

# Report

## The Leader of the Council

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### Part 1

Date: 20 July 2020

**Subject** **Planning and Performance Policy and Risk Management Policy**

**Purpose** To request the Leader of the Council approve the new Planning and Performance Policy and the Risk Management Policy as part of the wider Planning, Performance and Risk Management Framework that supports the delivery of the Council's Corporate Plan.

**Author** Head of People and Business Change

**Ward** All

**Summary** The Council's Planning, Performance and Risk Framework brings together the Council's Planning & Performance Policy and Risk Management Policy to support the delivery of the Council's Corporate Plan. Bringing together these 3 areas of Planning, Performance and Risk Management acknowledges how they are intrinsic to ensuring effective decision making is made throughout the organisation. The policies also recognise the need for the Council to consider its risk appetite when deciding on the opportunities and managed risks in delivering its strategic aims and meeting its legislative / regulatory requirements.

**Proposal** That the Leader approves and endorses the Planning & Performance Policy and Risk Management Policy that will be adopted for Newport City Council.

**Action by** Senior Leadership Team and Heads of Service

**Timetable** Immediate

This report was prepared after consultation with:

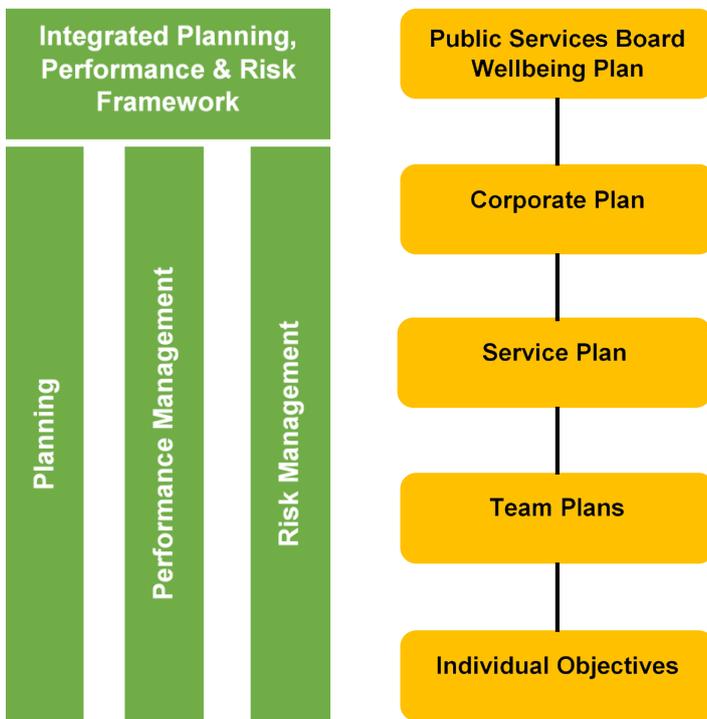
- Cabinet
- Audit Committee
- Overview and Scrutiny Management Committee
- Corporate Management Team
- HR and OD Manager

**Signed**

## Background

Newport City Council is responsible for delivering over 800 different services both statutory and non-statutory to residents, businesses and other service users. We face complex and wide ranging challenges that are externally driven e.g. Welsh Government and some that are driven more locally through local needs and priorities in the City. The [Wellbeing of Future Generations \(Wales\) Act 2015](#) requires all public bodies in Wales including Newport City Council to think about the long term impacts of our decisions. The Act is about sustainable development to improve the social, economic, environmental and cultural wellbeing of Wales. To do this Newport Council is required to set and publish Wellbeing Objectives that maximise our contribution to each of the wellbeing goals and taking reasonable steps to meet these objectives. To be able to manage these effectively throughout the organisation it is critical for the Council to take an integrated approach in our planning, performance and risk management.

To support this new approach the Council has updated its Planning & Performance Policy (Appendix 1) and Risk Management Policy (Appendix 2). Below is a diagram that demonstrates how these policies support this new Framework (Appendix 3) and how we as organisation put these policies at the heart of the Council's decision making at every level of the organisation.



The diagram above also demonstrates the 'golden thread' between strategic, operational and individual planning & performance management in Newport Council. At each of these levels, Members and officers should understand their role and how at each level contributes towards the overall aim of delivering the Council's Corporate Plan and the Public Services Board Wellbeing Plan. Both policies also recognise the role that the effective financial planning monitoring has in supporting the delivery of the Council's objectives; and also the importance of having effective personal performance framework to ensure staff objectives and performance align to the strategic goals of the Council.

The Risk Management Policy sets out how Newport City Council will manage its opportunities and risks in delivering the Council's strategic and operational objectives. The Risk Policy includes the Council's Risk Appetite which demonstrates the level of opportunities and risk the Council is willing to take / accept in the delivery of its services. This supports the overall risk culture that the organisation will adopt and enable Members and staff to making informed decisions based upon robust evidence. The Risk Appetite of the Council will be examined annually by the Council's Cabinet and Senior Officers to ensure that it

remains reflective of the Council's culture and requirements to comply with necessary legislation and regulatory requirements.

To support embedding the new policies, People and Business Change have already undertaken changes to the processes for monitoring and reporting performance and risk across the Council. Over the last 18 months improvements have been made to the Council's Management Information system to support the implementation of the new policies. New procedures are also in place to provide guidance and support to officers across the service areas ensuring that they understand their role and responsibilities. Going forward this guidance and support will be further enhanced through video training and face to face training (where permitted by Covid 19 legislation).

Appendix 1 – Planning, Performance and Risk Management Framework

Appendix 2 – Planning and Performance Policy

Appendix 3 – Risk Management Policy

## 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 strategic and operational objectives.	H	L	Adoption of the new Planning & Performance Policy and Risk management Policy to support effective decision making. Training, guidance and support provided to staff. Regular governance monitoring and reporting of performance and risk.	Corporate Management Team Senior Officers

\* Taking account of proposed mitigation measures

## Links to Council Policies and Priorities

One Newport Public Services Board Wellbeing Plan 2018-23

Newport City Council Corporate Plan 2017-22

## Options Available and considered

1. To approve the Planning and Performance Policy and Risk Management Policy that will be adopted by the Council
2. Reject both policies and request further information before it is adopted by the Council.

## Preferred Option and Why

1. To approve both policies as part of the Council's overall Planning, Performance and Risk Management Framework that will support the delivery of the Council's Corporate Plan and future Strategic plans.

## Comments of Chief Financial Officer

There are no direct financial implications arising from this report itself.

The Council's Medium Term Financial plan both informs and is developed around the Corporate Plan. Service area detailed budgets then also inform and are developed around service plans. The issues around risk have a potential financial impact and when appropriate, financial provision is required and made around these.

## Comments of Monitoring Officer

There are no specific legal issues arising from the Report. The proposed Framework will provide an integrated approach to service planning, performance monitoring and risk management and ensure that the Planning & Performance Policy and the Risk Management Policy work together in a consistent way, to underpin service delivery, decision-making and the achievement of strategic objectives. The policy framework will be complemented by an integrated management information system which will improve the arrangements for monitoring and reporting performance and risk. The draft Policies and Framework have been circulated to Scrutiny Management Committee for comment and the Audit Committee have also been consulted, specifically about the approach to risk management and, where appropriate, their comments have been incorporated within the revised Policies.

## Comments of Head of People and Business Change

The adoption of both the Planning & Performance Policy and Risk Management Policy will support the changes that have been made to improve the monitoring and reporting of performance and risk over the last 18 months. These policies will improve the transparency and accountability in the strategic and operational decisions made throughout the Council and will enable Members and officers to effectively monitor the Council's performance and management of risk. The implementation of the new policies supports the Council in delivering its Wellbeing goals in the Corporate Plan and the Public Services Board Wellbeing Plan.

## Local issues

None.

## Comments from Non-Executive Members

Cllr Al- Nuaimi

The substantive part of the report is done in 3 sections The Draft Integrated Planning Performance and Risk Framework, The Draft Planning and Performance Management Policy 2019-2022 and the Risk Management Policy 2020-2022. The Framework coming at the end of the report is confusing and appears superfluous, as it's already being referred to extensively in the 2 policies earlier. As you come to the end of reading, one tends to ask, what should come next!

Another comment to make is that the Planning and Performance Policy appears to be the definitive policy over 2020/22, the other policy on Risk management is referred to as a DRAFT and over the years 2019-2022. The question arises is the Council, at the present time, operating on a draft Risk Management, that is yet to be approved. Can I suggest, the drafting of the report is looked at again.

I welcome the rationale and thrust of the report to link and integrate the Planning, Performance and Risk Management in order to deliver the **Public Services Board Wellbeing Plan, and Council Corporate Plan** objectives. I welcome in particular the breakdown of roles and responsibilities, given in the chart on pages 13-16.

However, it appears that engagement with stakeholders, e.g. Newport Residents, businesses, voluntary and community organisations is absent in that long and detailed chart. Engagement is a cornerstone of the Future Generations Wellbeing Act, and as such has a significant role in the statutory and non-statutory public services delivered by the Council.

Another comment that could be made on that chart, is the role of elected members in the delivery of the integrated plans. Below Cabinet member Council has 40 non-executive members and their role is spelled out as holding the Council executive to account. It would be useful for this general

statement, correct as it is, if this could be expanded, to spell out in a little more detail, the actual roles of the non-executive members.

Through the Scrutiny and Audit Committees, non-executive members can contribute to the development of policies and the review of those already operating. Here it would be good for these roles to be noted. Furthermore, and in order to ensure that all members of the Council contribute effectively, to the objectives of this integrated framework, the work programmes of both Cabinet and Scrutiny Committees are synchronised and dovetailed.

Cllr K. Thomas

It would seem inappropriate not to recognise the huge changes and challenges which have been forced upon Newport and the other local authorities since Emergency Measure were brought in during March 2020 to enable responses to the Covid-19 crisis.

The introduction of these powers present precedented challenges to local government in service delivery and their future performance. Throughout the remaining time of this crisis situation, and into the future, the council will continue to maintain standards in governance measures such as those of this policy, which ensure consistency and sustainability of the Newport Council functions which service citizens.

New needs have emerged and priorities have been realigned to evaluate and service the knock-on effects of having to manage previously unanticipated demand, which is likely to be cross-cutting over NCC services, in both people and place divisions, as the council delivers services to citizens, businesses and visitors.

At national and international levels it has emerged that there has been the lag in data collection and subsequent evaluation and interpretation, which inform local authority responses. It is welcomed that these policies state the council's confidence that it has managed to improve its data collection functions. High-quality, reliable and timely data is certainly essential. It will be imperative to maintain more responsive systems as so many new delivery areas have emerged with little or no warning since the COVID-19 crisis struck.

Local authorities no longer operate as autonomous units and the Well-being of Future Generations Act sanctions integration of all public services – allowing Welsh NHS services to collaborate contribute to council services at this crucial time in a way which cannot be produced by the competitive tendering process in NHS Wales. This collaboration and involvement can be delivered by participation in the Public Service Board, Local Service Board and the Gwent Local Resilience Forum, which include Civil Contingencies. The prevention element allows focus on the risk of falling behind in the council's Corporate Plan.

New risks will be identified at this stage, and right through until the end of 2024 because of what the city and region have been through. On the positive side, the council is been likely to have identified huge resources from individuals within its own workforce: their responses to the changes in demand. Those who have been able to work have continued to do so in ways which have been totally different and often taking on new roles and Individual Performance Monitoring will be able to recognise this.

Non-corporate-based services have been particularly under pressure and proved to be adaptive, which will undoubtedly continue to be needed in to the post COVID-19 phase.

Challenges are likely to be forthcoming from external regulatory reviews, which are likely to depart from their previous remit.

Regarding the financial situation, which local authorities are always mindful of, pressures on Welsh government funding for the direct extra costs to the council/lost revenue, the financial crisis for many businesses new and established in the city, not to mention the financial crisis for families and individuals will present challenges which the council need strong but adaptive policies, such as those stated here, to manage.

This may be a difficult time to take forward opportunities to develop risk appetite and this will be influenced by external forces which are likely to continue to emerge until at least the end of the current Corporate Plan in 2024. Statements on 'low tolerance' on departures from health and safety, governance, legal and regulatory requirements, as well as the reputation of the council, are welcome

It is recognised that the council's high-level plans may see changes during, and following, these unprecedented times. It is welcomed that this policy provide a robust statement framework and standards to help meet its responsibilities towards social, economic, environmental and cultural well-being.

### **Overview and Scrutiny Management Committee and Audit Committee comments**

The Planning & Performance Policy was submitted to the Overview Management Scrutiny Committee in April 2020 for comment and responses were provided back to the Councillors accordingly.

The Risk Management Policy was presented to the Council's Audit Committee on 29<sup>th</sup> January 2020. Agenda and minutes from the Committee can be located [here](#). Feedback and comments raised by the Committee were considered and incorporated into the Risk Management Policy presented to Leader.

### **Equalities Impact Assessment**

Not applicable.

### **Children and Families (Wales) Measure**

Not applicable.

### **Wellbeing of Future Generations (Wales) Act 2015**

As stated in the report above, the adoption of the Planning & Performance Policy and Risk Management Policy supports the delivery of the Council's Corporate Plan 2017-22 and its Wellbeing Objectives. These policies will support the Council's governance, monitoring and reporting of progress being made against the Corporate Plan and ensure there is accountability and transparency with decisions made in the Council.

### **Prevention**

Through the adoption of the Framework and policies Newport Council is able to demonstrate how it is able to deliver its strategic objectives and align them to the Act. Through effective performance monitoring the Council is able to identify those areas which are performing well and those areas which require improvement. The Council will be able to identify trends and implement actions to prevent performance from getting worse. Effective risk management also identifies and put in place actions for risks which could prevent the Council from achieving its objectives and meeting its statutory requirements. The Risk Management Policy now includes a Risk Appetite statement that sets out the Council's culture and approach which the opportunities and risks are managed and decisions made.

### **Collaboration**

The drafting of the new Framework and policies has been completed in collaboration with other departments such as Internal Audit, Newport Intelligence Hub and the Corporate Management Team. Over the last 18 months the Council has implemented new performance and risk processes that support the delivery of the new policies and has worked with the software vendor, Inphase, to implement the systems to capture the data. Service area feedback has been important throughout this process in improving reporting and monitoring of performance and risk to Council Members and officers.

### **Integration**

The new Framework and policies recognise the requirement for the Council to integrate its approach to its planning, performance and risk. The new policies integrate with the Council's Corporate Plan and the new Strategic Recovery Aims as the Council moves forward post Covid 19 and preparation for future Corporate Plans. The policies also demonstrate how the Council's plans align from the Public Services Board Wellbeing Plan to Corporate and Service Plans to personal performance plans. Through this approach the Council is able to ensure service areas and its partners are able to focus on its key strategic and operational goals and sustainable development.

### **Long Term**

The Framework and policies recognise the requirement for setting strategic / long term plans for delivering its corporate objectives. The Risk Management Policy recognises that the Council needs to understand future / emerging risks such as climate change and ensuring that the Council is able to address these risks both in the short term and long term. Whilst performance management is often looking back, the policies understand the requirement for using performance data to be able to forecast and model future impacts and supporting evidence based decisions for the Council.

### **Involvement**

The development of the Framework and its policies have involved the Council's Audit Committee (Risk Management Policy) and the Overview Scrutiny Management Committee (Planning & Performance Policy) in providing feedback on its contents and application into the organisation. Their views have informed changes made to both policies. In the setting of the Council's Risk Appetite, a workshop was held with the Council's Cabinet to gain their understanding and consideration of their risk appetite for the Council. This work supported the development of the risk appetite. Ongoing, the Council's Audit Committee and scrutiny committees will be providing regular feedback assessment of the Council's performance and management of risk. The Framework and policies will be communicated on the Council's website and ongoing training provided to officers and councillors.

### **Crime and Disorder Act 1998**

Not applicable.

## **Consultation**

Cabinet  
Corporate Management Team  
Chief Internal Auditor  
Overview Scrutiny Management Committee  
Audit Committee

## **Background Papers**

Public Services Board, One Newport Wellbeing Plan 2018-23  
Newport City Council Corporate Plan 2017-22  
Cabinet Report Mid-Year Review, February 2020  
Cabinet Report Q3 – Corporate Risk Register Update March 2020

Dated: June 2020