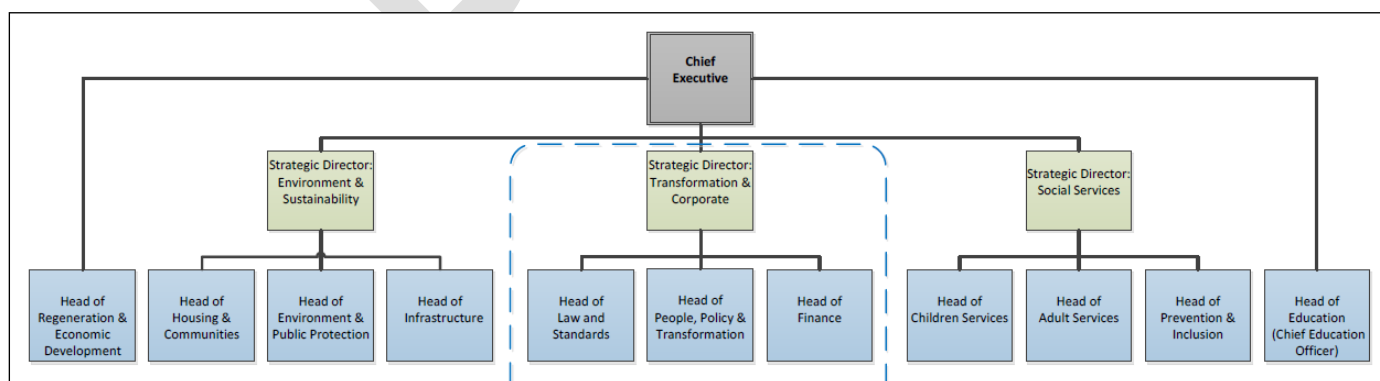
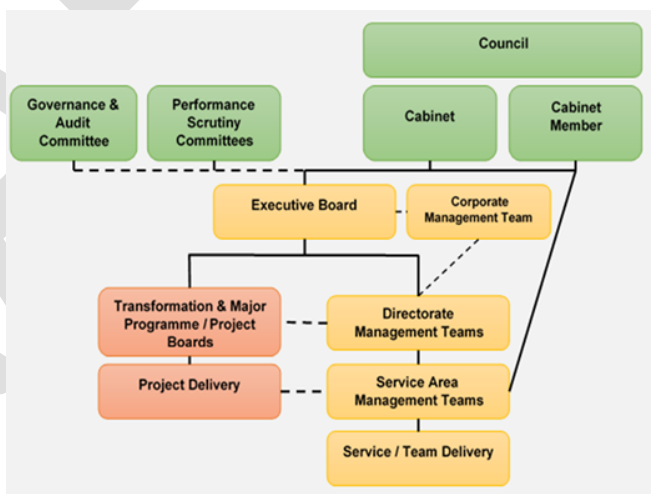
The roles and responsibilities (including decision making) of the Council, its Cabinet and supporting committees are outlined in the [Council's Constitution](#) which was last updated in March 2023. Officers (employees, staff inc. agency or other non-employed situations) are responsible for carrying out the Council's functions.

The Cabinet carries out all of the Council's functions which are not the responsibility of any other part of the Council (whether by law or under the Council's Constitution). The Cabinet consists of the Leader with a maximum of 9 other Councillors appointed to the Cabinet to oversee the delivery of specific functions.

Newport City Council's [Democratic and Committee structure](#) consists of a wide range Standing Regulatory Committees, Overview & Scrutiny Committees and other committees to enable and support the Council and Cabinet to discharge its duties and responsibilities set out in the Council's constitution.

The Council's Chief Executive and Head of Paid Service is the Council's primary policy advisor and works with elected members and lead the Council's strategic management team to ensure that direct services to the public and support services are managed effectively and economically to provide best value. To support the Chief Executive the Council has three Strategic Directors and 11 Heads of Service some of whom provide statutory roles:

- Chief Executive & Returning Officer
- Chief Finance Officer (Section 151 Officer) – Head of Finance
- Director of Social Services
- Chief Education Officer
- Monitoring Officer and Head of Democratic services – Head of Law & Standards
- Senior Information Responsible Officer – Head of Law & Standards



The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the

community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that 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 and not absolute assurance of effectiveness. The system of internal control is based on an on-going 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 governance framework has been in place at the Council throughout the year 2022/23, and up to the date of approval of the statement of accounts.

Newport City Council's Corporate Plan 2022-27

The Council's [Corporate Plan](#) for 2022 to 2027 "*An Ambitious, Fairer, Greener Newport for everyone*" sets out the 5 year vision and direction for the Council. This was signed off during 2022/23. The Corporate Plan forms part of the Council's policy framework, and prior to agreement had been through the necessary consultation with scrutiny and members of staff.

The Corporate Plan outlines four Well-being Objectives which will support the Well-being of Future Generations Act and local, regional and national delivery. The Well-being Objectives are:

- **Well-being Objective 1 (Economy, Education & Skills)** – Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all.
- **Well-being Objective 2 (Newport's Environment & Infrastructure)** – A city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future.
- **Well-being Objective 3 (Preventative and Equitable Community and Social Care)** – Newport is a supportive city where communities and care are at the heart of what we do.
- **Well-being Objective 4 (An Inclusive, Fair and Sustainable Council)** – Newport City Council is an inclusive organisation that places social value, fairness and sustainability at its core.

The Corporate Plan is delivered through service area plans. Service plans are set in conjunction with Cabinet Members and scrutiny committees to ensure oversight and accountability for the delivery of the actions. An annual report of progress against the Corporate Plan is presented to Cabinet and published so that it can be shared with all employees and members of the public to present an open and transparent view of how the Council is working towards its vision and objectives and how further work will be focused to ensure further improvement.

Regional and Partnership Involvement

The Council is also involved with several regional partnership groups which are responsible for discharging duties prescribed in various legislation. Each of these groups have their own formal governance and performance arrangements which are subject to their own legislative and local arrangements. A summary of the Council's involvement in these groups are outlined below:

- [Gwent Public Services Board \(PSB\)](#) – The Gwent PSB was established by the Well-being of Future Generations (Wales) Act 2015. The Gwent PSB includes representatives from other Gwent local authorities, Health, South Wales Fire and Rescue service, Natural Resources Wales. Other strategic partners such as Gwent Police, Public Health Wales, University of South Wales and others are also involved.
- [Cardiff Capital Region \(Corporate Joint Committee\)](#) - The Local Government and Elections (Wales) Act 2021, allowed for the creation of Corporate Joint Committees (CJCs) to oversee the delivery of regional development plans, transport plans and economic plans. Similar to local authorities, the CJC

has to publish and deliver a [Well-being Plan](#) and further governance arrangements in relation to the CJC are in progress. Further detail on CJC activities can be found [here](#).

- [Gwent Regional Partnership Board \(RPB\)](#) – Local authorities and local health boards are required to establish Regional Partnership Boards under the Partnership Arrangements (Wales) Regulations 2015. The Gwent RPB consists of the Gwent local authorities and Aneurin Bevan University Health Board to discharge these duties.

How did we Assess the Effectiveness of our Governance Arrangements?

The effectiveness of the Council’s governance arrangements was undertaken through a series of evidence based assessments used to assess their effectiveness to enable the Council to discharge its duties under the Code of Corporate Governance and its 7 principles.

A wide range of internal and external evidence was obtained to demonstrate where the Council was meeting its requirements under the Code of Corporate Governance and also where further improvements need to be undertaken. The table below provides a summary of key evidence and assurance activity to demonstrate how the Council assessed its arrangements and the sources of the evidence received. These are outlined in greater detail in section 2 of the report.

Assurance Required	Evidence of Assurance Received
<ul style="list-style-type: none"> • Achievement of Objectives. • Adherences to ethical standards. • Compliance with laws, regulations, internal policies & procedures. • Standards of conduct and behaviour. • Financial Management including value for money. • Sustainability. • Quality of service delivery. • Management of risk(s). • Accountability. 	<ul style="list-style-type: none"> • Council Constitution. • Codes of Conduct • Corporate / Service policies & procedures. • Democratic Council and Cabinet. • Performance Scrutiny and Regulatory Committees. • Governance & Audit Committee • Agendas, minutes and webcasts of Democratic committees. • Executive Leadership Team and statutory officer groups • Internal Audit reports • External Regulator reports (Audit Wales, Care Inspectorate Wales & Estyn) • Other external reports on effectiveness of services • Statutory and discretionary annual reports • Financial Regulations and Contract Standing Orders • Medium Term Financial Plan, Statement of Accounts • End of Year Performance Reports • Risk Reports • Counter Fraud arrangements • Annual Well-being and Governance Assessment • End of year performance reports and service plans • Ombudsman’s annual letter.

Internal Audit (IA) and Annual Audit Opinion 2022/23

The Public Sector Internal Audit Standards (PSIAS) state that the ‘Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’ Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.

IA provides assurance to the Executive Board, Heads of Service and the Governance & Audit Committee that services are being delivered effectively, efficiently and economically with fraud and error minimised. In the Chief Internal Auditor’s opinion, adequate assurance was obtained over the course of 2022/23 resulting in an

overall 'Reasonable' assurance audit opinion to be issued for the Council's internal controls. This was based on audit work undertaken by the team; the Revised Internal Audit Annual Plan was approved by the Governance & Audit Committee in July 2022. 77% of the approved Audit Plan was completed against the target of 80%, with 38 audit opinions issued. Further detail regarding the Internal Audit work undertaken and the team's performance is included within the Internal Audit Annual Report 2022/23 which was presented to the Governance & Audit Committee in May 2023.

Four unfavourable audit opinions were issued during 2022/23, 2 within Social Services, 1 within Finance/all services and 1 within Infrastructure. These have been brought to the attention of the Governance & Audit Committee and call ins to Committee have taken place during the year and/or are due to take place during 2023/24.

The Corporate Governance Follow Up audit commenced during 2022/23. This audit was previously rated as unsatisfactory. The audit was concluded in June 2023 and a draft report issued. An improved draft opinion rating of 'Substantial' (level of Assurance) was given, demonstrating the improvements made and actions taken by managers to improve the overall governance arrangements.

Note: *At the end of 2022/23 and into quarter 1 of 2023/24, a Corporate Risk has been raised in relation to the Internal Audit service providing overall audit opinion on the effectiveness of the Council's internal control. This has not impacted on the 2022/23 Annual Governance Statement but will be considered as part of the 2023/24 AGS assessment.*

Section 2 – Annual Governance Statement Summary and Overall Conclusion 2022/23

The Council has overall assessed its governance arrangements to be **effective**. The Council has based this upon the assessment completed in the table below. Any actions outstanding from the 2021/22 Annual Governance Statement and any further actions to improve can be seen in the Action Plan in **Section 3**.

Summary of the Council's Assessment against the Code of Corporate Governance Principles:

Principle	Red (R)	Amber (A)	Green (G)	No. of Actions
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.				6
Principle B: Ensuring openness and comprehensive stakeholder engagement.				3
Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits.				0
Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.				4
Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.				3
Principle F: Managing risks and performance through robust internal control and strong public financial management.				2
Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability.				1

Key:

	Generally sound governance arrangements in place, moderate issues for improvement identified.
	Significant issues identified that could impact on the overall governance arrangements. Actions required.
	Critical issues have been identified. Improvements required urgently.



The Council is accountable not only for how much it spends, but also for how we use the resources under our stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes we have achieved. In addition, we have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, we can demonstrate the appropriateness of all our actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
<p>Behaving with integrity</p>	<ul style="list-style-type: none"> ▪ Members Code of Conduct in Constitution which reflects Local Authorities (Model Code of Conduct) (Wales) Order 2016. ▪ Employee Code of Conduct in Constitution (Feb 2023). ▪ Registers of employee declarations / interests and gifts & hospitality. ▪ Induction training for Members and Employees. ▪ Member/Officer Protocol in Constitution. ▪ Whistleblowing Policy (July 2022) ▪ Anti-Fraud, Bribery and Corruption Policy (Cabinet – April 2021) ▪ Standards Committee ▪ Standards Committee Annual Report presented to Council. ▪ Member Dispute Resolution ▪ Compliments, Comments and Complaints Policy. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council’s existing policies and procedures remain in place. <p>Additional assurances and of improvement include:</p> <ul style="list-style-type: none"> ▪ Newport City Council is developing its new People Plan which will support new Council Values. This is identified as a key action in the People, Policy & Transformation Service Plan. ▪ New online processes introduced for employee declarations and gifts & hospitality. ▪ New e-Learning module on Whistleblowing introduced for all staff. There were 4 Whistleblowing cases raised during 2022/23, all of which were not upheld. 	<ul style="list-style-type: none"> ▪ Launch / Introduce new People Plan and Council values. ▪ Development of a Fraud Risk Assessment. ▪ Review Counter Fraud arrangements and strengthen reporting in this area. ▪ NCC Code of Corporate Governance to be reviewed / updated.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Code of Corporate Governance ▪ Monthly staff communications through staff newsletters. 	<ul style="list-style-type: none"> ▪ Revised Policy Customer Feedback: Compliments, Comments and Complaints (April 2023). ▪ Standards Committee 2021-22 Annual Report to Council Nov 2022. ▪ Regular update to Standards Committee on complaints made to the Ombudsman about City & Community Councillors. (April 2022, July 2022, Jan 2023). 	
Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> ▪ Corporate Plan 2022-27 has set four principles for delivery. ▪ Contract Standing Orders (2020). ▪ Codes of Conduct for Members and Employees. ▪ Financial Regulations (2016). ▪ Standards Committee. ▪ Whistleblowing Policy (July 2022) ▪ Employee HR policies and engagement. ▪ Compliments, Comments and Complaints Policy and Annual Report. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Corporate Plan 2022-27 has four principles which will support its delivery: Fair and Inclusive, Empowering each other; Listening Council; Newport's Values (People Plan). ▪ Employee Code of Conduct Updated February 2023 for disclosures. ▪ New e-Learning module on Whistleblowing introduced for all staff. ▪ Mandatory training for all employees. ▪ Staff networks established with well-being / ethical focus and commitments 	Creation of an employee values and behaviour framework and policy
Respecting the rule of law	<ul style="list-style-type: none"> ▪ Member and Employee Codes of Conduct in Constitution. ▪ Role of Head of Paid Service, Section 151 Officer and Monitoring Officer established in Constitution. ▪ CIPFA statement on the Role of the Chief Financial Officer. ▪ Anti-Fraud, Bribery and Corruption Policy (Cabinet – April 2021) ▪ Governance & Audit Committee 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Newport Constitution updated 1st March 2023. ▪ Employee Code of Conduct Updated February 2023 for disclosures. ▪ Mandatory training for employees. 	No further action required.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Internal Audit Section ▪ Internal Audit Annual Report presented to Governance & Audit Committee. ▪ Audit Wales Annual Audit Letter ▪ Standards Committee ▪ Whistleblowing Policy (July 2022) ▪ Customer Compliments, Comments and Complaints Policy. ▪ Disciplinary Policy (Dec 2021) ▪ Regulatory Committees – Licensing & Planning 	<ul style="list-style-type: none"> ▪ IA Annual Report 2021/22 to G&AC May 2022. ▪ Standards Committee 2021-22 Annual Report to Council Nov 2022. ▪ Regular update to Standards Committee on complaints made to the Ombudsman about City & Community Councillors. (April 2022, July 2022, Jan 2023). 	

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Principle B: Ensuring openness and comprehensive stakeholder engagement.



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

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Received 2022/23)	Further Action(s) to improve									
<p>Openness</p>	<ul style="list-style-type: none"> ▪ Committee meeting agendas and papers published in advance of meetings. ▪ Minutes published following meetings. ▪ Decision making process described in Constitution. ▪ Forward Work Programmes published on website showing key decisions to be made by Council and Cabinet. ▪ Consultation and Engagement Strategy & Consultation. ▪ Annual budget consultation Publication Scheme. ▪ Freedom of Information and Subject Access Requests. ▪ Customer Compliments, Comments and Complaints Policy. ▪ Public questions at Council and Cabinet Engagement with hard to reach groups such as BME, Disability and LGBTQ+ communities. As well as engagement with 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council’s existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ NCC Transparency Webpages updated. ▪ Customer Compliments, Comments and Complaints Policy updated and now reported to Governance & Audit Committee. (29th September 2022 & 30th March 2023) ▪ The Council has responded to Freedom of Information Act requests within the required 20 days: <table border="1" data-bbox="1066 1217 1621 1377"> <thead> <tr> <th></th> <th>2021-22</th> <th>2022-23</th> </tr> </thead> <tbody> <tr> <td>No' of FOI requests</td> <td>953</td> <td>992</td> </tr> <tr> <td>No' responded to within 20 days</td> <td>853</td> <td>903</td> </tr> </tbody> </table>		2021-22	2022-23	No' of FOI requests	953	992	No' responded to within 20 days	853	903	<p>No further action required.</p>
	2021-22	2022-23										
No' of FOI requests	953	992										
No' responded to within 20 days	853	903										

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Received 2022/23 Applicable)			Further Action(s) to improve
	children and young people to meet the requirement of the UNCRC.	% of FOIs responded to within 20 days	89.5% Target 88%	91% Target 88%	
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> ▪ Public Service Board and One Newport Plan/Well- Being Plan. ▪ South East Wales Corporate Joint Committee. ▪ Community Safety Partnership. ▪ Partnership agreements including TOR / Contract arrangements. ▪ Partnerships Scrutiny Committee. ▪ Consultations, Surveys and Engagements. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ The South East Wales CJC was established in 2022/23 and governance arrangements are still in progress. ▪ Partnerships Scrutiny Committee role is to assess the effectiveness of arrangements in place. ▪ Have Your Say – Consultations Webpages. 	No further action required.		
Engaging with individual citizens and service users effectively	<ul style="list-style-type: none"> ▪ Ward role of Councillors / ward meetings. ▪ Review of Public Engagement in Newport City Council. ▪ Participation Strategy 2022-2026 ▪ Have Your Say consultations on NCC Webpage ▪ Consultation principles and toolkit available on Intranet. ▪ Compliments, Comments & Complaints Policy and Annual Report. ▪ Medium Term Financial Plan (Budget Proposals) – Public Engagement. ▪ Public wi-fi on Newport Transport buses. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Participation Strategy was implemented in 2022/23 as part of Local Government and Elections (Wales) Act 2021. ▪ Annual Report on Compliments, Comments & Complaints for 2021/22 to G&AC 29th September 2022 & Cabinet 16th November 2022. ▪ Specific engagement work on key projects to improve participation e.g. play areas improvement programme. ▪ Participatory budgeting programmes delivered with communities / residents 	<p>Developments to Council website to improve access and interaction and quality of information.</p> <p>As part of wider Customer Services review; engage with users / customers to assess experience and ease of use of on-line 'My Council Services' system</p>		

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve												
		<p>to identify projects and priorities for one-off funding ‘</p> <ul style="list-style-type: none"> The following table shows the number of complaints received for the past two years: <table border="1" data-bbox="1066 475 1624 754"> <thead> <tr> <th></th> <th>2021-22</th> <th>2022-23</th> </tr> </thead> <tbody> <tr> <td>Stage 1 Complaints</td> <td>271</td> <td>341</td> </tr> <tr> <td>Stage 2 Complaints</td> <td>31</td> <td>46</td> </tr> <tr> <td>Complaints to PSOW</td> <td>24</td> <td>37</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Have Your Say – Consultations Webpages 		2021-22	2022-23	Stage 1 Complaints	271	341	Stage 2 Complaints	31	46	Complaints to PSOW	24	37	
	2021-22	2022-23													
Stage 1 Complaints	271	341													
Stage 2 Complaints	31	46													
Complaints to PSOW	24	37													



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

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Received 2022/23 Applicable)	Further Action(s) to improve
Defining Outcomes	<ul style="list-style-type: none"> ▪ Corporate Plan produced and reviewed annually in accordance with Local Government & Elections (Wales) Act 2021 and 'Wellbeing Objectives' in Wellbeing of Future Generations (Wales) Act 2015. ▪ Other strategic plans to support Corporate responsibilities e.g. Climate Change Plan, Local Area Energy Plan, Welsh Language Plan etc. ▪ Annual and Mid-year Performance Monitoring Reports. ▪ Annual Self-Assessment Review. ▪ Well-being Plan 2018-23 produced by Public Service Board (One Newport) ▪ Service Plans reviewed annually by each Head of Service. ▪ Monthly Performance and Financial Monitoring meetings held for each service area. 	<ul style="list-style-type: none"> ▪ For 2022/23, the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Corporate Plan 2022-27 approved by Council in November 2022. ▪ Other strategies updated in 2022/23 were Digital Strategy 2023-2027, Participation Strategy 2022-2026, Welsh Language Strategy 2022-2027 and Welsh in Education Strategic Plan 2022-2032. ▪ Annual Self-Assessment Report 2022/23 to be published in October / November. ▪ Mid-year review 2022/23 paused but replaced with Scrutiny review of new service plans to support new Corporate Plan. ▪ 2022/23 End of Year Reviews to be completed in July 2023. 	<p>No further action required on framework in place</p> <p>Local Air quality Plan will be approved and published in 2023/24</p>

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Corporate Performance and Planning Policy and Risk Management Policy. 	<ul style="list-style-type: none"> ▪ Performance and Planning Policy updated and finalised in June 2023. ▪ Risk Management Policy to be updated in Autumn 2023. ▪ New Regional PSB Well-being Planned in development. Launched in 2023/24 ▪ RPB Annual report 2023/24 setting out progress of regional priorities and outcomes. 	
<p>Sustainable economic, social and environmental benefits</p>	<ul style="list-style-type: none"> ▪ Medium Term Financial Plan covering 3 financial years approved annually by Council. ▪ Strategic Plan for Procurement 2020-2024 ▪ Corporate Plan 2022-2027 ▪ Climate Change Plan 2022-2027 ▪ FEIAs including Socio-Economic Duty. ▪ Performance and Planning Policy and Risk Management Policy ▪ Cabinet Reports and Scrutiny Reports ▪ One Newport (PSB) / / Marmot Principles (Fair Society Healthy Lives) ▪ New regional Area Plan 2023/24 signed off by RPB and submitted to Welsh Government on behalf of NCC 	<ul style="list-style-type: none"> ▪ For 2022/23, the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Developed an NCC Core List of TOMs (Themes, Outcomes & Measures) for measuring Social Value delivery through Commissioning, Procurement and Contract Management and associated reporting. (Cabinet – March 2023) ▪ Carbon Literacy Training for employees. ▪ 2022/23 budget not dependant on general use of reserves and 2023/24 budget approved similarly 	<p>No further action required for overall framework</p> <p>Application of TOM'S to procurement exercises threshold to be reduced to those above £175k to capture more spend / contracts where this is applied and assessed against</p>

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



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

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
<p>Determining interventions</p>	<ul style="list-style-type: none"> ▪ Corporate Plan 2022-27. ▪ PSB Well-being Plan 2018-22 and new one 2023-28. ▪ New regional Area Plan 2023/24 signed off by RPB and submitted to Welsh Government on behalf of NCC ▪ Officer review of Welsh Government Legislation including Cabinet / Cabinet Member reports as necessary. ▪ Scrutiny function. ▪ Performance & Planning Policy and Risk Management Policy. ▪ Finance and Legal implications considered in all Council, Cabinet and Committee reports. ▪ Options for decision making considered in all Council, Cabinet and Committee reports. 	<ul style="list-style-type: none"> ▪ For 2022/23, the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Transformation Plan will support delivery of the new Corporate Plan. New programmes and projects supported by improved business cases to enable evidence based decision making. ▪ Climate Change Plan approved March 2022 with actions identified for workstreams, first annual report Sep 2023. ▪ . ▪ Annual Self-Assessment of performance and governance aligned with new Local Government & Elections (Wales) Act 2021. 	<p>Establish 'capital assurance group' to provide oversight on behalf of Executive Board on capital schemes and contribution to achieve Council priorities</p> <p>Transformation approach and programme to be fully developed and reported</p>

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Council / Cabinet / Cabinet Member reports. ▪ Results of consultation exercises ▪ Fairness Equality Impact Assessment process. 	<ul style="list-style-type: none"> ▪ The RPB Area Plan is reviewed regularly by RPB sub partnerships and updates are shared with NCC through Annual Report. ▪ RPB meeting summaries shared with One Newport 	
Planning interventions	<ul style="list-style-type: none"> ▪ Review of Public Engagement in Newport City Council. ▪ Performance (Finance, Human Resources and service plans), Risks and strategic planning reported to Executive Board, CMT, DMT and service management teams. ▪ Mid-year and End of Year performance reports to Scrutiny and Cabinet. ▪ Quarterly reporting of performance and risk. ▪ Annual budget setting process in place including consultation exercise. ▪ Annual Service Plan review and updates. ▪ Financial Regulations (2016). ▪ Senior Management Structure. 	<ul style="list-style-type: none"> ▪ For 2022/23, the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Service plans updated in November / December 2022. All service plans subject to Scrutiny review and Cabinet Member(s) approval in Quarter 3. 	No further action required.
Optimising achievement of intended outcomes	<ul style="list-style-type: none"> ▪ Quarterly Financial Monitoring reports to Cabinet. ▪ Medium Term Financial Plan. ▪ Budget consultation. ▪ End of year performance reviews to Scrutiny and Cabinet. ▪ Quarterly performance and risk updates to senior officer groups, Cabinet Members. ▪ Service area Challenge Reviews by Executive Board. 	<ul style="list-style-type: none"> ▪ For 2022/23, the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Cabinet Reports on the outcomes of budget and finance performance. ▪ End of year performance report to Cabinet in Autumn '23 as part of the Council's annual report. ▪ Challenge Reviews to be introduced for end of year performance by Executive Board. 	<p>Establish Capital Assurance Group to provide oversight on delivery of capital programme</p> <p>Introduce service on-going challenge reviews, and work to develop employee check-ins.</p>

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve

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



Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

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Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
<p>Developing the entity's capacity</p>	<ul style="list-style-type: none"> ▪ Regular performance review for all staff as part of Wellness at Work Policy. ▪ Governance structure to ensure leadership and governance arrangements in place. ▪ Service planning process includes workforce planning. ▪ Quarterly financial and performance reports to Cabinet. ▪ Partnership & collaborative working arrangements e.g. PSB, RPB, Regional working. ▪ Graduate and apprenticeship schemes in place. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances and of improvement include:</p> <ul style="list-style-type: none"> ▪ New governance structure to support the 11 service areas. ▪ Executive Board (Chief Executive / Strategic Directors). ▪ Directorate Management Teams (Director and Heads of Service) ▪ Service Management Teams (Heads of Service / Service Managers). ▪ Restructures and service area redesigns ongoing to meet service user's needs. 	<ul style="list-style-type: none"> ▪ Understanding the workforce capacity and capability to deliver the Transformation Plan and Corporate Plan objectives. ▪ Engagement with the planned governance review of the RPB. ▪ Appointment of a second Responsible Individual to ensure independent oversight as defined in the legislation for regulated services within Social Services ▪ Development of agreed reporting structure for the RIs

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Reporting the work of the Responsible Individual (RI) under RISCA to Executive Board on a regular cycle 	<ul style="list-style-type: none"> ▪ Internal Audit reviews highlighted weaknesses in control and as a result management have identified resourcing and resilience as a priority. 	
<p>Developing the capability of the entity's leadership and other individuals</p>	<ul style="list-style-type: none"> ▪ Member/Officer Protocol in Constitution. ▪ Scheme of Delegation published in Constitution. ▪ Monthly One to One meeting are held involving the Leader, Cabinet Members, Chief Executive, Strategic Directors, Heads of Service and 3rd tier staff. ▪ Councillor Training Programme developed based on a Training Needs Assessment. ▪ Continual performance review for all staff under check-ins (iTrent). ▪ Occupational Health and Wellness at Work policy exists with aim of promoting the health and wellbeing of all employees to enable them to achieve their full potential at work. ▪ Action plans within Internal Audit reports. ▪ Lessons Learnt – Central Accountancy / External Audit. ▪ Graduate and apprenticeship schemes in place. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ People, Policy & Transformation Service Plan 22/23 End of Year Report. ▪ Workforce Development included in all service area plans. ▪ Corporate monitoring of staff check ins. ▪ Exceptional Talent Programme ▪ Lessons Learnt 2021/22 (Accounts Closedown) reported to G&AC 30.03.23. 	<p>People Plan development 2023/24.</p> <p>'Management development programme' for Executive Directors and Heads of Services rolled out in 2023/24.</p>



Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will ensure financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
Managing Risk	<ul style="list-style-type: none"> ▪ Risk Management Policy in place including risk appetite statement. ▪ Corporate / service area risks monitored every quarter. ▪ Corporate Risk Register reviewed by the Executive Board and Directorate Management Teams. ▪ Governance & Audit Committee & Cabinet reporting on risk once a quarter. ▪ Risk Management integrated into Cabinet and Cabinet Member reports. ▪ Annual Digital report presented to Overview Scrutiny Management Committee. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances and of improvement include:</p> <ul style="list-style-type: none"> ▪ New Risk Management Policy has not been finalised. Further Cabinet, senior officer, GAC scrutiny required before finalisation in 2023/24. ▪ Corporate Risk Register Qtr1 2022-23 to G&AC Sept 2022. ▪ Corporate Risk Register Qtr2 2022-23 to G&AC Jan 2023. 	<ul style="list-style-type: none"> ▪ Finalise and Implement new Risk Management Policy.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ Regulatory bodies and Cabinet / senior officers annual risk assessment. 	<ul style="list-style-type: none"> ▪ Corporate Risk Register Qtr3 2022-23 to G&AC Mar 2023. ▪ Corporate Risk Register Qtr4 2022-23 to G&AC July 2023. ▪ 2021/22 Digital Report to O&SM July 2022. ▪ 2022/23 Annual Information Risk Report to O&SM August 2023. ▪ Strengthened reporting to Cabinet Members. 	
<p>Managing Performance</p>	<ul style="list-style-type: none"> ▪ Performance and Planning Policy is in place. ▪ Performance against Corporate Plan reviewed annually (reported in Autumn). ▪ Mid-Year Review and End of Year Review of service plan delivery with Scrutiny and Cabinet. ▪ Quarterly performance reviews by Executive Board and Directorate Management Teams. ▪ Service Plans and performance measures reviewed annually. ▪ Scrutiny function ▪ Other annual performance reports produced on subject topic areas and regulatory requirements. ▪ Annual Report from Director of Social Services. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Performance and Planning Policy finalised in June 2023 following Scrutiny. ▪ Internal Challenge Reviews into service area performance, underperformance, risk and areas of concern. ▪ Annual performance reports on specific areas produced e.g. Climate Change Plan annual report, Digital Strategy annual report, Strategic Equalities and Welsh Language annual reports. These are also presented to Scrutiny, Cabinet, Cabinet Member(s) and Council where applicable. ▪ Director of Social Services Annual Report 2022/23 presented to Cabinet June 2023. 	<p>Establish 'capital assurance group' to monitor delivery of capital projects on behalf of Executive Board.</p>

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
<p>Robust Internal Control</p>	<ul style="list-style-type: none"> ▪ Governance & Audit Committee provide assurance on effectiveness of internal control, risk management and governance processes. ▪ Governance & Audit Committee Annual Performance Review ▪ Governance & Audit Committee Annual Report to Council. ▪ Anti-Fraud, Bribery and Corruption Policy (Cabinet April 2021) ▪ Role of Internal Audit Section (Internal Audit Charter) ▪ Annual IA Plans approved by Governance & Audit Committee. ▪ Annual IA Reports & quarterly Plan v Progress reports to Governance & Audit Committee. ▪ G&AC Call in of Unfavourable audit opinions. ▪ All waivers of Contract Standing Orders and urgent decisions are reported through the Governance & Audit Committee quarterly. ▪ Civil Contingencies / Business Continuity arrangements to manage community risk. ▪ Annual Governance Statement ▪ Financial Regulations (2016) ▪ Contract Standing Orders (2020) 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances and of improvement include:</p> <ul style="list-style-type: none"> ▪ 2021/22 IA Annual Report presented to G&AC 26th May 2022. Head of Internal Audit Opinion. ▪ 2022/23 Revised IA Plan presented to G&AC 28th July 2022. ▪ Qtr1 2022/23 Progress v Plan presented to G&AC 29th September 2022. ▪ Qtr2 2022/23 Progress v Plan presented to G&AC 27th October 2022. ▪ Qtr3 2022/23 Progress v Plan presented to G&AC 26th January 2023. ▪ Call ins of unfavourable audit opinions to G&AC during 2022/23. ▪ Urgent decisions reported to G&AC during 2022/23. ▪ Financial Regulations training – mandatory for staff. ▪ Audit Wales report into the Council's Counter Fraud arrangements raised 2 recommendations for improvement on reporting of its Counter Fraud arrangements. <p>Note: At the end of 2022/23 and into Quarter 1 of 2023/24, Corporate Risk raised in relation to the provision of Internal Audit service. This has not impacted the 22/23 Internal Audit opinion. See section 1.</p>	<p>Development of a Fraud Risk Assessment.</p> <p>Review Counter Fraud arrangements and strengthen reporting in this area.</p>

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
		<ul style="list-style-type: none"> • <i>New governance arrangements for CMT/Directorate Mngt Teams established with standardised agenda's and performance mngt review</i> 	
Managing data	<ul style="list-style-type: none"> ▪ Data Protection Policy (2019) ▪ Information Governance Group in place. ▪ Senior Information Risk Officer (SIRO) in place. ▪ Information Asset Register ▪ Information sharing guidance published. ▪ Information Risk Policy] ▪ Business Continuity arrangements in place. ▪ Annual Information Governance report to Governance & Audit Committee and Cabinet. ▪ Freedom of Information and Subject Access Request policies and procedures. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ 2021/22 Annual Information Risk Report to O&SM Sept 2022. ▪ Information Governance Group meetings. ▪ The Council has responded to Freedom of Information Act requests within the required 20 days. ▪ Information Security & GDPR – mandatory training for staff. 	No Further action required.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
<p>Strong public financial management</p>	<ul style="list-style-type: none"> ▪ Financial Regulations (2016) in Constitution ▪ Contract Standing Orders (2020) in Constitution ▪ Accounting Instructions on Intranet. ▪ Treasury Management Strategy & Annual Outturn Report ▪ Capital Strategy (including Capital Programme) ▪ Capital Strategy Asset Management Group (CSAMG) ▪ Monthly monitoring and reporting of service area budgets. ▪ Monitoring reports presented to Executive Board, DMT, CMT and service area management teams. ▪ Peer / challenge reviews on finance / budget setting. ▪ Revenue Budget Monitor & Capital Reports to Cabinet. ▪ Regular reporting on NCC response to External Pressures impacting Council Services (cost of living crises) 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Half yearly report on Treasury Management for 2022/23 presented to G&AC Oct 2022. ▪ Treasury Management Outturn Report 2022/23 presented to Cabinet June 2023. ▪ New five year Capital Programme from 2023/24. ▪ People Services Capital Board. ▪ Finance Business Partnering in place. ▪ Financial Regulations training – mandatory training. ▪ Monthly update to Cabinet members on the key pressures facing our communities, businesses, and council services, along with updates on how we are working collaboratively with our partners to help support our residents. 	<p>Include all external grant programmes into the council's gross budget to ensure included in the council's financial management arrangements.</p> <p>Review and re-structure the business support function who support the significant grant funded programmes across Housing and Communities, Prevention and Inclusion and regeneration & Economic Development services. This will provide improved corporate governance of the grant funded programmes and clarity between financial administration and more strategic financial management support.</p>

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



Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

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Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
Implementing good practice in transparency	<ul style="list-style-type: none"> Report templates exist to ensure consistency in reports. Annual Reports and Self-Assessment of Governance and performance arrangements. NCC Transparency Webpage. 	<ul style="list-style-type: none"> For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> NCC Transparency webpages updated. Publishing of committee agendas and reports on NCC website. Meeting webcasts available on NCC website. 	No further action required.
Implementing good practices in reporting	<ul style="list-style-type: none"> Annual Statement of Accounts audited by external auditor and approved by Council. NCC Code of Corporate Governance based on CIPFA/SOLACE Framework 2016 (2020/21) Annual Governance Statement as part of the Statement of Accounts. Annual Self-Assessment of Performance. Annual Performance report 	<ul style="list-style-type: none"> For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances and areas for improvement include:</p> <ul style="list-style-type: none"> 2021/22 Statement of Accounts (including AGS) to G&AC Jan 2023. Late sign off, mainly due to external factors. 	<ul style="list-style-type: none"> Timely sign off of 2022/23 Statement of Accounts.

Sub-Principles	What Arrangements are in place to support this?	Further Assurances / Areas for Improvement (Where Applicable) Received 2022/23	Further Action(s) to improve
	<ul style="list-style-type: none"> ▪ 6 monthly service plan reviews and reports to Scrutiny and Cabinet. ▪ Annual reports to Scrutiny and Cabinet. 	<ul style="list-style-type: none"> ▪ Committee work programmes in place for reporting. 	
Assurance and effective accountability	<ul style="list-style-type: none"> ▪ External Audit provided by Audit Wales. ▪ Six monthly reports on Audit Wales and Regulatory activity to Governance & Audit Committee. ▪ Performance of Internal Audit Section monitored by Governance & Audit Committee. ▪ Internal Audit annual report to Governance & Audit Committee. ▪ Internal management structure / governance arrangements: <ol style="list-style-type: none"> I. Executive Board (Chief Exec & Directors) II. Corporate Management Team (Chief Exec / Directors / Heads of Service) III. Directorate Management Teams (Directors and Heads of Service) ▪ Annual Governance Statement ▪ Regular meetings with Audit Wales between Leader / Chief Exec and Exec Board. ▪ Annual meeting between external regulators and Cabinet / Senior Officers. 	<ul style="list-style-type: none"> ▪ For 2022/23, all of the Council's existing policies and procedures remain in place. <p>Additional assurances include:</p> <ul style="list-style-type: none"> ▪ Audit Wales & Regulatory Bodies 6mth update to G&AC Jan 2023. (Apr-Dec 2022) ▪ Regular Progress Against Audit Plan reports to G&AC during 2022/23. ▪ Regular meetings of Exec Board / CMT / DMT's during 2022/23. ▪ 2021/22 IA Annual Report presented to G&AC 26th May 2022. ▪ Qtr1 2022/23 Progress v Plan presented to G&AC 29th September 2022. ▪ Qtr2 2022/23 Progress v Plan presented to G&AC 27th October 2022. ▪ Qtr3 2022/23 Progress v Plan presented to G&AC 26th January 2023. ▪ Draft AGS to G&AC. 	No further action required.

Section 3 – Annual Governance Statement 2021/22 Action Plan Update

Issue	Action	Responsible Officer	Update / Current Status – June 2023 Comments / Evidence
<p>Consultation and Engagement Policy requires review.</p>	<p>To review the required policy and seek appropriate approval.</p> <p><i>Progress to date:</i></p> <p>To be reviewed as part of the implementation plan for the Local Govt. & Elections (Wales) Act during 2021/22.</p>	<p>Head of Law & Standards</p>	<p><u>Complete</u></p> <p>Participation Strategy was adopted for 2022-2026 by Council in May 2022. Participation Strategy Final Format (newport.gov.uk) Whilst the strategy will not be fully reviewed in 2023, it will be considered by Democratic Services Committee as part of their terms of reference.</p>
<p>The revised Code of Corporate Governance needs to be communicated to all jointly managed and shared service organisations.</p>	<p>Communicate the revised Code of Corporate Governance to all jointly managed and shared service organisations and that assurance on compliance is received for the Annual Governance Statement.</p>	<p>Head of Finance Chief Internal Auditor</p>	<p>Outstanding. Carried Forward for action</p>
<p>Action needs to be taken in response to the 'Corporate Governance' Unsatisfactory Internal Audit report (Finalised December 2020).</p>	<p>Management to agree a response to the report and ensure concerns are addressed.</p> <p><i>Progress to date:</i></p> <p>Management actions agreed; assurance has been provided that agreed actions have been implemented; Internal Audit to undertake a follow up audit in 2022/23.</p>	<p>Head of People & Business Change [Head of People, Policy & Transformation]</p> <p>Head of Law & Standards</p> <p>Head of City Services [Head of People, Policy and Transformation]</p>	<p><u>Complete</u></p> <p>Management actions agreed; assurance has been provided that agreed actions have been implemented; Internal Audit issued the draft follow up review, June 2023.</p> <p>Initial findings are 'substantial' (that is better than reasonable), subject to agreement of action updates and deadlines.</p>

Issue	Action	Responsible Officer	Update / Current Status – June 2023 Comments / Evidence
<p>A review of the governance arrangements around the development, delivery and monitoring of the Council's future 'Transformation Programme' is currently underway and will also include clear responsibilities and arrangements for other key areas, such as financial management, capital programme, major projects etc.</p>	<p>To conclude the review and communicate the outcome to all concerned.</p>	<p>Head of People, Policy & Transformation</p>	<p><u>In Progress</u></p> <p>Transformation approach under development June 2023. The first programmes have commenced and new project management documentation is being reviewed. Clear owners (SROs) are established for the programme, and the escalation is to Executive Board.</p> <p>This action superseded by action 12 in 2023/24 action plan.</p> <p>Planning and Performance Policy update reviewed by Scrutiny and Cabinet Member report will go through the democratic process June 2023.</p>
<p>New Members have the appropriate skills to effectively undertake their roles</p>	<p>Training and Induction for new Members will be reviewed and updated following Local Government elections in May 2022.</p>	<p>Democratic and Electoral Services Manager</p>	<p><u>Complete</u></p> <p>Curriculum of induction training was rolled out in 2022/23.</p>
<p>Ideally there should be a formal policy for the type of issues that the Council will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service provision is contributing towards the achievement of intended outcomes needs to be developed.</p>	<p>Consideration to be given to developing a formal policy and communicating it to all relevant stakeholders.</p>	<p>Head of People, Policy & Transformation</p>	<p><u>Complete</u></p> <p>Participation strategy agreed. Public engagement is also the subject of annual update to Overview and Management Scrutiny Committee.</p>

Issue	Action	Responsible Officer	Update / Current Status – June 2023 Comments / Evidence
The Council's Constitution is kept up to date following recent legislation.	Consideration needs to be given to further update the Council's Constitution to reflect the Local Government and Elections (Wales) Act 2021.	Head of Law & Standards	Complete Council Constitution last updated in March 2023 and includes Local Government and Elections (Wales) Act.

Section 4 – Annual Governance Statement 2022/23 Action Plan Update

The below Action Plan will be monitored and reported in 2023/24 and also included in the Council's Annual Well-being Self-Assessment report 2022/23. Ongoing actions from 21/22 action plan will be carried forward.

Action No.	Issue / Action	Principle	Lead Directorate / Service Area	Start Date	Anticipated Completion Date
1	Communicate the revised Code of Corporate Governance to all jointly managed and shared service organisations and that assurance on compliance is received for the Annual Governance Statement.	C/F from previous action plan (see below)	Transformation & Corporate Finance	1 st April 2023	31 st March 2024
2	Transformation approach under development June 2023. The first programmes have commenced and new project management documentation is being reviewed. Clear owners (SROs) are established for the programme, and the escalation is to Executive Board. Planning and Performance Policy update reviewed by Scrutiny and Cabinet Member report will go through the democratic process June 2023.	C/F from 2021/22 action plan	Transformation & Corporate People, Policy & Transformation	Ongoing	31 st March 2024
3	Launch / Introduce new People Plan.	A – Behaving with Integrity	Transformation & Corporate	1 st April 2023	31 st December 2023

Action No.	Issue / Action	Principle	Lead Directorate / Service Area	Start Date	Anticipated Completion Date
			People, Policy & Transformation		
4	Development of a Fraud Risk Assessment.	A – Behaving with Integrity	Transformation & Corporate Finance	1 st July 2023	30 Sept 2024
5	Review Counter Fraud arrangements and strengthen reporting in this area.	A – Behaving with Integrity	Transformation & Corporate Finance	1 st July 2023	30 Sept 2024
6	NCC Code of Corporate Governance to be reviewed / updated.	A – Behaving with Integrity	Transformation & Corporate Finance Law & Standards	1 st July 2023	30 Sept 2024
7	Creation of an employee values and behaviour framework and policy	A - Demonstrating strong commitment to ethical values	People, Policy & Transformation	1 st June 2023	31 st March 2024
8	Developments to Council website to improve access and interaction and quality of information	B - Engaging with individual citizens and service users effectively	People, Policy & Transformation	1 st June 2023	31 st March 2025
9	As part of wider Customer Services review; engage with users / customers to assess experience and ease of use of on-line 'My Council Services' system	B - Engaging with individual citizens and service users effectively	Finance	30 Oct 2023	30 th March 2024
10	Application of TOM'S to procurement exercises threshold to be reduced to those above £175k to capture more spend / contracts where this is applied and assessed against	B - Sustainable economic, social and environmental benefits	Finance	1 April 2023	30 Sept 2023

Action No.	Issue / Action	Principle	Lead Directorate / Service Area	Start Date	Anticipated Completion Date
11	Establish 'capital assurance group' to provide oversight on behalf of Executive Board on capital schemes and contribution to achieve Council priorities	D - Determining interventions D - Optimising achievement of intended outcomes F - Managing Performance	Finance	1 April 2023	1 Sept 2023
12	Transformation approach and programme to be fully developed and reported	D - Determining interventions	People, Policy & Transformation	1 April 2023	31 st March 2024
13	Introduce service on-going challenge reviews, and work to develop employee check-ins.	D - Optimising achievement of intended outcomes	People, Policy & Transformation	1 April 2023	30 th Sept 2023
14	Appointment of a second Responsible Individual (RI) to ensure independent oversight as defined in the legislation for regulated services within Social Services Development of agreed reporting structure for the RIs	E - Developing the entity's capacity	Social Care	1 April 2023	30 th November 2023
15	'Management development programme' for Executive Directors and Heads of Services rolled out in 2023/24	E - Developing the capability of the entity's leadership and other individuals	People, Policy & Transformation	September 2023	30 th June 2024
16	Understanding the workforce capacity and capability to deliver the Transformation Plan and Corporate Plan objectives.	E – Developing the Entity's Capacity	Transformation & Corporate People, Policy & Transformation	1 st April 2023	31 st December 2023
17	Include all external grant programmes into the council's gross budget to ensure included in the council's financial management arrangements.	F - Strong public financial management	Finance Housing Communities &	1 April 2023	30 th Sept 2024

Action No.	Issue / Action	Principle	Lead Directorate / Service Area	Start Date	Anticipated Completion Date
	Review and re-structure the business support function who support the significant grant funded programmes across Housing and Communities, Prevention and Inclusion and regeneration & Economic Development services. This will provide improved corporate governance of the grant funded programmes and clarity between financial administration and more strategic financial management support.		Prevention & Inclusion Regeneration & Inclusion		
18	Finalise and Implement new Risk Management Policy.	F – Managing Risk	Transformation & Corporate People, Policy & Transformation	1 st April 2023	31 st December 2023
19	Timely sign off of 2022/23 Statement of Accounts.	G – Implementing Good Practices in Reporting	Transformation & Corporate Finance	1 st April 2023	31 st December 2023

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Report

Governance & Audit Committee

Part 1

Date: September 2023

Subject Annual Report on Compliments, Comments and Complaints Management 2023

Purpose To provide the Governance and Audit Committee with an overview of all Corporate and Social Services compliments, comments and complaints received during 2022/2023 and to make any recommendations for improvement to the report.

Author Complaint Resolution Manager

Ward All

Summary As part of the requirements of the Governance and Audit Committee it is responsible to make reports and recommendations in relation to the authority's ability to handle complaints effectively. This report provides an overview of how the council managed compliments, comments and complaints and performance in 2022/23.

This report provides an overview for the year 2022/2023, broken down by service areas and complaint types. The report highlights key trends and themes drawn from the data for consideration.

The report reflects on lessons learned for the council to improve and actions to deliver these improvements. For 2022/23 there has been significant engagement with managers as a result of the newly updated Customer Feedback Policy, Compliments, Comments and Complaints. Employee complaint handling workshops and bespoke service area training sessions have been delivered throughout 2022/23.

Proposal Governance and Audit Committee is asked to consider the contents of the report regarding the process and performance of the Council's compliments, comments and complaints annual report 2022/23 and make any recommendations for improvement to the annual report.

Action by Complaint Resolution Manager

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Standards – Monitoring Officer
- Head of Finance – Chief Financial Officer
- Head of People, Policy and Transformation
- Strategic Director for Social Services

Signed

Background

In May 2021, the Governance and Audit Committee agreed new terms of reference to align with the Local Government and Elections (Wales) Act 2021. One of the new requirements of the Committee is to: *Make reports and recommendations in relation to the authority's ability to handle complaints effectively.*

This is the third report to the Committee and provides an overview of how the Council manages Compliments, Comments and Complaints and the annual report on the Council's performance in 2022/23. All annual statistics and corporate actions for improvement are passed onto the Chief Internal Auditor and are then fed into the Annual Governance Statement and Annual Corporate Self-Assessment Report.

The policies and procedures in place for Compliments, Comments and Complaints comply with the legislative requirements of the Welsh Language (Wales) Measure 2011 and associated standards, specifically ensuring that the Council promote the 'Active Offer'. Social Services statutory requirements remain in operation alongside the Corporate Policy to ensure they are aligning with; Social Services Complaints Procedure (Wales) Regulations 2014 and the Representations Procedure (Wales) Regulations 2014, ("the Regulations").

In March 2023, the [Council's Cabinet](#) approved the [Newport City Council Customer Feedback Policy, Compliments, Comments and Complaints](#) which is aligned based to the guidance issued by the Public Services Ombudsman for Wales and were passed by Cabinet.

In April 2023, the My Council Services system was updated to reflect the Newport City Council restructure. 2023/24 Complaints Annual Report will reflect this essential update.

The Compliments Comments and Complaints Annual Report 2022/23 reflects positively on compliance with the new policy in recording complaints more effectively. The report (attached) outlines the progress made, alongside actions for improvement. These include further development of customer contact and reporting, continued rollout of training and awareness and alignment with policies. We recognise the important feedback that compliments, comments and complaints provide for the Authority and will continue to develop our reporting arrangements.

Financial Summary (Capital and Revenue)

There are no direct financial implications associated with this report.

Risks

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Failure to comply with the requirements of the Public Services Ombudsman for Wales (PSOW) in dealing with complaints	H	L	The Council has. <ul style="list-style-type: none">All policies have been reviewed in line with Public Services Ombudsman (Wales) Act 2019Policy revised in March 2023Team received training from PSOW	Complaints Resolution Manager Digital Services Manager

Failure to meet the public's expectation for dealing with complaints	H	L	<p>The Council has.</p> <ul style="list-style-type: none"> • Consulted with the public to find out what is important to them relating to complaints and complaint handling • Consulted with officers to find out what support is needed to help them respond to complaints effectively 	<p>Complaints Resolution Manager</p> <p>Digital Services Manager</p>
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* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Newport City Council is committed to dealing effectively with any compliments, comments or complaints about its services.

[Customer Feedback Policy Compliments, Comments and Complaints](#)

Our Corporate Plan outlines the importance of the views of communities and service users and this policy is one of the ways we support this.

[Corporate Plan](#)

As outlined below there are also links to the Strategic Equalities annual reports.

Options Available and considered

1. To consider the contents of this report for the Authority, providing any additional commentary and/or recommendations to Cabinet
2. To request further information or reject the contents of this report.

Preferred Option and Why

1. Option 1 is the preferred option with recommendations raised by the Audit Committee to be considered and reported to Cabinet and Officers in accordance with the Council's Constitution.

Comments of Chief Financial Officer

There will be no financial impact as a result of this report. Any recommendations for improvements will need to be considered using existing budget provision.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. The Local Government & Elections (Wales) Act 2021 changed the statutory terms of reference of the Governance and Audit Committee to include responsibility for reviewing and assessing the Council's ability to handle complaints effectively and to make reports and recommendations in relation to effective complaints handling. This report provides an overview of the comments, compliments and complaints received by the Council during 2022/23 and how they were dealt with and also includes the Ombudsman's annual performance letter.

The Council's Corporate Compliments, Comments and Complaints Policy complies with the guidance issued by the Ombudsman in relation to the handling of complaints, while the statutory social services complaints procedures are in accordance with the Social Services Complaints Procedure (Wales) Regulations 2014 and the Representations Procedure (Wales) Regulations 2014.

Governance and Audit Committee are asked to consider the effectiveness of the Council's complaints-handling procedures and to make any recommendations to Cabinet for improvement. Any individual actions arising from the complaints are matters for the relevant officers and Cabinet Members.

Comments of Head of People Policy and Transformation

The Council has a responsibility for ensuring that services are provided to a satisfactory standard and to ensure redress, learning and continuous improvement where issues are raised by service users. This report provides an overview of how we have performed in 2022/23 and where we need to improve on how we manage compliments, comments, and complaints. This follows the Cabinet agreeing the Newport City Council Customer Feedback Policy, Compliments, Comments and Complaints in March 2023. This Policy and the Annual Report form part of the Council's work to promote citizen engagement and to work preventatively.

There are no HR implications relating directly to this report although it is noted that staff training and development has taken place to support policy implementation and improve standards.

Scrutiny Committees

Not Applicable, however complaints are also reported through certain service plans to performance Scrutiny Committee.

Fairness and Equality Impact Assessment:

• Wellbeing of Future Generation (Wales) Act

This report enables Members to monitor the current position of the council's performance, this helps to drive improvement over the short and long-term and prevent poor performance.

Performance measures are also reported through the service plans and the improvement plan, which consider the sustainable development principle promoted in the Act and the five ways of working; long-term, prevention, integration, collaboration and involvement.

Any changes to service provision because of feedback received would consider the five ways of working and the sustainable development principle as part of the decision-making process.

- Long term: the actions being put into place will ensure that the Council is able to respond to feedback and complaints now and in the future.
- Prevention: Understanding what is important to residents and why we have received complaints will help the Council to make improvements that prevent similar complaints from occurring again.
- Integration: Reviewing the Council's policies regarding feedback from residents will help to ensure that the principles of the Public Services Ombudsman (Wales) Act 2019 are embedded in service provision.
- Collaboration: the approach to responding to feedback from complainants requires collaboration across the Council. All service areas receive and deal with complaints and their feedback as part of consultation will inform the development of training, guidance, and support.
- Involvement: Public consultation has provided valuable insight into what is important for customers when they are unhappy with a service provided by the Council. This will be used to inform the development of training, guidance, and support.

• Equality Act 2010

Not applicable as this is an information only report to the Governance and Audit Committee. We work closely with the equalities team as part of the Strategic Equalities Group, and this work is reported in the Strategic Equalities Annual Report.

• Welsh Language (Wales) Measure 2011

The Welsh Language Measure is considered in this report and is also covered by the Compliments, Comments and Complaints Policy.

Consultation

Not Applicable.

Background Papers

[PSOW Annual Letter 2022-23](#)

[PSOW Principles of Good Administration and Record Management](#)

[Newport City Council Customer Feedback Policy Compliments Comments and Complaints](#)

[Annual Report on Compliments Comments and Complaints 2021-22](#)

Compliments, Comments and Complaints Annual Report 2022/23

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Executive Summary

Background

- The Council has a statutory requirement to process Corporate Complaints in line with the Customer Feedback Policy Compliments, Comments and Complaints and a statutory obligation in line with the All-Wales Statutory Social Services Complaint Handling Process
- This is the third Annual Compliments, Comments and Complaints Report which provides statistics and insights into Complaint Handling arrangements for Newport City Council
- The Council values customer feedback and uses it as an opportunity to improve the services that we provide.
- We use information from complaints to ensure good outcomes, and the more complaints we accurately record, the more able we are to do this.
- In April 2023, the My Council Services system was updated to reflect the Newport City Council restructure. 2023/24 Complaints Annual Report will reflect this essential update.
- The absence of complaints does not necessarily indicate excellent services – just as an increase in complaints does not necessarily indicate poor services.
- Complaints are logged in line with the Public Services Ombudsman for Wales (PSOW) All-Wales Model Complaints policy.

Compliments (Corporate)

- 106 Corporate Compliments were recorded in 2022/2023, compared with 175 received in 2021/22
- A heightened awareness due to the training provided should result in more compliments recorded into 2023/24

Compliments (Social Services)

- 36 compliments were received for Social Services during 2022/23, compared to 33 received in 2021/22.
- Work will commence in Quarter 4 2023/24 to deliver complaint workshops to teams

Comments

- 2693 comments were received 2022/23 compared with 4,267 received in 2021/22.
- We predicted in 2021/22 we would expect this figure decrease and notably there has been a 63% reduction in comments received for 2022/23.
- In July 2022 it was identified many service requests were being recorded incorrectly as a comment.
- We reviewed the customer journey and refined the process.
- The review resulted in a shorter customer journey. The requests are now sent directly to the service area, and not counted as a comment.
- This benefits service areas by providing a more accurate assessment of service demand, based on amounts of service requests logged.
- 1,416 of the 2693 comments received in 2022/23 were requests for service or missed collections
- We can expect this figure to decrease further in 2023/24, as we have recently removed the option of submitting service requests via the complaints form so that these are categorised correctly.

Complaints (Corporate)

- 612 corporate complaints were received in 2022/23 – 341 Stage 1, 46 Stage 2 and 225 complaints refused in line with policy.
- 88% of corporate complaints were resolved at stage 1.
- Corporate stage one complaints: 341 complaints resolved in 2022/23 compared with 271 complaints resolved in 2021/22. 25.8% increase since 2021/22
- Corporate stage two complaints: 46 complaints resolved in 2022/23 compared with 31 complaints resolved in 2021/22. 48.4% increase since 2021/22

- This increase is indicative of complaint recording process refinement and alignment with the PSOW model complaint handling policy.
- We are moving in the right direction and as a result of the implementation of the revised [Newport City Council Customer Feedback Policy, Compliments, Comments and Complaints](#) all complaints are recorded. Complaint figures are expected to increase as a result of this.
- We recognise that accurate complaint reporting is essential and since reviewing processes our figures have increased and we will continue to monitor under reporting and work with service areas to ensure complaints are captured and recorded.
- Where the PSOW identify low complaint rates per population size, they have the power to investigate procedures and can declare Authorities non-compliant.

Complaints (Social Services)

- 73 Social Services Complaints received for 2022/23: 20 Stage 1, 5 Stage 2, 48 complaints were refused in line with Policy.
- Social Services stage 1 Complaints: 20 complaints resolved in 2022/23 compared with 50 complaints resolved in 2021/22. 60% decrease in complaints received since 2021/22
- Social Services stage 2 Complaints: 5 Stage 2 complaints were resolved in 2022/23 compared with 3 Stage 2 complaints resolved in 2021/22. 67% increase in complaints received since 2021/22
- It should be noted that the number of Stage two Social Services complaints received in 2022/23 were still relatively small, with only 5 received.
- We note that Social Services complaints are lower than corporate complaint figures and will be working closely with managers in Social Services in Quarter 4 of 2023/24.

Public Services Ombudsman for Wales (PSOW)

- The PSOW reviewed 37 corporate complaints and 5 Social Services complaints. None were upheld.
- 8 of the 42 complaints required early resolution - this is where the PSOW asks us to take some further action to resolve based on their guidance.

Communications and Awareness Raising

- Complaints Handling training was delivered to 120 officers with ongoing delivery planned.
- Key stakeholders have been identified and prioritised, our closest working colleagues have worked with us to ensure that they understand and follow process.
- Further 3 sessions scheduled for delivery in October 2023.
- Induction Programme for new starters includes complaint handling processes.
- Process reviews have taken place with colleagues in Business Support Team, Contact Centre, Refuse & Waste and Wastesavers
- We will be reporting 6 monthly to senior managers through CMT for oversight and discussion.

Policy update

- The Feedback Policy: Compliments, Comments and Complaints was reviewed and updated. This was approved by Cabinet in March 2023. Changes included:
 - Policy streamlined and condensed
 - Processes outlined for Corporate & Social Service
 - Reduced timescales for corporate complaints
- Standardised complaint template responses are now in place.
- The Unacceptable Actions Policy review has commenced as per the update given to Governance and Audit Committee in March 2023. Research has taken place with colleagues in other LAs. Wider consideration is required to ensure that restrictions placed upon customers' interaction with the Council is proportionate, reviewed and NCC staff and members are protected in line with HR Policies and Health & Safety

- Our [Corporate Plan](#) outlines the importance of the views of communities and service users and this policy is one of the ways we support this.

Reporting Functions and recording

- Aligning My Council Services (MCS) closure categories with the complaint refusal reasons as outlined in the 'Feedback Policy: Compliments, Comments and Complaints'
- Reduction of categories for closing complaints
- Analysis of historical data highlighted many service requests had been logged as comments – notably in 2022/23 there has been a significant decrease of 73% in comments since 2021/22.
- New forms have been developed which allow residents to log service requests directly to Waste and Recycling.
- Service area restructure updated for Compliments, Comments and Complaints in April 2022

Equalities

- Optional equalities form introduced in April 2023. Residents can complete this form via MCS. Early analysis of completed forms has identified that contact with the Complaint Resolution Team was made predominantly by White residents aged between 25-34

Service Development highlights for 2022/23

- The Customer Feedback Policy: Compliments, Comments and Complaints Policy was reviewed, updated and approved by Cabinet
- Reviewed our customer journey pathway and streamlined processes which will benefit customers and colleagues when they are engaging with us
- Delivery of online training workshop to over 120 officers
- Collaboration with managers to improve services and processes
- Induction documentation for new Newport City Council officers updated to include complaint handling guidance

Actions for Improvement 2023/24

Below outlines the actions that the team will be undertaking in 2023/24 to improve the delivery of the service.

- Further development of My Council Services system to maximise its effectiveness for reporting
- Continue to rollout training for officers.
- Develop councillor complaint handling awareness session
- Identify under reporting of complaints and implement procedures to capture and record
- Work with colleagues in residential settings to align their complaint procedures with the revised Customer Feedback Policy
- Reviewing Independent Investigators contract documentation with colleagues from the All-Wales Complaints Officers Group
- Unacceptable Actions by Customer Policy review
- Work with Customer experience review to determine what lessons can be learned

The report detail can be found below:

Background

The Council values customer feedback and uses it as an opportunity to improve the services that we provide. The Council has a statutory requirement to process Corporate Complaints in line with Customer Feedback Policy: Compliments, Comments and Complaints and also a statutory obligation in line with the All-Wales Statutory Social Services Complaint Handling Process. The policies and procedures in place for Compliments, Comments and Complaints comply with the legislative requirements of the Welsh Language (Wales) Measure 2011 and associated standards, specifically ensuring that the Council promote the 'Active Offer'. Social Services statutory requirements remain in operation alongside the Corporate Policy to ensure they are aligning with Social Services Complaints Procedure (Wales) Regulations 2014 and the Representations Procedure (Wales) Regulations 2014, ("the Regulations").

This is the third report to the Committee. The purpose of this report is to provide an overview of the Compliments, Comments and Complaints for Newport City Council for the year 2022/2023 and how these are managed. Data is separated to provide detail for Corporate and Social Services Compliments, Comments and Complaints. The report contains Public Services Ombudsman for Wales (PSOW) statistics and details where action is required by the Council to address weaknesses and make improvements.

Complaints data recording is captured through the Council's primary Customer Relationship Management (CRM) system called 'My Council Services'. Compliments, Comments and Complaints are submitted through various channels; customers can log these via the Newport City Council My Council Services App, via email or through the Contact Centre. These are acknowledged via My Council Services by the Complaints Resolution Officers and all correspondence is stored securely in one place.

In April 2023, the My Council Services system was updated to reflect the Newport City Council restructure. 2023/24 Complaints Annual Report will reflect this essential update.

In line with best practise, the Council accepts corporate complaints provided they are submitted within 6 months. This is because it is better to look into concerns while the issues are still fresh in everyone's mind, which enables a thorough investigation to take place. We may, in exceptional circumstances, look at concerns which are brought to our attention later than this. We would, however, ask for evidence as to why these concerns were not brought to the Council's attention earlier. In any event, regardless of the circumstances, we will not consider any concerns about matters that took place more than three years ago. Social Services Complaints are accepted within a 12-month period, per the guidance produced by Welsh Government on handling Social Services' complaints.

The Complaints Resolution Team collaborate with and provide support to all service areas to enable them to compile complaint responses appropriately. We ensure that timescales are adhered to and work proactively with service areas to implement lessons learned.

Service development information outlining progress made in 2022/23 is provided and Actions for Improvement are set out for 2023/24. In 2022/23, The Complaint Resolution Team continuously evaluated and reviewed processes. This resulted in a more consistent approach to complaint recording and handling in both corporate and social services, without compromising the equity of support provided to the service areas.

As a result of the implementation of the revised [Newport City Council Customer Feedback Policy, Compliments, Comments and Complaints](#) all complaints are recorded. Complaint figures are expected to increase as a result of this. Where the PSOW identify low complaint rates per population size, they have the power to investigate procedures and can declare Authorities non-compliant.

Compliments

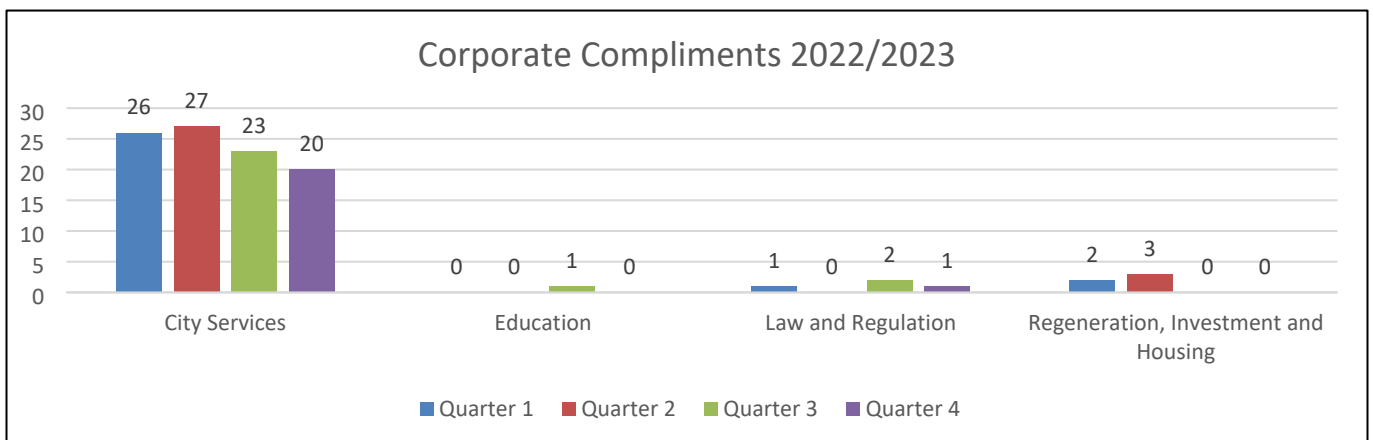
Compliments (Corporate)

A total of 106 Corporate Compliments were recorded in 2022/2023, a 39% decrease since 2021/22. The opportunity to provide positive feedback is accessible to residents using improved webforms, the Council app or directly through customer accounts.

City Services received most of these compliments which is largely due to the high visibility of these services to the public and the high number of interactions with residents.

We anticipate an increase in the number of compliments captured for 2023/24, as a result of training delivered to service areas where participants were informed of how to share compliments with the Complaint Resolution Team for recording.

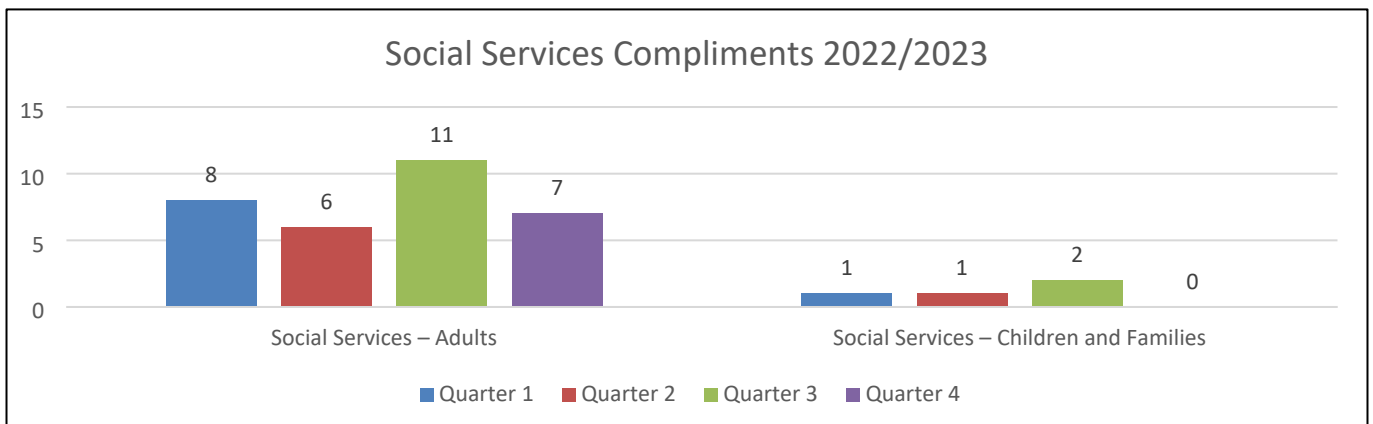
The graph below represents the number of compliments received by service area per quarter.



Compliments (Social Services)

A total of 36 compliments were received for Social Services during 2022/23. A 9% increase since 2021/22. 88% for Adult Services and 11% compliments for Children’s Services were received during this timeframe. Compliments received for care packages delivered at home, Occupational Therapy support services.

The graph below shows the breakdown by quarter:



Comments

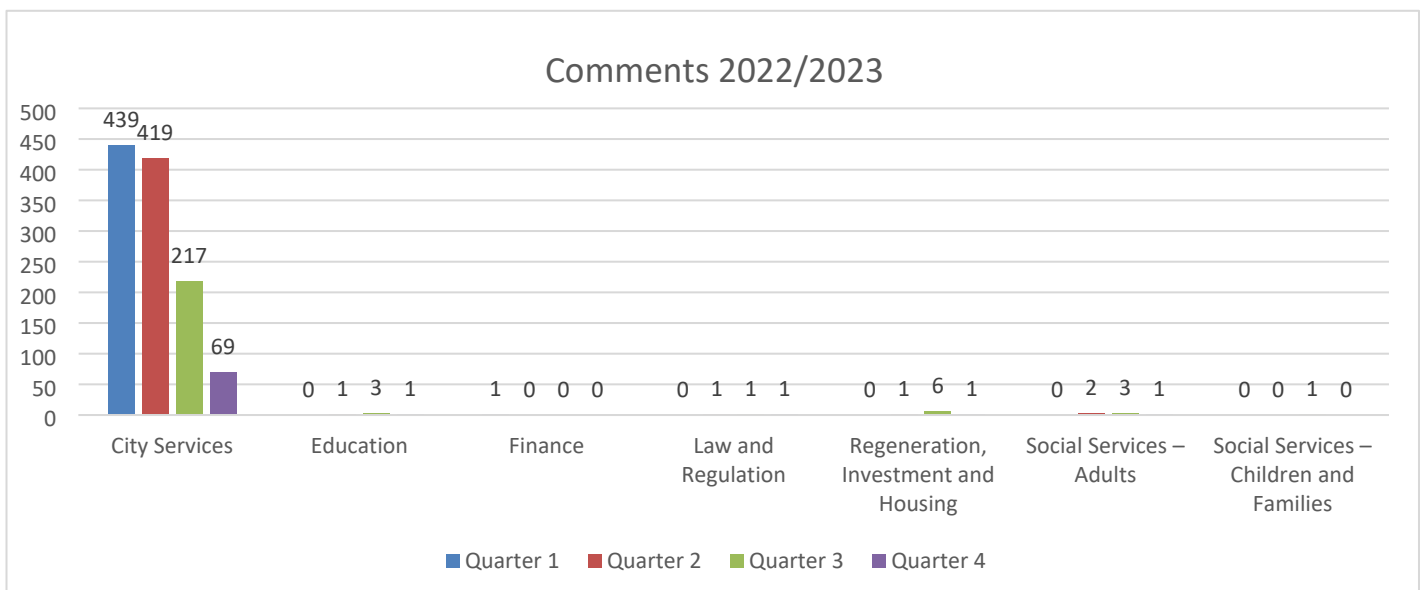
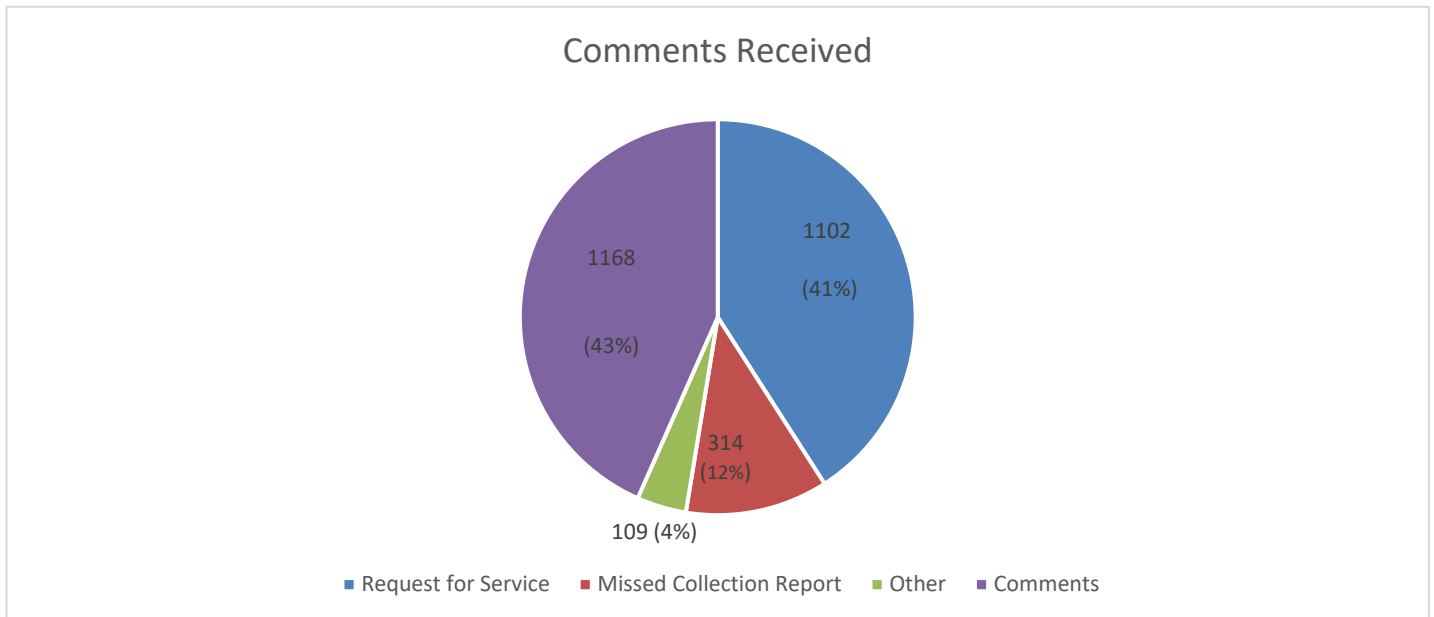
2693 comments were recorded during 2022/23. This is a 63% decrease since 2021/22.

In July 2022 it was identified many service requests were being recorded as comments. We reviewed the customer journey and refined the process. A new form was introduced in November 2022 for the Waste and Refuse team. By adapting the process, it enabled the Contact Centre to direct missed collection reports directly to the Waste and Refuse team.

This resulted in a shorter customer journey and, for reporting purposes, will demonstrate a more accurate assessment of service demand. This form was adopted by Wastesavers in March 2023.

Noted in the graph below 1,416 of the 2693 comments received in 2022/23 were requests for service or missed collections, 53%. This figure will decrease in 2023/24, as we have recently removed the option of submitting service requests via the complaints form so that these are categorised correctly.

109 duplicate comments were received, 4% - shown in graph as other.



Complaints (Corporate) - Summary

Year	Stage 1 Complaint	Stage 2 Complaint	Stage 2 Complaint %	Ombudsman Complaint	Ombudsman Complaint %
2018/2019	271	28	9.36%	38	14%
2019/2020	354	33	8.53%	31	8.76%
2020/2021	261	39	9.50%	14	7.73%
2021/2022	271	31	11.44%	24	8.85%
2022/2023	341	46	11.88%	47	12.14%

Complaints (Corporate) - Stage 1 and Stage 2 Split by Quarter

Quarter	Q1		Q2		Q3		Q4		Total
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2	
City Contact Centre	6	0	3	0	7	1	3	1	21
Communications and PR	0	0	0	0	1	0	0	0	1
Communities First	1	0	0	0	0	0	0	0	1
Complaints Team	0	0	1	0	3	0	11	1	16
Council Tax	6	1	5	0	6	2	9	1	30
Democratic Services	0	0	0	0	0	0	1	0	1
Education Welfare Team	0	0	0	0	1	0	0	0	1
Electoral Registration	0	0	0	0	0	1	0	0	1
Grounds Maintenance	4	0	1	1	3	0	3	0	12
Highways	2	0	0	5	6	1	7	4	25
Household Waste Recycling Centre	3	0	1	1	1	0	1	0	7
Housing, Planning and Regeneration	1	2	1	0	9	1	17	4	35
Licensing	0	0	0	0	1	1	1	0	3
Non-Domestic Rates (Business Rates)	0	0	2	0	0	0	0	0	2
Parking and Road Safety	2		1		5	1	0	0	9
Parks and Cemeteries	1	1	1	1	0	1	4	2	11
Planning / Building Control	0	1	0	0	2	0	1	1	5
Public Protection	0	0	1	0	3	1	3	1	9
Recycling Services	4	0	3	0	35	0	16	0	58
Refuse and Waste	33	0	27	0	24	0	19	1	104
School Transport	2	0	0	0	5	0	1	0	8
Special Educational Needs	0	0	3	1	0	1	0	1	6
Street Cleaning	0	0	1	0	1	1	2	0	5
Street Lighting	0	0	0	0	0	1	0	0	1
Transport and Roads	3	0	2	0	4	1	3	1	14
Website	0	0	0	0	0	0	1	0	1
	68	5	53	9	117	14	103	18	387

Statements below from service areas where complaint numbers are larger.

Refuse, Waste and Recycling - Newport City Council and Newport Wastesavers collects residual waste, garden waste, 6 separate recycling streams (cans and plastic, paper and card, glass, small electrical items, textiles, food waste) and hygiene waste from over 70,000 households on at least a fortnightly or three weekly schedule and received just 162 total complaints.

Over 40% of complaints received relate to missed collections of waste or recycling containers, followed by a quarter of complaints relating to the untidy return of containers to the kerbside after emptying into the collection vehicle. Complaints regarding litter make up only 1% of complaints received.

In 2023 NCC has reduced the frequency of residual and garden waste collections from every 2 weeks to every 3. Complaints regarding the change in collections policy amounted to 10% of those received.

City Services - The severe weather conditions during recent winters and in particular this winter has no doubt taken its toll on the adopted network. Greater than average reports of pothole repairs have been received than previous years and the level of customer complaints continues to increase. The lack of capital investment is a contributing factor on the condition of the adopted network. This has been echoed in both local and national press.

Operatives continue to work in difficult weather conditions to make sure the roads are safe in what has been a challenging year. We continue to work in reducing the pothole backlog.

Council Tax – This is one of the Council services that touches every household in the city at some point in the year. Correspondence issued includes the initial Council Tax bill, sent at the beginning of March to every household in Newport. If payments aren't received, then reminders, final reminders and final notices are sent to households. During these times, call wait times would often be lengthy, leading to complaints. In addition to this, call volumes increased due to additional financial assistance the Council was providing to residents in the form of to the cost-of-living payments that were administered on behalf of Welsh Government, leading again to increased demand across the service.

Housing, planning and regeneration - Complaints within Housing focused on delays in response times and assessment timescales, as well as homeless people, and those at risk of homelessness, requesting that their cases be prioritised. These complaints reflect the unprecedented housing pressures faced by Newport and councils across the UK. The service recognises the impact that these issues have on people in housing need and are committed to process of Transformation to improve services.

Contact Centre - Customer Service complaints during the period 2022/2023 were influenced by a number of factors, including a higher than average attrition rate, permanent reduction in staff numbers and the requirement to move a number of staff to Civic Centre Main Reception, which reopened once the lockdown was lifted. This meant there have been fewer staff on the phonelines resulting in increasing wait times.

Complaint Analysis by Ward

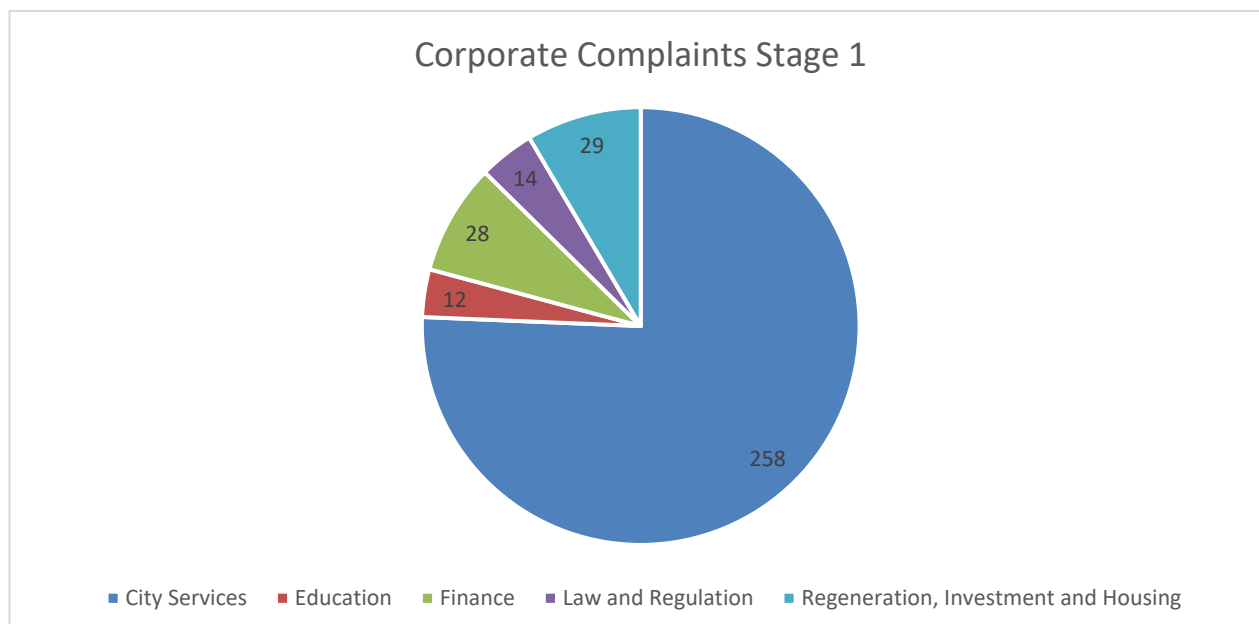
This is the first time we have been able to analyse complaints by ward. This is at high level only at this stage and we plan to do more analysis on data from 2023/24, now we have improved the quality of the underlying data. At high level the range of the number of complaints by ward is from 7 to 59. If we factor in population, we have a range of 1.3 to 6.4 complaints per 1,000 residents.

Ward	Number of complaints	Population	Complaints per 1,000 Residents
Allt-Yr-Yn	59	9,192	6.4
Alway	15	8,830	1.7
Beechwood	15	7,890	1.9
Bettws	23	8,132	2.8
Bishton and Langstone	13	6,253	2.1
Caerleon	17	7,768	2.2
Gaer	14	9,133	1.5
Graig	20	6,274	3.2
Llanwern	14	5,196	2.7
Lliswerry	24	11,911	2.0
Malpas	10	7,746	1.3
Pillgwenlly	12	8,974	1.3
Ringland	14	8,344	1.7
Rogerstone East	9	3,791	2.4
Rogerstone North	7	4,852	1.4
Rogerstone West	10	3,037	3.3
Shaftesbury	23	5,250	4.4
St. Julians	20	8,844	2.3
Stow Hill	14	5,373	2.6
Tredegar Park and Marshfield	37	11,394	3.2
Victoria	13	8,263	1.6
Total	383	156,447	2.4

Please note that this is less than all complaints as some complaints were made from addresses outside of Newport City Council's boundary so are not included here.

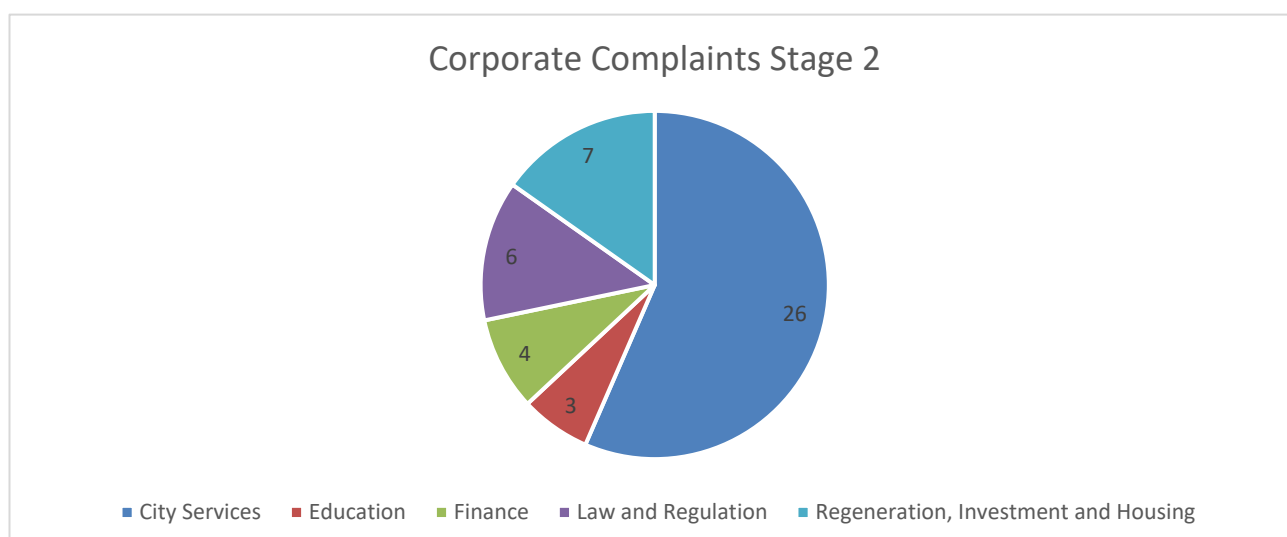
Complaints (Corporate) - Stage 1

- The breakdown below represents a total of 341 stage one complaints by service area for 2022/23, compared with 271 complaints resolved in 2021/22, 25.8% increase. 88% of corporate complaints were successfully resolved at stage 1.



Complaints (Corporate) - Stage 2

The breakdown below represents a total of 46 stage 2 complaints received by service area for 2022/2023. Compared with 31 complaints resolved in 2021/22. 48.4% increase



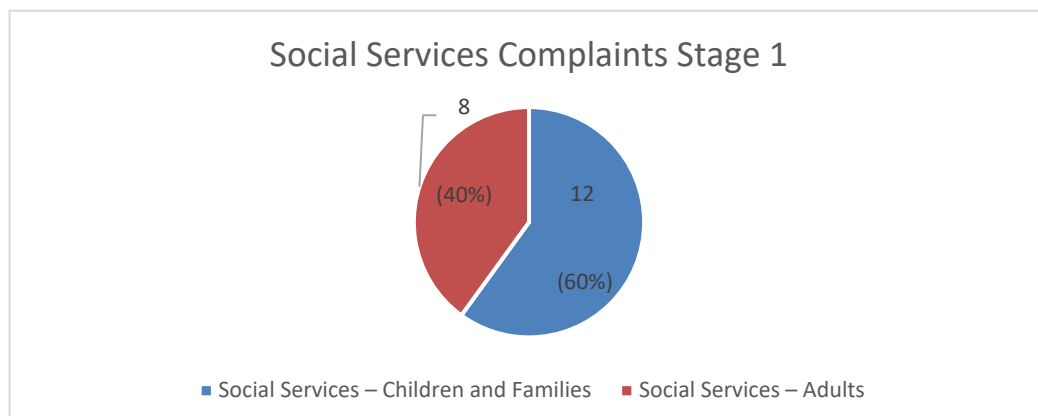
225 Corporate complaints were refused after assessment in line with Customer Feedback Policy, reasons included: -

- Attention of another agency, e.g. Newport City Homes, police
- Dealt with under a separate process - Disciplinary/ HR Processes/ Compensation claim
- Out of timescale, over 6 months

Complaints (Social Services)

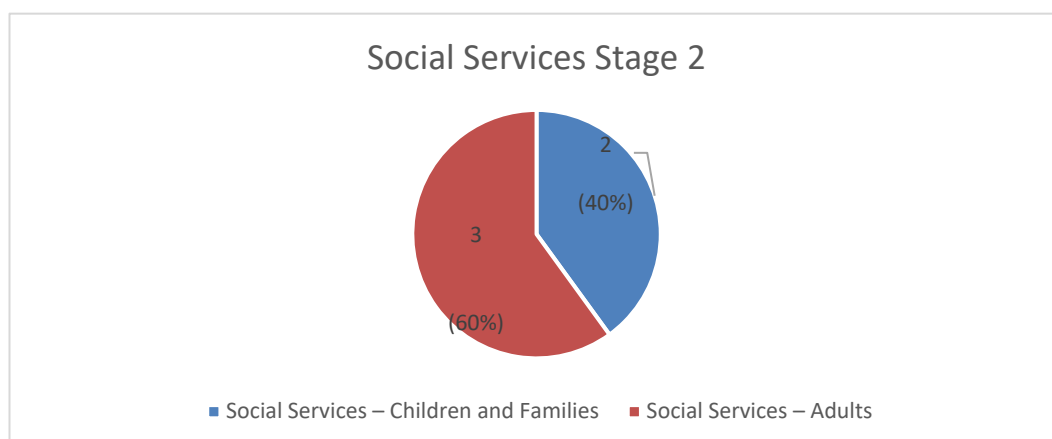
Complaints (Social Services) - Stage 1

The chart below represents a total of 20 Stage 1 complaints received in 2022/2023 compared with 50 stage 1 complaints resolved in 2021/22, decrease of 60%. The highest number of complaints received involved People with Learning Disabilities Team.



Complaints (Social Services) - Stage 2 Independent Investigations

There was a total of 5 formal stage 2 Social Services complaints received in 2022/2023, compared with 3 Stage 2 complaints resolved in 2021/22, 67% increase.



48 Social Services complaints were refused after assessment, reasons included: -

- Safeguarding concerns
- Premature
- Legal proceedings underway

Complaints to Public Services Ombudsman for Wales (PSOW)

Complaints (Corporate) Ombudsman

During 2022/2023, the Ombudsman reviewed 37 corporate complaints, 7 of which were resolved at Early Resolution Stage. The remainder were closed for a variety of reasons including complaints being premature or out of jurisdiction. No Ombudsman complaints were upheld. Further details are in the table below.

PSOW prefer to be able to put things right for a complainant at an early stage. If it appears from their initial review of a complaint that something has gone wrong and that there is an obvious solution, the caseworker will often contact the Council and ask it to carry out one or more actions to resolve the matter. If the Council agrees, then the case will be closed without an investigation. PSOW expects the Council to provide evidence on the actions agreed to resolve the complaint)

To follow is a summary of a few complaints where early intervention measures took place.

- *Newport City Council was asked to apologise to complainant for a delay in responding to a complaint.*
- *Newport City Council were asked to apologise for damage caused to property and issue costs of £750 as financial redress for the avoidable inconvenience caused.*
- *Newport City Council were asked to waiver replacement fees for deed certificate.*
- *There were two instances whereby the PSOW asked Newport City Council to make contact with the complainant and reassess their complaint.*

Complaints (Social Services) Ombudsman

During 2022/2023, 5 Ombudsman Social Services complaints were made, of which 1 was resolved at Early Resolution stage. The 4 remaining were closed as premature, and for decisions made to not investigate.

Summary of Social Services Complaint Early Intervention measure noted below.

- *Newport City Council was asked to formally investigate complaint and provide detailed information regarding financial charges applied in an educational setting for provision of support services.*

Public Services Ombudsman for Wales (PSOW) Annual Letter 2022/23

PSOW intervention rate for 2022/23 for Newport City Council was 17% compared with 11% in 2021/22. Notably, across all statutory bodies in Wales, 1,020 complaints were referred to PSOW regarding local authorities last year - a reduction of 11% compared to the previous year.

The table below represents complaint outcomes made by the PSOW for 2022/23.

Newport City Council Complaint Outcomes PSOW	Number	Percentage
Out of Jurisdiction	5	10%
Premature	19	40%
Other Cases closed after initial consideration	14	29%

Early Resolution/Voluntary settlement	8	17%
Discontinued	1	2%
Other Reports - Not Upheld	1	2%
Other Reports - Upheld	0	0%
Public Interest Reports	0	0%
Special Interest Reports	0	0%
Total	48	100%

(Total number received is 48, however the **Out of Jurisdiction and discontinued complaints** are not included therefore the number of PSOW complaints investigated is 42 as detailed below)

The table below includes some measures including comparisons with previous years

Year	New Complaints Received by NCC	Received per 1000 Residents	Cases with PSOW Intervention	% of Interventions
2020/21	31	0.20	5	17%
2021/22	40	0.26	4	11%
2022/23	42	0.26	8	17%

PSOW Code of Conduct Complaints Regarding Councillors

Code of Conduct complaints regarding City Councillors and Community Councillors are dealt with under a separate ethical standard's regulatory framework. In accordance with Part III of the Local Government Act 2000, all complaints about breaches of the Member Code of Conduct are referred to the Ombudsman to consider whether any breach has been committed and, if so, whether that breach is serious enough to warrant any sanction. Serious breaches are then investigated and reported to either Standards Committee or the Adjudication Panel for Wales. Standards Committee have the power to suspend a Councillor for up to 6 months and the Adjudication Panel can suspend for up to 1 year or disqualify for up to 5 years.

All Code of Conduct complaints received by the Ombudsman are reported to Standards Committee, on an anonymised and confidential basis, and they are also notified of the reasons why the Ombudsman has decided not to accept or investigate the complaints. Standards Committee also receive a copy of the Ombudsman's Annual letter and they submit an Annual Report to full Council in November, which includes a summary of these complaints. Each quarter all local authorities in Wales report to the Ombudsman. Further details are included within the [PSOW Annual Letter](#).

The Complaints Standards Authority (CSA) continued its work with public bodies in Wales last year, with more than 50 public bodies now operating within their model policy. They have also provided more than 400 training sessions since starting, with local authorities, in September 2020. They continue to publish complaints statistics into their second year, with data now published twice a year. This data allows us to see information with greater context – for example, last year 4% of Newport City Council's complaints were referred to PSOW.

PSOW continue to express that authorities and other organisations should not view complaints as negative. If complaints are too low questions may be asked around whether our processes are clear enough and whether customers are given enough opportunities and access points to raise these concerns. PSOW do not provide benchmarking, however they will support Local Authorities with advice and guidance.

We will continue to engage with the PSOW Complaints Standards work, accessing training for our officers, fully implementing the model policy, and providing complaints data.

Service Development

The Council is committed to developing the service provided to meet the legislation and to meet the expectations of residents who wish to submit their feedback.

Progress made in 2022/2023:-

- The Customer Feedback Policy: Compliments, Comments and Complaints Policy was reviewed, updated and approved by Cabinet. This is aligned to guidance issued by the Public Services Ombudsman for Wales
- Delivery of online training workshop to over 120 officers. These hour-long sessions included: - Policy overview, outline of the complaints handling process, an opportunity for staff to ask questions and receive guidance, discussion around a complaints case study.
- Induction documentation for new Newport City Council officers now includes details of complaint handling, and an introduction to the processes involved.
- Streamlined processes for residents in submitting requests
- Reduced options available when closing complaints and this has improved the quality of data being extracted.
- Worked with the Strategic Equalities Group which will continue throughout 2023/24 – included optional equalities questions for all residents when submitting feedback
- Supported service areas with streamlining and improving processes to reduce complaints.
- Reviewed our customer journey pathway and made some adjustments which will benefit customers and colleagues when they are engaging with us.

During 2023/2024, we will continue to work with service areas and refine our processes with My Newport Team and support colleagues in relevant service areas. The Council will also be commencing work on examining the customer experience and understanding the Council's strengths and weaknesses towards enabling people to complete transactions online, in person and also signposting to the other organisations to access the services they need.

Lessons Learned

- Working closely with service areas identifying reoccurring issues, themes and making changes to improve.
- Reducing callback requests by encouraging service areas to update customer notes on My Council Service system.
- More service area engagement to increase level of understanding in terms of the Ombudsman's powers and what they are looking to achieve.
- More supplier engagement to increase level of understanding of the Ombudsman. This is a significant piece of work that will be rolling year on year.

Actions for Improvement

Below outlines the actions that the team will be undertaking in 2023/24 to improve the delivery of the service.

- Further development of My Council Services system to maximise its effectiveness for reporting.
- Continue to rollout training for officers.
- Develop councillor complaint handling awareness session.
- Identify under reporting of complaints and implement procedures to capture and record.
- Work with colleagues in residential settings to align their complaint procedures with the revised Customer Feedback Policy.
- Reviewing Independent Investigators contract documentation with colleagues from the All-Wales Complaints Officers Group.

- Unacceptable Actions by Customer Policy review.
- Work with Customer experience to determine what lessons can be learned.

Report



Governance & Audit Committee

Part 1

Date: 28 September 2023

Subject Internal Audit – Progress against audit plan 2023/24
Quarter 1

Purpose This reports updates Members of the Governance & Audit Committee on progress in the completion of the 2023/24 agreed audit plan in the first quarter of 2023/24 by providing information on audit opinions given to date and progress against key performance targets.

Author Interim Chief Internal Auditor

Ward General

Summary The attached report identifies that the Internal Audit Section is making progress against the 2023/24 audit plan and internal performance indicators.

The original audit plan was based on 862 audit days.

Proposal 1) The report be noted by the Council's Governance & Audit Committee

Action by The Governance & Audit Committee

Timetable Immediate

This report was prepared after consultation with:

- Chief Financial Officer
- Monitoring Officer
- Head of People, Policy & Transformation

Signed

Background

1. This report aims to inform Members of the Governance & Audit Committee of progress made on the completion of the agreed Internal Audit plan. Progress against the audit plan for the first 3 months of the year is reported here along with the performance of the team for that period.
2. The report also gives Members assurance (or otherwise) on the adequacy of the internal control environment operated within the Council by showing the audit opinions given on work undertaken at the end of Q1.

Internal Audit Staffing

3. The team currently operates with an establishment of 6.5 audit staff. The Committee will be aware of the resourcing issues within the team and these and their potential impacts are explained fully, alongside both short and longer term mitigation in a separate report to the same meeting.
4. The relationship with South West Audit Partnership (SWAP) continues, who provide external support with the undertaking of the audit plan.

Public Sector Internal Audit Standards (PSIAS)

5. The Public Sector Internal Audit Standards (PSIAS) (IIA) came into force from April 2013 (updated March 2017) which the team needs to ensure it is compliant with as it carries out work in line with the audit plan. These standards replace the former Code of Practice for Internal Audit within Local Government (CIPFA).
6. A requirement of the PSIAS is for the Internal Audit team to be externally assessed once every five years to ensure compliance with these Standards. The Welsh Chief Auditors' Group proposed an option of a peer review in order to meet the requirements of this external assessment, which has been agreed by respective S 151 Officers of local authorities in Wales. Newport's peer review took place in 2017/18; the outcome being that the team is compliant with the Standards, with no significant areas of non-compliance. The next review was due to take place at the end of 2023, however resourcing issues will require this to be delayed.

Internal Audit Plan

7. The 2023/24 Internal Audit Plan was agreed by the Governance & Audit Committee on the 25th May 2023 and was based on 862 audit days with 48 opinion related jobs.
8. Generally in Q1 of our audit plan, the team are finalising reports in draft at year end, completing audit jobs which were ongoing at year end but draft reports had not been issued, picking up carried forward jobs from the previous year and starting new year audit jobs. 13 audit jobs were ongoing at year end, therefore moved to the 2023/24 audit plan. In order to undertake audit work effectively and efficiently we need the co-operation of service managers and the staff in their service areas to accommodate site visits (where necessary), meetings and provide relevant documentation.

Performance

9. The Audit Section's performance is measured against planned work, which incorporates externalities like special investigations, financial advice and financial regulations training. Where actual time taken for the review exceeds planned time there will be an impact on the audit plan. Ad-hoc reviews requested by management cannot be planned for but will have an immediate impact on the achievement of the audit plan.

10. The section's performance is measured against performance indicators set and agreed by the Welsh Chief Auditors' Group. Performance against these indicators is reported to the Governance & Audit Committee on a quarterly basis; the targets for each of the indicators were set internally by the previous Chief Internal Auditor.
11. The performance for Quarter 1 2023/24 is summarised below with the detail shown at **Appendix A**:
- a. 12% of the original audit plan has been achieved so far, which is ahead of the target of 10%;
 - b. The promptness of issuing draft reports (comparing timescale between finalising all fieldwork and issuing the draft report to management) averages 6 days, well within the target time of 10 days;
 - c. The promptness of report finalisation (comparing timescale from meeting with client to discuss issues raised in the draft report to issue of finalised report to management) averages 3 days which is within the target time of 5 days.
12. 12 out of 13 2022/23 audit reviews which were in draft as at 31/03/23 have now been finalised.

Quality Control

13. On completion of all audit reviews, an evaluation questionnaire is sent out to the service manager with the final report. This gives the manager who has been audited an opportunity to comment on the audit review itself, confirming (or not) that it was of benefit to their service and that the main risks had been covered; the staff, their approach, constructiveness and helpfulness; the report, covering the benefits of discussing the draft report, whether the balance was right via the inclusion of strengths and weaknesses, whether management comments were correctly reflected and if the report format was easy to follow. These questionnaires are returned in confidence to the Internal Audit team, with the information assessed and any negative comments addressed. Generally, there has been positive feedback from service managers via these questionnaires; this will continue to be collated throughout the year and fed into the annual audit report for 2023/24.

Financial Training

14. In the Audit Section's continued efforts to ensure that Council's assets are safeguarded and to provide assurance to management that their internal controls are robust, further training specifically on financial regulations and contract standing orders will be offered to all service areas. This course is available on a self-nomination basis, bimonthly, as part of the Corporate Training Programme. Feedback from staff who have previously attended courses has been positive. Two training sessions have been held so far this year, with others planned though the current resourcing challenges and the focus on opinion related audits for the rest of the year to maximise assurance from what resources are available will reduce the days allocated to training compared to the original audit plan and resource allocation.

Audit Opinions 2023/24

15. Audit opinions issued so far in 2023/24 are shown at **Appendix B**. Definition of audit opinions currently given is shown at **Appendix D**. Please note the amendment to audit opinion titles and definitions for 2023/24.

16. 15 jobs were completed to at least draft report stage by 30 June 2023, 12 of which warranted an audit opinion: 4 x *Substantial*, 7 x *Reasonable*, 1 x *Limited*, 0 x *No Assurance* audit opinions. All 12 of opinion reviews were those ongoing from 2022/23. Other work completed related to the Annual Governance Statement, and the provision of financial regulations training. In addition, financial advice has been provided on an ongoing basis (**Appendix C**).
17. The audit opinion relates to the adequacy of internal controls within the system or establishment being reviewed. The opinion is derived from the balance of strengths and weaknesses identified from evidence obtained, and testing undertaken, during the audit. Where the auditor believes that any issues identified are the result of a deliberate action and may be in breach of the Disciplinary Code or Employee Code of Conduct, further investigations will be carried out and action taken as appropriate.

Service Management Responsibilities

18. Heads of Service and service managers are responsible for addressing any weaknesses identified in internal systems and demonstrate this by incorporating their agreed actions into the audit reports. When management sign off the reports, they are accepting responsibility for addressing the issues identified within the agreed timescales.
19. Although Heads of Service are responsible for implementing and maintaining adequate internal controls within service areas, operational managers are responsible for working within those controls and for ensuring compliance with Council policies and procedures. All reports, once finalised, are sent to the respective Heads of Service for information and appropriate action where necessary.

Follow up audit reviews

20. Where *Limited* (previously *Unsatisfactory*) or *No Assurance* (previously *Unsound*) opinions are issued, they are followed up within a twelve month timescale to ensure that the agreed actions have been taken by management and that the internal control systems are improved.

Financial Summary

21. There are no financial issues related to this report.

Risks

22. If the plan is not completed due to a lack of resource in the team, the Interim Chief Internal Auditor may have to qualify the year end assurance opinion provided to the Governance & Audit Committee. As the work of internal audit is an important part of the Council's governance framework; the reduced amount of work on the agreed audit plan will also adversely impact on the review of the AGS in 20-23/24.

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Audit Plan not completed	M	M	Audit work has been prioritised and an external provider are providing support.	Interim Chief Internal Auditor

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

23. Giving management assurance on systems in operation gives them confidence that there is sound financial management in place, that more effective services can be provided and the risk of theft, fraud and corruption is minimised. Better service provision, looking after the public pound makes our City a better place to live for all our citizens, hence Improving People's Lives.

Options Available

24. This is a factual progress report and therefore there are no specific options to be considered. The quarterly reports provide a mechanism for monitoring the performance and progress of the Internal Audit team and the adequacy of the Council's internal control environment to ensure the public pound is spent wisely and appropriately and that fraud, theft and corruption is minimised.
25. The Governance & Audit Committee is asked to note progress on delivery of the audit plan and audit opinions given to date and ask questions, make observations and recommendations, as necessary.

Preferred Option and Why

26. N/A

Comments of Chief Financial Officer

27. There are no financial impacts in this report. Members of the committee will be aware of the current resourcing challenges facing this function and which are described in detail in another report on the agenda. It is highly probable that the level of audit coverage will be lower than that normally achieved, and this represents a potential problem and weakness to the Council's governance framework in 2023/24.

More support from SWAP have been secured and this should reduce the impact of the current situation though unlikely to fully mitigate. Recruitment is currently on-going and an update on that will be given to the committee at the meeting.

Comments of Monitoring Officer

28. There are no legal implications. The report has been prepared in accordance with the Council's internal audit procedures and the Performance Management Framework. The progress made to date in delivering the objectives set out in the approved Audit Plan highlights the effectiveness of the work undertaken by this service area in ensuring that adequate and effective internal financial controls are in place.

Comments of Head of People, Policy and Transformation

29. As part of the Well-being of Future Generations Act (2015) and its corporate governance arrangement it is necessary to ensure that the Council's functions are operating effectively and efficiently to manage its governance, internal control and risk management arrangements in the delivery of the Corporate Plan and its statutory duties. This report presents a review of the Internal Audit activity during the period concerned and the outcomes of completed audit reviews. There are no direct human resources impact from this report.

Comments of Cabinet Member

30. N/A

Local issues

31. N/A

Scrutiny Committees

32. N/A

Equalities Impact Assessment and the Equalities Act 2010

33. The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

34. As this is a progress report on performance and audit opinions there is no need for an Equalities Impact Assessment. All audits are undertaken in a non-discriminatory manner.

Children and Families (Wales) Measure

35. N/A

Wellbeing of Future Generations (Wales) Act 2015

36. The role of Internal Audit supports the Council in complying with the principles of the Wellbeing Act and providing assurance on the activities undertaken across the Council. In compiling this report the principles of this Act have been considered:

Long term - The Internal Audit workload is based on an annual operational plan supported by a 5 year strategic plan that is aligned to the Council's Corporate Plan.

Prevention - Internal Audit identify strengths and weaknesses within the control environment of Newport City Council; addressing the weaknesses gives management the opportunity of preventing gaps in service provision getting worse. This should also minimise the potential for fraud, theft, loss or error.

Integration - Internal Audit opinions provide an objective opinion on the adequacy of the Council's corporate governance, internal control and risk management environment in operation and support sound stewardship of public money.

Collaboration - Internal Audit work in collaboration with operational managers to develop an appropriate action plan in order to address identified concerns.

Involvement - Heads of Service and Senior Managers are invited to contribute to the audit planning process each year in order to prioritise audit resources. The involvement of the

Governance & Audit Committee provides assurance and oversight of an effective internal audit provision to carry out its duties.

Crime and Disorder Act 1998

37. The work undertaken by Internal Audit should minimise potential fraud, corruption, theft or misappropriation within the Council. Allegations of potential criminal activity will be investigated and reported to the police where appropriate.

Consultation

38. N/A

Background Papers

39. N/A

Dated:

Appendix A

Newport City Council

Internal Audit Service

Performance Indicators

2022/23	22/23 Target	1 st Qtr 22/23	2 nd Qtr 22/23	3 rd Qtr 22/23	4 th Qtr 22/23	Comments
Proportion of planned audits complete	82%	19%	31%	47%	77%	[Profiled Target Q1 10%]
Directly chargeable time against total time available	50%	50%	56%	52%	54%	Quarterly performance
Directly chargeable time against planned	100%	60%	58%	62%	-	Quarterly performance
Proportion of Special Reviews responded to within 5 working days	100%	100%	100%	N/A	100%	Cumulative figures
Number of sessions provided to train staff in all Service Areas on best financial practice	8	3	5	8	10	Cumulative figures
Staff turnover rate (number of staff)	0	0	0	0	0	Quarterly performance
Promptness of draft report issue (end of fieldwork to draft report issue date)	10 days	2 days	3 days	5 days	5 days	Cumulative figures
Promptness of report finalisation (date of client meeting to final report issue date)	5 days	2 days	2 days	2 days	2 days	Cumulative figures

2023/24	23/24 Target	1 st Qtr 23/24	2 nd Qtr 23/24	3 rd Qtr 23/24	4 th Qtr 23/24	Comments
Proportion of planned audits complete	82%	12%				[Profiled Target Q1 10%]
Directly chargeable time against total time available	50%	42%				Quarterly performance
Directly chargeable time against planned	100%	54%				Quarterly performance
Proportion of Special Reviews responded to within 5 working days	100%	100%				Cumulative figures
Number of sessions provided to train staff in all Service Areas on best financial practice	8	2				Cumulative figures
Staff turnover rate (number of staff)	0	3.5 (63%)				Quarterly performance
Promptness of draft report issue (end of fieldwork to draft report issue date)	10 days	6 days				Cumulative figures
Promptness of report finalisation (date of client meeting to final report issue date)	5 days	3 days				Cumulative figures

Appendix B
Opinions as at 30 June 2023, Q1

Substantial	4
Reasonable	7
Limited	1
No Assurance	0
Total	12
Unqualified	0

Internal Audit Services - Management Information for 2023/24
Q1

Job number	Service Area	Section or Team	Job Title	Risk Rating	Draft /Final	Opinion Given
F2324-F4	People, Policy & Transformation	Climate Change	Health & Safety (Occupational Health) (2022/23)	H	Final	Good/Substantial
F2324-F7	Children Services	Fostering & Adoption	Fostering Panel (2022/23)	M	Final	Good/Substantial
F2324-F9	Education Services	Primary Schools	Gaer Primary School (2022/23)	M	Final	Good/Substantial
F2324-F10	Education Services	Primary Schools	Malpas Park Primary School (2022/23)	M	Final	Good/Substantial
F2324-F1	Finance	Accountancy	Capital Programme (2022/23)	H	Final	Reasonable
F2324-F2	Finance	Benefits	Housing Benefits (Follow Up) 2021/22	H	Final	Reasonable
F2324-F3	People, Policy & Transformation	Digital Services & Complaints	Internal Mobile Telephony (Follow Up) 2021/22	H	Final	Reasonable
F2324-F5	Law & Standards	Registration	Registration Services (2022/23)	M	Final	Reasonable
F2324-F8	Education Services	Inclusion / ALN	Education Psychology (2022/23)	M	Final	Reasonable
F2324-F11	Education Services	Primary Schools	Malpas Church in Wales Primary School (2022/23)	M	Final	Reasonable
F2324-F13	Environment & PP	Public Protection	Newport City Dogs Home (Follow Up) 2021/22	H	Final	Reasonable
F2324-F12	Infrastructure (City Services)	Transport	PTU Taxi Contracts (Follow-Up #1) 2021/22 **	H	Final	Unsatisfactory/ Limited

**Note that Follow-Up #2 has been undertaken since this point, with a Substantial opinion provided.

Appendix C

Non Opinion work 2023/24 Q1

Job number	Service Area	Section or Team	Job Title
N/A	N/A	Cross Cutting	Financial Regulations Training
N/A	T&C	Finance (Housing Benefit Staff)	Financial Regulations Training
P2324-P20	CE	Education Services	Financial Advice
P2324-P42	T&C	Finance	Annual Governance Statement
P2324-P44	T&C	Finance	Financial Advice
P2324-P63	SS	Childrens Services	Financial Advice

INTERNAL AUDIT SERVICES – OPINION DEFINITIONS

SUBSTANTIAL	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited
REASONABLE	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited
LIMITED	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited
NO ASSURANCE	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited

Unqualified	<p>The Financial Statement is free from material misstatement and presents fairly the activities of the organisation.</p> <p>The terms and conditions of the grant funding have been complied with.</p>
Qualified	<p>There is a lack of supporting information or documentation to verify that that figures quoted in the Financial Statement fairly represent the activities of the organisation.</p> <p>The terms and conditions of the grant funding have not been fully complied with.</p>

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Newport City Council and Newport City Council Group - Detailed Audit Plan 2023

Audit year: 2023

Date issued: September 2023

Document reference: 3779A2023



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

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About Audit Wales

Our aims and ambitions

Assure



the people of Wales that public money is well managed

Explain



how public money is being used to meet people's needs

Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

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Introduction

I have now largely completed my planning work.

This Detailed Audit Plan specifies my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

It sets out the work my team intends undertaking to address the audit risks identified and other key areas of focus during 2023.

It also sets out my estimated audit fee, details of my audit team and key dates for delivering my audit team's activities and planned outputs.



Adrian Crompton

Auditor General for
Wales

My audit responsibilities

I complete work each year to meet the following duties:

- I audit the Council and Group's financial statements (incorporating the accounts of Newport Transport Ltd.) to make sure that public money is being properly accounted for.
- The Council has to put in place arrangements to get value for money for the resources it uses, and I have to be satisfied that it has done this.
- The Council needs to comply with the sustainable development principle when setting and taking steps to meet its well-being objectives. The Auditor General must assess the extent to which it is doing this.

Audit of financial statements

I am required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness' and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Authority.

In addition to my responsibilities for auditing the Council and Group's financial statements, I also have responsibility for:

- certifying a return to the Welsh Government which provides information about the Council to support preparation of Whole of Government Accounts;
- responding to questions and objections about the accounts from local electors (additional fees will be charged for this work, if necessary);
- the limited assurance review of the Greater Gwent Crematorium Joint Committee; and
- the certification of a number of grant claims and returns as agreed with funding bodies.

I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material is set out later in this plan.

I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#).

There have been no limitations imposed on me in planning the scope of this audit.

Performance audit work

I carry out a programme of performance audit work to discharge my duties¹ as Auditor General in relation to value for money and sustainable development.

My local performance audit programme will continue to be delivered through a combination of an Assurance and Risk Assessment Project, bespoke local projects and thematic projects examining risks common to all councils.

The majority of my performance audit work is conducted using INTOSAI auditing standards. The International Organisation of Supreme Audit Institutions is a global umbrella organisation for the performance audit community. It is a non-governmental organisation with special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

¹ When we undertake audit work under our statutory powers and duties we may collect information from public bodies that contains some personal data. Our general audit fair processing notice, explains what we do with personal data, and how you can contact our Data Protection Officer.

Your audit at a glance



My financial statements audit will concentrate on the following areas of identified risk

My audit planning work has identified the following risks:

Significant financial statement risk

- Management override of controls.

Other areas of audit focus

- Property, Plant and Equipment (infrastructure, fully depreciated assets and depreciated replacement cost valuations).
- Provisions and Contingent Liabilities.
- Senior Officer Remuneration.
- Related Parties.



My performance audit will include:

- Assurance and Risk Assessment
- Thematic reviews: commissioning and contract management, and financial sustainability in local government.
- Local reviews: planning services, and collaboration and partnerships.



Group

We will also perform an audit of Newport City Council Group (incorporating the audits of Newport Transport Ltd.)

Financial audit materiality



Materiality

Materiality (Council)	£5.9 million
Materiality (Group)	£6.1 million
Reporting threshold (both audits)	£0.3 million

My aim is to identify and correct material misstatements, that is, those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2022-23 draft accounts gross expenditure of £5.9 million (Council) and £6.1 million (Group).
- Materiality percentage of 1%.

I report to those charged with governance any misstatements above a trivial level (set at 5% of materiality).



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts, and we have set a lower materiality level for these:

- Remuneration report: £1,000
- Related party disclosures £10,000 (for disclosures relating to individual Members)

Significant financial audit risks

Significant risks are identified risks of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk or those which are to be treated as a significant risk in accordance with the requirements of other ISAs. The ISAs require us to focus more attention on these significant risks.

Exhibit 1: significant financial statement risks

Significant risk	Our planned response
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].</p>	<p>The audit team will:</p> <ul style="list-style-type: none">• test the appropriateness of journal entries and other adjustments made in preparing the financial statements;• review accounting estimates for bias; and• evaluate the rationale for any significant transactions outside the normal course of business.

Other audit risks

I set out other identified risks of material misstatement which, whilst not determined to be significant risks as above, I would like to bring to your attention.

Exhibit 2: other areas of focus

Audit risk	Our planned response
<p>Property, Plant and Equipment – infrastructure assets</p> <p>The 2021-22 accounting and legislative framework for infrastructure assets were retrospectively updated for all Councils, in order to:</p> <ul style="list-style-type: none"> Remove the disclosure of the Gross Book Value of such assets within Property, Plant and Equipment, instead requiring the Net Book Value of assets to be disclosed. Confirm that the Council deems any replacement assets to be valued at zero. <p>We are satisfied that any amendments were made appropriately in the 2021-22 accounts. However, given the late and unusual nature of these changes there is a residual risk that the 2022-23 disclosures will not meet the requirements of the Code or statute.</p>	<p>My audit team will review these disclosures in detail to ensure that they meet the requirements of the CIPFA Code and statutory instruments, and that they have been appropriately calculated.</p>
<p>Property, Plant and Equipment - fully depreciated assets</p> <p>Our 2021-22 audit identified £12.8 million of fully depreciated assets no longer in use by the Council, which needed to be removed from the accounts.</p> <p>In response, the Council agreed to review its remaining population of fully depreciated assets in 2022-23 to ensure that only assets still in use remained in the accounts.</p>	<p>My audit team will review and test the population of fully depreciated assets to gain assurance that any such assets remain in use by the Council at year-end.</p>
<p>Property, Plant and Equipment - depreciated replacement cost valuations</p> <p>In 2021-22 the Council reviewed all building assets valued under the depreciated replacement cost method, as current inflationary pressures meant that such assets could be materially undervalued in total.</p> <p>We reviewed this exercise in 2021-22 and were satisfied with the work performed by the Council. However, inflationary pressures persist and so a similar review will be required in 2022-23. The review is complex and subject to an element of judgement.</p>	<p>My audit team will review the results of the work performed by the Council to gain assurance that any valuation updates are reasonable and are in line with expectation and professional guidance.</p>

<p>Provisions and Contingent Liabilities</p> <p>We are aware of various ongoing legal cases involving the Council, which have been previously disclosed in the accounts as either provisions or contingent liabilities. We will need to review these cases again for 2022-23, to ensure that their disclosure and valuation is appropriate and based on relevant and up-to-date evidence.</p>	<p>My audit team will review these legal cases to ensure that any valuation and disclosure is reasonable and appropriate.</p>
<p>Senior Officer Remuneration</p> <p>This is an area of complexity and significant interest, which often leads to amendments arising from the audit process, including following our 2021-22 audit. We are also aware of recent changes in personnel at senior officer level, many of which were recorded appropriately in last year's accounts.</p>	<p>My audit team will review these disclosures in detail to ensure that they are reasonable and in line with legislative requirements.</p>
<p>Related Party Disclosures</p> <p>Over a number of years, our audits have identified issues with the number of related party returns completed by Members each year. Our audits have also identified corrections required to these disclosures in the accounts, which are complex and detailed in nature.</p>	<p>My audit team will review these disclosures in detail to ensure that they are reasonable, complete and in line with CIPA Code requirements.</p>

Financial audit timetable

I set out below key dates for delivery of my accounts audit work and planned outputs.

Exhibit 3: key dates for delivery of planned outputs

Planned output	Work undertaken	Report finalised
2023 Outline Audit Plan	March 2023	March 2023
2023 Detailed Audit Plan	July - August 2023	September 2023
Audit of financial statements: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on the Financial Statements	August - November 2023	November 2023

Planned performance audit work

I set out below details of my performance audit work and key dates for delivery of planned outputs.

Exhibit 4: key dates for delivery of planned outputs

Assurance and risk assessment	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.	Ongoing
Thematic review – financial sustainability of local government	A review of councils’ financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.	Date TBC
Thematic review – commissioning and contract management	A review focusing on how councils’ arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle.	Date TBC
Local review – planning services	To be scoped.	Spring 2024
Local review – collaboration and partnerships	To be scoped.	Date TBC

We will provide updates on the performance audit programme through our regular updates to the Governance and Audit Committee.

Certification of grant claims and returns, and statutory audit functions

Certification of grant claims and returns

I have also been requested to undertake certification work on the Council's grant claims, which I anticipate will include Housing Benefits, Teachers Pensions, Non-Domestic Rates and NHS money transfers.

Statutory audit functions

In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. These responsibilities are set out in the Public Audit (Wales) Act 2004:

- Section 30 Inspection of documents and questions at audit; and
- Section 31 Right to make objections at audit.

As this work is reactive, I have made no allowance in the fee table below. If I do receive questions or objections, I will discuss potential audit fees at the time.

Fee and audit team

In January 2023 I published the [fee scheme](#) for the 2023-24 financial year as approved by the Senedd Finance Committee. My fee rates for 2023-24 have increased by 4.8% for inflationary pressures. In addition, my financial audit fee has a further increase of 10.2% for the impact of the revised auditing standard ISA 315 on my financial audit approach. More details of the revised auditing standard and what it means for the audit I undertake is set out in **Appendix 1**.

I estimate your total audit fee will be £401,536.

Exhibit 5: audit fee

This table sets out the proposed audit fee for the year, by area of audit work, alongside the actual audit fee for last year.

Audit area	Proposed fee (2023-24) ²	Actual fee (2022-23)
Audit of accounts ³	£228,690	£198,380
Performance audit work ⁴	£111,510	£106,848
Grant certification work ⁵	£60,000	£65,000
Other financial audit work ⁶	£1,336	£1,244
Total fee	£401,536	£371,472

Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Council.

Our financial audit fee is based on the following assumptions:

- The agreed audit deliverables sets out the expected working paper requirements to support the financial statements and includes timescales and responsibilities.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

² The fees shown in this document are exclusive of VAT, which is not charged to you.

³ Payable November 2022 to October 2023.

⁴ Payable April 2023 to March 2024.

⁵ Payable as work is undertaken.

⁶ Payable as work is undertaken on the Greater Gwent Crematorium Joint Committee.

The main members of my team, together with their contact details, are summarised in **Exhibit 6**.

Exhibit 6: my local audit team

Name	Role	Contact number	E-mail address
Matthew Edwards	Engagement Director	029 2032 0663	matthew.edwards@audit.wales
Gary Emery	Audit Director (Performance Audit)	029 2032 0590	gary.emery@audit.wales
Gareth Lucey	Audit Manager (Financial Audit)	029 2082 9398	gareth.lucey@audit.wales
Sara-Jane Byrne	Audit Manager (Performance Audit)	029 2267 7822	sara-jane.byrne@audit.wales
Kathryn Watts	Audit Lead (Financial Audit)	029 2032 0681	kathryn.watts@audit.wales
Bethan Hopkins	Audit Lead (Performance Audit)	029 2082 9363	bethan.hopkins@audit.wales

I can confirm that my team members are all independent of the Council and Group and their officers.

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD* and our Chair, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2022](#).

Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.

- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

* QAD is the quality monitoring arm of ICAEW.

Appendix 1

The key changes to ISA315 and the potential impact on your organisation

Key change	Potential impact on your organisation
More detailed and extensive risk identification and assessment procedures	<p>Your finance team and others in your organisation may receive a greater number of enquiries from our audit teams at the planning stage of the audit. Requests for information may include:</p> <ul style="list-style-type: none">• information on your organisation’s business model and how it integrates the use of information technology (IT);• information about your organisation’s risk assessment process and how your organisation monitors the system of internal control;• more detailed information on how transactions are initiated, recorded, processed, and reported. This may include access to supporting documentation such as policy and procedure manuals; and• more detailed discussions with your organisation to support the audit team’s assessment of inherent risk.
Obtaining an enhanced understanding of your organisation’s environment, particularly in relation to IT	<p>Your organisation may receive more enquiries to assist the audit team in understanding the IT environment. This may include information on:</p> <ul style="list-style-type: none">• IT applications relevant to financial reporting;• the supporting IT infrastructure (e.g. the network, databases);• IT processes (e.g. managing program changes, IT operations); and• the IT personnel involved in the IT processes. <p>Audit teams may need to test the general IT controls and this may require obtaining more detailed audit evidence on the operation of IT controls within your organisation.</p> <p>On some audits, our audit teams may involve IT audit specialists to assist with their work. Our IT auditors may need to engage with members of your IT team who have not previously been involved in the audit process.</p>

Key change	Potential impact on your organisation
<p>Enhanced requirements relating to exercising professional scepticism</p>	<p>Our audit teams may make additional inquiries if they identify information which appears to contradict what they have already learned in the audit.</p>
<p>Risk assessments are scalable depending on the nature and complexity of the audited body</p>	<p>The audit team's expectations regarding the formality of your organisation's policies, procedures, processes, and systems will depend on the complexity of your organisation.</p>
<p>Audit teams may make greater use of technology in the performance of their audit</p>	<p>Our audit teams may make use of automated tools and techniques such as data analytics when performing their audit. Our teams may request different information or information in a different format from previous audits so that they can perform their audit procedures.</p>

Through our Good Practice work we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire. Our newsletter provides you with regular updates on our public service audit work, good practice and events, which can be tailored to your preferences. For more information about our Good Practice work click [here](#). Sign up to our newsletter [here](#).



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We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Audit Wales Consultation on Fee Scales 2024-25

Summary for Governance and Audit Committee Members

Introduction

- 1 Each year, we are required by legislation to consult on our fee scales for our work over local government bodies, before submitting proposals to the Senedd's Finance Committee.
- 2 The consultation on fees to apply during the upcoming 2024-25 year is now open and will run until 10 October. The attached document sets out the details of this consultation, which are summarised here.

Key details

- 3 The key details within this year's consultation are as follows:
 - We are proposing an average fee rate increase of 6.4% for 2024-25. This is in response to ongoing pay and price pressures (with recruitment and retention of qualified staff a particular challenge), and a requirement to invest in audit quality measures given recent UK-wide reviews of audit.
 - To offset these pressures as much as possible, we are reducing our non-staff costs. For example, we have recently moved to smaller, cheaper office accommodation in North and South Wales and have significantly reduced our travel costs. We continue to identify efficiencies where possible.
 - This fee rate increase does not necessarily mean that overall fees will increase by that amount. The quantum of work required and the skill mix needed to complete it will also influence the final fee figure. We will liaise with management to determine these factors over the coming months, before we present our proposed fee estimate in next year's Audit Plan.
 - Furthermore, to facilitate a growing emphasis on sector-wide or 'thematic' reviews, we are proposing to switch an element of our performance audit funding from fees charged to audited bodies, to amounts receivable direct from the Welsh Consolidated Fund (WCF). Consequently, the fee charged to Councils for such work would reduce by around 15% under this proposal (although any reduction in fee for Councils would be matched by a consequential reduction in central funding, in order to hold the WCF harmless overall, if the Welsh Government endorses this approach).

Illustration

- 4 The table below provides an illustration of the proposed changes to fee rates, and the potential impact they could have on the overall audit fee payable by the Council.
- 5 **This is not an estimate of the fee payable for our work in 2024-25.** Fees cannot be confirmed until the Senedd's Finance Committee approves any proposals, and as noted in paragraph 3, other factors will also determine the final estimate of the fee chargeable.

	2023-24 amount	Proposed change	2024-25 amount
Financial Audit	£228,690	6.4%	£243,326
Performance Audit	£111,510	-15.0%	£94,784
Total	£340,200		£338,110

Engagement

- 6 The consultation remains open until 10 October. While the document has been attached in these papers, it can also be found on our website (www.audit.wales).
- 7 We welcome feedback from audited bodies on the consultation. As Councillors/Committee Members you can use any of the following methods to do so:
- Contact Council officers who can collate and forward feedback to us.
 - Send comments directly via e-mail to info@audit.wales.
 - Send comments directly in hard copy via mail to: Fee Scales Consultation, Audit Wales, 1 Capital Quarter, Tyndall Street, Cardiff, CF10 4BZ.

Gareth Lucey
Audit Manager

Consultation on Fee Scales 2024-25

August 2023

How to respond

Please respond by 10 October 2023.

Responses can be sent to the following address:

Fee scales consultation
Audit Wales
1 Capital Quarter
Cardiff
CF10 4BZ

Or completed electronically and sent by email to: info@audit.wales

If you require this publication in an alternative format and/or language please contact us using the details provided above or by telephone on 029 2032 0500.

Publication of responses – confidentiality and data protection

Information provided in response to this consultation may be published or disclosed in accordance with access to information legislation (chiefly the Freedom of Information Act 2000, but also data protection legislation, including the General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want any information you provide to be treated as confidential, you should tell us why you regard the information you have provided as confidential. If we receive a request for disclosure of information we will take full account of your explanation, but we cannot give any assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Auditor General or Audit Wales.

Personal data will be processed in accordance with data protection legislation. Where such data falls within the scope of a request for information from another person, the provisions of data protection legislation and the Freedom of Information Act will need to be considered in the particular circumstances. While no situation can be prejudged, this is likely to mean that information concerning senior officials and public figures is likely to be disclosed while the names and addresses of ordinary members of the public are likely to be withheld.

Welsh language standards

Audit Wales is required to comply with Welsh Language Standards that provide for the Welsh language not to be treated less favourably than the English language. More information can be found on our Welsh language arrangements on our [website](#). When reviewing this consultation, we would welcome your views on whether you consider there to be anything in this consultation that undermines or supports this requirement. We would also welcome your thoughts on any revisions that could be made to support opportunities to use the Welsh language or ensure we do not treat the Welsh language less favourably than the English language.

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Foreword

You will be familiar with our annual consultation on fee scales. We are required by legislation to do this for local government bodies, but choose to consult more widely so that all stakeholders have an opportunity to respond to our fee proposals.

Responses to our 2022 consultation exercise suggested that the timescale for consultation (during August and early September) was challenging for some bodies. We are therefore consulting a little later this year and extending our consultation deadline until 10 October. Please note that for us to submit our draft Fee Scheme alongside our Estimate for 2024-25 to the Senedd Finance Committee by the end of October, we are unable to extend this any further.

We do not and cannot make profits on our work.

Legislation requires that the fees we charge **may not exceed** the full cost of exercising the function to which the fee relates. We set our audit fees based on our estimated cost base, the estimated skills mix for audit work and the estimated number of days required to complete the work. Audit Wales remains determined to minimise audit fees whilst ensuring that its audit quality continues to meet rigorous standards.

Like the rest of the public sector, we are facing significant staff cost pressures. For Audit Wales, those are exacerbated by a truly global shortage of audit and finance professionals, which we are seeing reflected in our ability to recruit and retain qualified staff. Staff costs account for over 80% of our cost base and for 2022-23 and 2023-24, we awarded our staff pay increases that were well below inflation and lower than the averages seen elsewhere in the public sector (3% and 4% respectively). We must start to address this shortfall in 2024-25, particularly given the challenges for recruitment and retention being felt across the audit profession.

To help offset increasing staff costs, we are taking difficult decisions to reduce our non-staff expenditure. We are moving to smaller, cheaper offices in both South and North Wales, have significantly reduced our travel and associated costs, and removed financial allowances previously paid to staff. Through our Financial Sustainability Review, we have an established mechanism to challenge our operating model and for identifying any further opportunities for savings and efficiencies.

Failures and poor performance in local public audit in England, and in the corporate sector, demonstrate the enormous cost and damage that can result from a failure to deliver high quality audit. The weaknesses of those sectors led to several UK-wide reviews¹ of audit and new professional standards, which increases expectations of audit and of the quality of that audit. To ensure that the public audit regime in Wales remains strong and effective, we continue to make significant investment in audit quality and it is central to all decisions we make.

To maintain this investment in 2024-25, and to respond to pay and price pressures, we will need to increase our fee rates by an average of 6.4% in 2024-25.

The actual fee that any individual audited body will pay depends not just on our fee rates but on the quantum of work and the skill mix required. Last year, you will recall that we implemented a fundamentally different audit approach for our financial audit work, required by new international auditing standards. This required a richer, more costly skill mix that was reflected in higher fees. In the autumn, we will review the experience of the first year using the new approach so that we learn lessons and secure efficiencies wherever possible. Audit directors and teams will, of course, speak to all audited bodies to explain the combined impact of that exercise, and the fee rates described in this consultation, on the level of fee each body will be charged in 2024-25.

We know that audited bodies are concerned that we are increasing our fees at a time when there are delays to some of our audit work – some of which are attributable to the recruitment and retention issues described above. We are working hard to address this backlog. Audit directors are in contact with audited bodies to ensure a common understanding of delivery and expectation so that we can work together as effectively as possible.

We plan to continue to provide access to the National Fraud Initiative on a free-of-charge basis.

I hope that this consultation is helpful, and I look forward to hearing your views.

Many thanks



Adrian Crompton

Auditor General
for Wales



Consultation

Fee rates 2024-25

Our proposed fee rates for 2024-25 are set out in **Exhibit 1**.

Exhibit 1: proposed fee rates 2024-25

Grade	Rate (£ per hour) 2024-25	Rate (£ per hour) 2023-24
Audit Director	181	170
Audit Manager	138	130
Audit Lead	111	107
Senior Auditor	90	86
Auditor	64	62
Graduate trainee	59	54
Apprentice	46	40

The average increase of 6.4% referred to above is a weighted average based on our overall staff mix. Actual increases by grade vary as, to meet the 'no more than full cost' requirement, we calculate rates based on actual staff in post, and hence the rates allow for incremental progression where relevant as well as expected pay increases for the year.

The Senedd Finance Committee scrutinises us on our spending, performance and budget plans, and the assumptions in this consultation are subject to their approval of our Estimate in autumn 2023 and our Fee Scheme early in 2024.

Further information on our work and our expenditure is provided in our [Annual Report and Accounts 2022-23](#) and [Annual Plan for 2023-24](#).

Facilitating thematic and cross sector reviews

In our [consultation on fees for 2022-23](#), we set out proposals to switch the funding for some of our performance audit work in local government and health from audit fees to the Welsh Consolidated Fund (WCF).

In the event, the Welsh Government was unable to confirm, prior to submission of our Estimate for 2023-24, its support for making the adjustments in local authority and health body funding necessary to hold the WCF harmless. As a result, the Senedd Finance Committee asked that we defer this proposal until our 2024-25 Estimate. This consultation reflects the impact on our fees for 2024-25 of the proposed switch. As before, the switch will only take place if the Welsh Government confirms it is content to make consequential adjustments to funding so that there is no net cost to the WCF, and the Finance Committee and Senedd endorse the approach. We are consulting on the proposal in this consultation, subject to those caveats.

The switch would apply to the 22 principal councils and seven health boards but not to other Local Government bodies or NHS Trusts and Special Health Authorities.

The elements of our performance audit fee that we are seeking to switch to WCF relate to delivery of 'thematic' or topic-specific reviews that typically involve audit work across a number of audited bodies (on an all-Wales and/or regional level) and often with a cross-sector or whole-system focus.

We see such reviews as adding value to our audit regime with their ability to give a whole-system view, helping improve the quality of services provided to taxpayers, and providing insight on the Welsh Government's aspiration for '[One Welsh Public Service](#)'. We are therefore keen to make the delivery of these reviews as flexible and efficient as possible. The key constraints that we emphasised about the current funding model concerned:

- potential inflexibility in the way we disseminate findings – arising from any expectation from audited bodies paying fees that there would typically be an output specific to that body; and
- transactional complexity – given the need to balance time charging across multiple timesheet codes and with the 'charge no more than the full cost' requirements of the Public Audit (Wales) Act 2013, meaning we have to be careful that there is no cross-subsidisation from one body to another.

As for 2023-24, in determining how much funding we would look to switch to the WCF, we are looking to strike an appropriate balance between work funded locally and that funded through the WCF, and recognising that other existing WCF funding streams already provide opportunity for cross-cutting work. The key principles being:

- retaining sufficient local audit fee to support the delivery of work that is specifically focused on individual audited bodies, including risk assessment, examination of corporate governance and financial management issues (including sustainable principle examinations), and individual bespoke audit projects arising from our local assessment of risks;
- ensuring sufficient local audit fee is retained to support our routine local engagement with audited bodies, including regular meetings with senior leaders in audited bodies, and attendance at board, council and committee meetings as necessary; and
- applying the proposal to larger audited bodies (principal councils and health boards) to which our thematic work more typically applies.

We have taken on board the views of audited bodies, expressed in last year's consultation exercise, who value the insight from our local audit work whilst understanding the benefits of the proposals for more thematic studies. The proposed switch is therefore less than previously anticipated.

We anticipate that we will be reducing the fees charged for our local performance audit work by around 15% for Local Government and a quarter for Health bodies (around £0.9 million) and switching funding for this work to the WCF. To hold the WCF harmless for this change, we will be asking the Welsh Government to adjust funding allocations accordingly.

We would welcome your views on whether you support this proposed approach.

ISA315 and audit quality

Our audits for accounts ended 31 March 2023 and future years are being carried out under a revised auditing standard (ISA 315 Identifying and Assessing the Risks of Material Misstatement). This revised standard has significant and far-reaching impacts on how auditors undertake audit risk assessments and therefore on the overall audit.

Our initial assessment of the impact of this richer skills mix was a potential average increase in the fee scales for our financial audit work of between 12% and 18%. The actual increase in fees for Local Government bodies for the 2022-23 audit of accounts was an average of 15% – as compared to the significantly higher increases estimated by private sector audit firms. This overall increase included around 10% due to the implementation of ISA315, with the remainder being as a result of increased fee rates for the year.

Our draft fee scales for local government bodies

The remainder of this document provides the fee scales for local government bodies and for mandatory participants to the National Fraud Initiative. The scales show the range of fees we expect to charge for a typical audited body in that sector with actual fees being set in response to local circumstances. These scales are not required for any other sector.

I would very much welcome your response to this consultation by 10 October 2023, to inform the Senedd's review of our Estimate and Draft Fee Scheme for 2024-25.

Fee scales for work undertaken under the National Fraud Initiative (data matching)

- 1 We invite your views on continuing participation in the National Fraud Initiative (NFI) on a nil-fee basis.
- 2 We are required to consult on and prescribe scales of fees for data matching for mandatory participants in the NFI. The Auditor General conducts the NFI using his statutory data-matching powers under Part 3A of the Public Audit (Wales) Act 2004.
- 3 The NFI matches data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. The NFI has been a highly effective tool in detecting and preventing fraud and overpayments. Our last [biennial report](#) identified potential savings and over-payments of £6.5 million across Wales's public services, increasing cumulative savings to £49.4 million since 1996.
- 4 Since April 2015, the Senedd has met the costs of running the NFI through payment from the WCF. This is intended to encourage participation of organisations on a voluntary basis and to simplify arrangements for mandated participants. As required by legislation, the fees for mandatory participants are shown in **Exhibit 2**.

Exhibit 2: NFI fees

	Fee 2024-25
Unitary authority; police and crime commissioners and chief constables; fire and rescue authorities; NHS trusts; local health boards	Nil
Voluntary participants	Nil
All participants may also be provided with access to the NFI Application Checker (App Check)	Nil

Fee scales for Local Government bodies

- 5 We invite your views on the proposed fee scales which will apply to Local Government bodies for the audit of accounts 2023-24 and for 2024-25 performance audit work.
- 6 Our audit of accounts fee scale takes account of the average increase of fee rates as set out in **Exhibit 1**. As set out above, we are continuing to review the impact of ISA315 and will reflect the outcome in our Fee Scheme for 2024-25 which will be published early in 2024.

Unitary authorities

Exhibit 3: draft fee scale for the audit of 2023-24 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
100	145	170	196	159
200	174	205	236	191
300	194	228	262	213
400	209	246	283	230
500	222	261	301	244
600	233	274	316	257
700	243	286	329	267
800	252	296	341	277
900	260	306	352	286
1,000	267	314	362	294
1,100	274	323	371	302
1,200	281	330	380	309

- 7 Our proposed performance audit fee scale takes into account the proposed switch of funding for around 15% of our local performance work at Unitary Authorities to the WCF from April 2024.

Exhibit 4: draft fee scale for 2024-25 performance audit work

All unitary authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	90	96	109	112

Local Government Pension Funds

Exhibit 5: draft fee scale for audit of 2023-24 accounts

All pension funds	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	45	56	60	48

Fire and Rescue Authorities

Exhibit 6: draft fee scale for audit of 2023-24 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
20	42	50	57	47
40	51	60	69	56
60	57	67	77	63
80	61	72	83	68
100	65	77	88	72

Exhibit 7: draft fee scale for 2024-25 performance audit work

All fire and rescue authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	18	18	18	17

National Park Authorities**Exhibit 8: draft fee scale for audit of 2023-24 accounts**

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
2	26	31	36	29
4	32	37	43	35
6	35	41	48	39
8	38	45	51	42
10	40	48	55	44

Exhibit 9: draft fee scale for 2024-25 performance audit work

All national park authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	22	24	27	22

Police and Crime Commissioners

- 8 Auditors undertake audits of two statutory bodies in a police area – the Police and Crime Commissioners (PCCs) and the Chief Constables (CCs). The split of the total fee between the two bodies in a particular police area will be a matter for auditors to determine, based on accounting requirements and the operational arrangements put in place by each of the bodies.

Exhibit 10: draft fee scale for audit of 2023-24 accounts

Combined Gross Expenditure of PCC and CC £ million	Combined fee range for PCCs and CCs			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
50	73	84	96	78
100	86	100	113	93
150	95	110	125	102
200	102	118	134	110
250	107	125	142	116
300	112	131	149	122
350	117	136	155	126

Town and community councils with annual income or expenditure under £2.5 million

- 9 Town and community councils in Wales are subject to a limited assurance audit regime.
- 10 In October 2020, the Auditor General published a paper setting out how these audits will be carried out on a three-year cycle as set out in **Exhibit 11**.

Exhibit 11: three-year audit cycle for town and community councils

	Group A	Group B	Group C
Year 1	Transaction testing	Limited procedures	Limited procedures
Year 2	Limited procedures	Transaction testing	Limited procedures
Year 3	Limited procedures	Limited procedures	Transaction testing

- 11 Charges for this work are based on time taken to complete the audit at fee rate charges as set out in **Exhibit 1** on **page 8**.
- 12 In circumstances where the auditor requires further evidence to properly discharge their responsibilities, including following publication of a related public interest report, additional testing will be undertaken to address the auditor's concerns.
- 13 It is emphasised that the actual charge made to any particular body will be dependent on the time actually worked on that particular audit. The range of fees provided in **Exhibit 12** is for indicative purposes only.

Exhibit 12: estimated time charges for the audit of 2023-24 accounts of town and community councils

	Band 1 (<£10k)	Band 2 (<£25k)	Band 3 (<£50k)	Band 4 (<£100k)	Band 5 (<£500k)	Band 6 (>£500k)
Transaction audit	£160 – £195	£181 – £213	£245 – £300	£379 – £463	£676 – £809	£899 – £1160
Limited procedures	£117 – £138	£145 – £172	£145 – £172	£223 – £266	£223 – £266	£223 – £266

Fee rates for other work in local government

- 14 Other than those types of bodies for which fee scales have been prescribed as shown above, there are a small number of other types of local government body where our prescription of the fee scale is a matter of converting the resource requirements into fees directly based on the costs of delivering the work or by applying the fee rates as set out in **Exhibit 1**. This will include audits of Corporate Joint Committees. It remains the case that for audits of these bodies we apply a zero-based approach to audit planning.
- 15 For all types of local government body, to meet his statutory responsibilities, it is sometimes necessary for the Auditor General to carry out work which goes beyond general duties (those set out in section 17 of the Public Audit (Wales) Act 2004 and in section 15 of the Well-being of Future Generations (Wales) Act 2015). Additional work can include reports in the public interest, extraordinary audit, special inspections, and further work in relation to elector challenge and the prevention of unlawful expenditure. Charges for this type of work will reflect the nature of the work required.
- 16 Auditors may also undertake grant certification work at local government bodies on behalf of the Auditor General. The amount of grant certification work undertaken in any year is dependent on the number of schemes subject to audit and the number of audited bodies participating in those schemes. Charges for this work are made on a per-hour basis and reflect the size, complexity and/or any issues in respect of the grant in question as set out in **Exhibit 13**.

Exhibit 13: estimates of the relative proportions of audit staff grades to be used for different types of grants work

Grade of staff	Complex grants staff mix	All other grants staff mix
	%	%
Engagement Director	1 to 2	0 to 1
Audit Manager	4 to 6	1 to 2
Audit Lead	18 to 21	12 to 16
Auditor/graduate trainee/apprentice	71 to 77	81 to 87

Complex grants include:

- BEN01 Housing and council tax benefits scheme
- LA01 National non-domestic rates return
- PEN05 Teachers' pensions return



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Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Report

Governance and Audit Committee

Part 1

Date: 28 September 2023

Subject Draft Work Programme

Purpose To report the details of this Committee's work programme.

Author Governance Officer

Ward General

Summary The purpose of a forward work programme is to help ensure Committee Members achieve organisation and focus on the undertaking of enquiries through the Governance & Audit Committee function. This report presents the current work programme to the Committee for information and details the items due to be considered at the Committee's next two meetings.

Proposal **The Committee is asked to endorse the proposed schedule for future meetings, confirm the list of people it would like to invite for each item, and indicate whether any additional information or research is required.**

Action by Governance and Audit Committee

Timetable Immediate

Background

The purpose of a forward work programme is to help ensure Councillors achieve organisation and focus on the undertaking of enquiries through the Governance & Audit Committee function. Attached at Appendix 1 is the forward work programme for this Committee. Below are the items scheduled to be presented at the Committee's meetings until June 2024. Committee Members are asked to endorse this schedule, confirm the list of people they would like to invite for each item, and indicate whether any additional information or research is required.

Comments of Chief Financial Officer

There will be financial consequences for some of the reviews undertaken. These will be commented upon as the reports are presented. The preparing and monitoring of the work programme is done by existing staff for which budget provision is available.

Comments of Monitoring Officer

I have no comments, as there are no legal implications.

Comments of Head of People and Business Change

There are no staffing implications within this report. Any staffing implications of the reviews in the work programme will need to be addressed in individual reports.

Background Papers

None.

Appendix 1

Forward Work Plan; agenda set out in a table for each meeting.

(Audit Committee to meet every other month unless circumstances dictate otherwise)

26 October 2023
Internal Audit Plan – Progress (Quarter 2)
SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 2, July to September)
Risk Management Policy
Audit Wales Annual Report on Grants Works 2020-21 and 2021-22 Draft (TBC)
Treasury Management Report
Lessons Learned 2022/23
Audit of Financial Statements Report 2021/22

23 November 2023 (Extra Committee)
Statement of Accounts 2022/2023
Update from the Strategic Director of Social Services re the Unsound opinion for Children Services Safeguarding Childrens Money
Update from the Strategic Director of Social Services re the internal Audit of Adoption Allowances resulting in a Third Consecutive Unsatisfactory Opinion
Governance and Audit Committee Annual Report

25 January 2024
Internal Audit Plan – Progress (Quarter 3)
Corporate Risk Register Quarter 2
Audit of Financial Statements Report 2022/23
Financial Memorandum on the 2021-22 Financial Audit
Audit Wales and Regulatory Bodies 6-month update
Internal Audit Unsatisfactory Audit Opinions (6 monthly report)
Referrals to Governance and Audit Committee

28 March 2024
Corporate Risk Register (Quarter 3)
WAO Annual Report on Grants Works 2022-23
Annual Governance Statement (draft statement)
Member Development Self Evaluation Exercise
SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 3)
Referrals to Governance and Audit Committee

30 May 2024
Appointment of Chairperson
Treasury Management Year End Report 2023/2024
Corporate Risk Register Quarter 4
SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 4, January to March)
Audit Wales Annual Report on Grants Works 2023-2024 Draft
Internal Audit Annual Report 2022-2023
Internal Audit Annual Plan 2024-2025
Audit Wales Annual Audit Summary 2023
Audit Wales Annual Audit Plan 2024
Referrals to Governance and Audit Committee

Appendix 2

Forward Work Plan; agenda set out in alternative format.

Area	Thursday 26 October 2023 (5pm)	Thursday 23 November 2023 (5pm)	Thursday 25 January 2024 (5pm)	28 March 2024 (5pm)	30 May 2024 (5pm)
Internal Audit	Internal Audit Plan – Progress (Quarter 2)		Internal Audit Plan – Progress (Quarter 3)		Internal Audit Annual Report 2022-2023
			Internal Audit Unsatisfactory Audit Opinions (6 monthly report)		Internal Audit Annual Plan 2024-2025
Finance	Lessons Learned 2022/23	Statement of Accounts 2022/23	Financial Memorandum on the 2021-22 Financial Audit		Treasury Management Year End Report 2023/2024
	Treasury Management Report		Audit of Financial Statements Report 2022/23		

	Audit of Financial Statements Report 2021/22				
Audit Wales	Audit Wales Annual Report on Grants Works 2020-21 and 2021-22 Draft (TBC)		Audit Wales and Regulatory Bodies 6-month update	WAO Annual Report on Grants Works 2022-23	Audit Wales Annual Audit Summary 2023
					Audit Wales Annual Audit Plan 2024
					Audit Wales Annual Report on Grants Works 2023-2024 (Draft)
Risk Management	Risk Management Policy		Corporate Risk Register (Quarter 2)	Corporate Risk Register (Quarter 3)	Corporate Risk Register (Quarter 4)
Referrals and Call in Updates (Operational/Other)		Update on progress re: the Unsound opinion for Children Services Safeguarding Childrens Money	Referrals to Governance and Audit Committee	Referrals to Governance and Audit Committee	Referrals to Governance and Audit Committee
		Update on progress re: the internal Audit of Adoption Allowances resulting in a Third Consecutive Unsatisfactory Opinion			
Governance	SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 2)	Governance and Audit Committee Annual Report		SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 3)	SO24/Waiving of Contract SOs: Quarterly report reviewing Cabinet/CM urgent decisions or waiving Contract SOs (Quarter 4)
				Annual Governance Statement (draft)	Appointment of Chairperson

				statement)	
				Member Development Self Evaluation Exercise	

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