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Neuadd y Sir
Y Rhadyr
Brynbuga
NP15 1GA

Dydd Mercher, 19 Tachwedd 2025

Hysbysiad o gyfarfod

Pwyllgor Llywodraethu ac Awdit

Dydd Iau, 27ain Tachwedd, 2025 at 2.00 pm,
Neuadd Y Sir, Y Rhadyr, Brynbuga, NP15 1GA

Nodwch y cynhelir rhag gyfarfod 30 munud cyn dechrau'r cyfarfod ar gyfer aelodau'r pwyllgor a swyddogion Archwilio Cymru

AGENDA

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11.	Effeithlonrwydd y Fframwaith Rheoli Risg Strategol a chrynodeb o drefniadau ehangach.	105 - 120
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14.	Dyddiad y Cyfarfod Nesaf: 15 Ionawr 2026	

Paul Matthews
Prif Weithredwr

MAE CYFANSODDIAD Y PWYLLGOR FEL SY'N DILYN:

County Councillor Ann Webb	St Arvans;	Welsh Conservative Party
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gymryd rhan yn y cyfarfod, rydych yn caniatáu i gael eich ffilmio ac i ddefnydd posibl y delweddau a'r recordiadau sain hynny gan y Cyngor.

Y Gymraeg

Mae'r Cyngor yn croesawu cyfraniadau gan aelodau'r cyhoedd drwy gyfrwng y Gymraeg neu'r Saesneg. Gofynnwn gyda dyledus barch i chi roi 5 diwrnod o hysbysiad cyn y cyfarfod os dymunwch siarad yn Gymraeg fel y gallwn ddarparu ar gyfer eich anghenion.

Canllawiau ar gyfer Fforwm Agored i'r Cyhoedd y Pwyllgor Llywodraethu ac Awdit

Mae ein cyfarfodydd Pwyllgor Llywodraethu ac Awdit yn cael eu ffrydio'n fyw a bydd dolen i'r ffrwd fyw ar gael ar dudalen cyfarfod gwefan Cyngor Sir Fynwy

Os hoffech rannu eich barn ar unrhyw faterion sy'n cael eu trafod gan y Pwyllgor Llywodraethu ac Awdit, gallwch fynychu'r cyfarfod yn bersonol (neu ymuno o bell drwy Microsoft Teams), neu gyflwyno sylwadau ysgrifenedig (drwy Microsoft Word, uchafswm o 500 gair).

Y dyddiad cau ar gyfer cyflwyno sylwadau i'r Cyngor yw 5pm, a hynny dri diwrnod gwaith clir cyn y cyfarfod. Bydd yr holl sylwadau a dderbynnir ar gael i Aelodau'r Pwyllgor cyn y cyfarfod.

Mae'r amser a roddir i bob aelod o'r cyhoedd i siarad yn ddibynnol ar Gadeirydd y Pwyllgor. Gofynnwn i gyfraniadau beidio â bod yn hwy na 4 munud.

Os hoffech fynychu un o'n cyfarfodydd i siarad o dan y Fforwm Agored i'r Cyhoedd yn y cyfarfod, bydd angen i chi roi tri diwrnod gwaith o rybudd drwy e-bostio

GACRegistertoSpeak@monmouthshire.gov.uk

Os hoffech awgrymu pynciau yn y dyfodol i'w hystyried gan y Pwyllgor Llywodraethu ac Awdit, e-bostiwch GACRegistertoSpeak@monmouthshire.gov.uk

Nodau a Gwerthoedd Cyngor Sir Fynwy

Ein diben

Adeiladu Cymunedau Cynaliadwy a Chydnerth

Amcanion y gweithiwn tuag atynt

- Rhoi'r dechrau gorau posibl mewn bywyd i bobl
- Sir lewyrchus a chysylltiedig
- Cynyddu i'r eithaf botensial yr amgylchedd naturiol ac adeiledig
- Llesiant gydol oes
- Cyngor gyda ffocws ar y dyfodol

Ein Gwerthoedd

Bod yn agored. Rydym yn agored ac yn onest. Mae pobl yn cael cyfle i gymryd rhan mewn penderfyniadau sy'n effeithio arnynt, dweud beth sy'n bwysig iddynt a gwneud pethau drostynt eu hunain/eu cymunedau. Os na allwn wneud rhywbeth i helpu, byddwn yn dweud hynny; os bydd yn cymryd peth amser i gael yr ateb, byddwn yn esbonio pam; os na allwn ateb yn syth, byddwn yn ceisio eich cysylltu gyda'r bobl a all helpu - mae adeiladu ymddiriedaeth ac ymgysylltu yn sylfaen allweddol.

Tegwch. Darparwn gyfleoedd teg, i helpu pobl a chymunedau i ffynnu. Os nad yw rhywbeth yn ymddangos yn deg, byddwn yn gwrandao ac yn esbonio pam. Byddwn bob amser yn ceisio trin pawb yn deg ac yn gyson. Ni allwn wneud pawb yn hapus bob amser, ond byddwn yn ymrwymo i wrando ac esbonio pam y gwnaethom weithredu fel y gwnaethom.

Hyblygrwydd. Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

Gwaith Tîm. Byddwn yn gweithio gyda chi a'n partneriaid i gefnogi ac ysbrydoli pawb i gymryd rhan fel y gallwn gyflawni pethau gwych gyda'n gilydd. Nid ydym yn gweld ein hunain fel 'trefnwyr' neu ddatrysyr problemau, ond gwnawn y gorau o syniadau, asedau ac adnoddau sydd ar gael i wneud yn siŵr ein bod yn gwneud y pethau sy'n cael yr effaith mwyaf cadarnhaol ar ein pobl a lleoedd.

Caredigrwydd – Byddwn yn dangos caredigrwydd i bawb yr ydym yn gweithio gyda nhw, gan roi pwysigrwydd perthnasoedd a'r cysylltiadau sydd gennym â'n gilydd wrth wraidd pob rhyngweithio.

Rôl Cyn-cyfarfod

1. Pam fod y Pwyllgor yn ystyried yr eitem hon ar yr agenda? (perthnasedd a materoldeb)
2. Beth yw rôl y Pwyllgor a pha ganlyniadau y mae Aelodau am eu sicrhau?
3. A oes digon o wybodaeth i gyflawni hyn? Os na, pwy all ddarparu hyn?
4. Beth yw barn gyfrinachol yr archwilwyr ar y materion perthnasol?
 - Trafod barn/pryderon allweddol yr aelodau gyda'r papurau a chytuno ar flaenoriaethau

Cwestiynau / Ystyriaethau Posib ar gyfer y Cyfarfod

Archwilio Mewnol (AM)

1. Beth yw'r model swyddogaethol AM ac a yw'n addas at y diben?
2. A oes gan AM awdurdod a dylanwad digonol ar draws yr Awdurdod?
3. A oes digon o adnoddau gan AM ac a yw wedi'i ymrymuso'n addas? A yw'r cynllun AM blynyddol yn briodol? Ar ba sail ydym yn gwneud y dyfarniad hwn?
4. A yw Prif Swyddogion yn amlwg yn derbyn ac yn hyrwyddo rôl AM? Sut maent yn gwneud hyn?
5. A yw Swyddogion yn gweithredu'n egniol ar ganfyddiadau AM? Sut mae hyn yn cael ei ddangos? A ydyn ni'n herio ac yn dwyn swyddogion i gyfrif yn effeithiol am weithredu canfyddiadau AM?
6. Sut gallwn ni fod yn hyderus bod yr amgylchedd rheolaeth fewnol yn parhau i fod yn briodol?
7. A oes gennym ni hyder mewn effeithiolrwydd cyffredinol AM? Ar beth ydym yn seilio hyn?
8. A yw barn flynyddol/cyfnodol AM yn gredadwy?
9. A oes gennym ddigon o welededd dros waith, allbwn ac effeithiolrwydd y timau AM cysylltiedig, e.e. CBST?

Llywodraethu

1. A oes disgrifiad cydlynus sydd wedi ei amlinellu mewn cod ar gyfer trefniadau llywodraethu cyffredinol CSF? A yw'n addas at y diben?

Archwilio Allanol (AA)

1. A yw'r tîm AA (ariannol a pherfformiad) yn gredadwy?
2. A ydym yn hyderus ynglŷn â'r trefniadau ar gyfer datblygu cynllun gwaith/amserlen waith flynyddol AA ac a yw'n cyd-fynd â'n dealltwriaeth o risgiau allweddol?
3. A yw Prif Swyddogion/uwch swyddogion yn ymgysylltu'n briodol ag AA? Sut mae hyn yn cael ei ddangos?
4. A oes perthynas adeiladol rhwng AM ac AA (ac arolygiaethau eraill)? Beth yw'r dystiolaeth o hyn?
5. A yw swyddogion perthnasol wedi ystyried canlyniadau/casgliadau adroddiadau cenedlaethol a phenodol AA?
6. A oes gennym ni welededd da dros faterion sy'n dod i'r amlwg a nodwyd gan AA?
7. O ran ISA260 ac adroddiadau ariannol cyfatebol gan AA, a yw swyddogion yn dangos yn glir eu bod yn deall y materion a godwyd ac a oes ganddynt gynllun credadwy i ddatrys materion ar gyfer y flwyddyn ariannol nesaf?
8. A oes gan AA hyder yn Swyddogion CSF a threfniadau llywodraethu?

Cyllidebu / Risg Ariannol / Cronfeydd Wrth Gefn

1. A oes yna broses ac amserlen sydd wedi'u diffinio, eu llywodraethu a'u gwirio'n glir ar gyfer datblygu cyllideb yr Awdurdod?
2. A oes cyfres briodol o bolisiau sy'n ymwneud â risgiau ariannol? A ydynt yn addas?
3. A yw'r rhagdybiaethau ariannol/gweithredol allweddol yn ddealladwy, yn gredadwy, wedi'u dogfennu ac yn cael eu profi gan

2. A oes eglurder ynghylch llywodraethu'r trefniadau goruchwyllo a chraffu amrywiol ar gyfer (ac effeithiolrwydd) partneriaethau a chydweithrediadau materol? 3. A oes eglurder ynglŷn â dyrannu cyfrifoldebau ac awdurdodau gwneud penderfyniadau? 4. Sut mae achosion o dorri rheolau llywodraethu/rheolaeth yn cael eu nodi a'u hadrodd? 5. A ydym yn hyderus bod y trefniadau ar gyfer gwariant materol (tendro, contractio a chaffael cyfalaf) yn gadarn? 6. A oes gennym ni hyder yn y trefniadau chwythu'r chwiban (a threfniadau tebyg) ar gyfer codi pryderon?	straen? 4. A oes gan y swyddogaeth Gyllid alluoedd a chapasiti addas i reoli risg ariannol / cwrdd â gofynion a rhwymedigaethau statudol i'r Cyngor? 5. A ydym yn hyderus bod y broses gyllidebol yn debygol o gynhyrchu cyllideb gredadwy / MTFP? 6. A oes trefniadau addas ar waith i reoli ac adrodd ar berfformiad ariannol cyffredinol? <u><i>Datganiadau Ariannol / Risgiau Camddatganiad</i></u> 1. A oes dealltwriaeth gyffredin o ddiben y Pwyllgor wrth adolygu datganiadau ariannol drafft? a) A yw'r Nodiadau i'r Cyfrifon yn rhesymol? b) A yw'r adroddiadau naratif, gan gynnwys y Datganiad Llywodraethu Blynnyddol, yn rhesymol ac yn cyd-fynd â barn y pwyllgor? 2. Ydym ni'n gyfforddus â barn gwaith ac archwilio AA?
<u><i>Risgiau Corfforaethol</i></u> 1. A yw atebolrwydd allweddol ar gyfer adnabod, asesu, monitro a rheoli risgiau wedi'i ddiffinio a'i weithredu'n ddigonol? 2. A yw'r dull o reoli risgiau wedi'i gynllunio a'i weithredu'n effeithiol? 3. Sut y gall y Pwyllgor fod yn hyderus bod y Gofrestr Risgiau Corfforaethol yn cynnwys yr holl risgiau sylweddol sy'n wynebu'r Awdurdod? 4. A yw'r cynlluniau gweithredu lliniaru risgiau yn gredadwy ac yn ddigonol er mwyn sicrhau'r canlyniadau a	

ddymunir?

Cwestiynau ar gyfer y Pwyllgor i orffen...

A oes gennym ni'r wybodaeth angenrheidiol i ddod i gasgliadau/gwneud argymhellion / uwchgyfeirio materion i'r Uwch Dîm Gweithredol, y cyngor, y pwyllgor craffu perthnasol?

A oes angen i ni wneud gwaith pellach? Os felly, sut?

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Governance and Audit Committee Action List
30th October 2025

Action	Subject/ Meeting	Officer	Outcome	Due date	Action Status	Recommended to close Action Yes/No
1	Global Internal Audit Standards	Jan Furtek Peter Davies	The Chief Internal Auditor to have a discussion with the Deputy Chief Executive and other officers as appropriate to ensure that there is sufficient budget available to confirm that all staff achieve a sufficient level of professional competence.	27 th November 2025	OPEN	

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Arrangements for commissioning services – Monmouthshire County Council

Audit year: 2023-24

Date issued: October 2025

Document reference: 4174A2024

This document has been prepared as part of work performed in accordance with statutory functions.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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Summary report

Why we did this audit

Our audit duties

- 1 We are carrying out this audit under the duties contained within:
 - section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) to help enable the Auditor General to be satisfied (or not) that the Council has put in place proper arrangements to secure value for money in the use of its resources and;
 - section 15 of the Well-being of Future Generations (Wales) Act 2015 to help enable the Auditor General to assess the extent to which the Council is acting in accordance with the sustainable development principle in taking steps to meet its well-being objectives.
- 2 This audit may also inform a study for improving value for money under section 41 of the 2004 Act.

Our objectives for this audit

- 3 Our objectives for this audit are to:
 - provide assurance that councils have proper arrangements for commissioning services to secure value for money in the use of resources;
 - provide assurance that councils are acting in accordance with the sustainable development principle in commissioning services; and
 - explain how councils approach the commissioning of services and inspire and empower councils and other public sector bodies by identifying and sharing examples of notable practice/approaches where relevant.
- 4 We are undertaking this audit at each of the 22 principal councils in Wales.

Why commissioning is important

- 5 Commissioning is the process by which the Council designs services it intends to deliver. It starts with defining the service and the desired outputs and outcomes and ends when the Council organises its method of delivery. For example, by establishing a delivery team internally, or through procuring an external supplier.
- 6 Commissioning arrangements can help to ensure services are delivered economically, efficiently and effectively. Conversely, weaknesses in commissioning arrangements can reduce both the impact and value for money of services, even if the processes which follow, such as procurement and contract management, are robust.



What we looked at and what does good look like¹

- 7 We reviewed the Council's arrangements for commissioning services and specifically the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of the Council's resources.
- 8 This audit did not cover procurement arrangements or the Council's contract management arrangements.
- 9 The audit sought to answer the overall question: **In commissioning services does the Council put in place proper arrangements to secure value for money in the use of its resources?**
- 10 We used the audit criteria set out in **Appendix 1**, which also shows how the criteria relate to the audit questions. This has been informed by our cumulative knowledge, as well as the question hierarchy and positive indicators we have developed to support our Sustainable Development Principle examinations.



Our audit methods and when we undertook the audit

- 11 Our findings are based on document reviews, and interviews with the senior officer(s) responsible for the development of the Council's strategic approach to commissioning. We also interviewed senior officers with responsibility for services that the Council has commissioned externally.
- 12 Given the wide range of council services, we undertook sample testing of the arrangements the Council has put in place to commission services. To do this we selected several services where the Council has taken the decision to commission services externally and examined the commissioning arrangements the Council has put in place. The sample of service areas we reviewed in the Council were:
 - Household waste and recycling
 - Bus services
 - Mental Health information, advice and assistance
- 13 The evidence we have used to inform our findings is limited to these sources. We undertook this work between November 2024 and February 2025.

¹ Defined as 'what should be' according to laws or regulations, 'what is expected' according to best practice, or 'what could be', given better conditions.

- 14 We are undertaking this work at each of the 22 principal councils in Wales and, as well as reporting locally to each council, we also intend to produce a national report.



What we found

- 15 Overall, we found that **the Council does not have arrangements in place to ensure that it consistently secures value for money when commissioning services**. We set out below why we reached this conclusion.
- 16 The Council does not consistently define the services it intends to commission. For tenders over £75,000, service areas are required to provide a description of the service within a Pre-Tender Report. But the Council does not otherwise have a standard approach for service areas to follow when defining the services it intends to commission. For example, a description of the new household waste and recycling service was set out in the invitation to tender. Having a clear understanding of why services are being commissioned and what they are intended to achieve are important elements of arrangements to secure value for money.
- 17 The Council does not routinely explain why it needs to commission services. The Council does not have a standard approach for service areas to follow when setting out why services are being commissioned. For example, the Council held a consultation on its Local Transport Strategy which helped to determine the need for bus services. However, the Council has not clearly set out why it needed to commission the other services we reviewed. Understanding why it is commissioning services is important for the Council to be able to understand the outcomes it is seeking to achieve, and therefore for it to be able to assess and monitor its value for money.
- 18 The Council does not ensure that it always undertakes a comprehensive appraisal of commissioning options before deciding to commission a service. The Council does not require service areas to conduct an options appraisal before commissioning services. The Council told us that a range of options are always considered, including risk assessments and cost benefit analyses, however, the Council had not documented this for the sample of services that we reviewed. This means that the Council is not necessarily considering all options to ensure it secures the best value for money. This is particularly important at a time when the Council is experiencing significant financial challenges and has identified a potential funding gap of £34.4 million for the period 2024-25 to 2027-28².
- 19 The Council does not consistently plan its commissioning activities over an appropriate timescale. We recognise that the Council is limited by and plans

² Audit Wales, [Financial Sustainability Review – Monmouthshire County Council](#), October 2024

alongside external funding timescales. For example, the bus service utilises Bus Network Grant and Bus Services Support Grant (BSSG) funding. However, the Council does not set out its expectations as to how far ahead service areas can or should plan and why. We recognise that what 'long term' means for different services or different commissioning decisions will vary. But to help it secure value for money, it is important that the Council's arrangements ensure that it balances relevant long and short-term considerations when commissioning services.

- 20 The Council does not consistently set out how the value for money of commissioned services will be assessed and monitored. The Council does not have corporate arrangements in place to require service areas to do this. None of the service areas we reviewed had clearly documented how value for money is assessed and monitored. However, the Council provided evidence that the Mental Health Information Service is reviewed annually which allows the Council to form a view as to the value for money of that particular service. Without consistently setting out how the value for money of commissioned services will be evaluated and monitored, it is difficult for the Council to have assurance that its commissioned arrangements are providing value for money.
- 21 The Council has considered the wider impacts its commissioned services could have and incorporated these principles into its overarching strategies and plans. However, it has not put in place arrangements to ensure this happens consistently as part of the commissioning process. Taking into account the wider implications of commissioning decisions can help the Council avoid duplication and identify multiple benefits that secure improved outcomes and value for money.
- 22 The Council does not consistently ensure that it involves the right people and partners when designing commissioned services. For example, the Council does not have commissioning arrangements that require it to understand who will be directly and indirectly affected by commissioned services. As a consequence, the Council does not systematically undertake stakeholder analysis as part of the commissioning process for individual services. The service areas we reviewed demonstrated an understanding of their key stakeholders but had not undertaken a stakeholder analysis as part of the commissioning process. We also found no evidence of the results of involvement activity informing how those services were commissioned. Working with the right people and partners can help the Council ensure that it commissions services that meet the needs of its communities, and that those services are delivered in a way that maximises value for money.
- 23 The Council collaborates with partners to deliver some commissioned services. For example, its Procurement Strategy commits the Council to working in partnership, and we found examples of this happening in practice. However, the Council does not have arrangements in place to ensure that it always considers potential opportunities for partnership working when commissioning services. By not systematically ensuring that it explores opportunities for partnership working, the Council risks missing opportunities to improve value for money through, for example, sharing resources or expertise.

- 24 The Council does not consistently evaluate the value for money of its approach to commissioning. However, it has reviewed the effectiveness of its approach in the past. For example, following a review in 2020, the Council outsourced its procurement function to a collaborative arrangement with three other councils called Ardal. Some of Ardal's remit also includes elements of commissioning. However, there is no Council-wide guidance for service areas to follow when reviewing the value for money of their approach to commissioning. The Council also does not have a formal mechanism to share and apply lessons learnt from its approach to commissioning either across the organisation or with partners. Evaluating the cost and effectiveness of commissioning arrangements and sharing lessons learned is important to help identify areas to improve value for money.



Our recommendations for the Council

Exhibit 1: our recommendations for the Council

Recommendations

R1 Establish consistent commissioning arrangements.

We found that the Council does not have arrangements in place to ensure that it consistently secures value for money when commissioning services. To address this the Council should put into place arrangements to ensure that it consistently:

- has a clear rationale for commissioning services;
- plans over an appropriate timescale when commissioning services;
- considers the wider impacts its commissioned services could have;
- works with the right people and partners to design and deliver its commissioned services;
- evaluates the value for money of its commissioning arrangements;
- shares any lessons learned across the organisation and with external partners where appropriate.

R2 Embed arrangements across the Council.

To ensure that all service areas implement the arrangements recommended above, once these arrangements have been put in place the Council should:

- clearly set out its expectations and guidance for commissioning services;
- communicate its expectations across service areas; and
- monitor the extent to which these arrangements are implemented.

Appendix 1

Audit questions and criteria

Overall question: In commissioning services does the Council put in place proper arrangements to secure value for money in the use of its resources?

Level 2 questions	Level 3 questions	Criteria
Does the Council have a clear rationale for commissioning services?	Does the Council clearly define the services it intends to commission and why?	• The Council sets out a clear definition of the services it intends to commission • The Council sets out 'why' it needs to commission the services including: – the intended outcomes/impact of delivering the service – if/how the service helps the Council meet its statutory duties
	Does the Council conduct a comprehensive options appraisal of commissioning options before deciding to commission a service?	• The Council considers the full range of commissioning options for providing the service – options might include for example: – in-house provision; – partnership arrangements or approaches to commissioning within and across sectors; – externalising the service to another provider through a trust or other arrangement; and – contracting the service through a tender process • The Council considers the cost-benefits of the options from the perspective of economy, efficiency and effectiveness – including over the short, medium and long term • The Council includes the costs of contract management within its assessment of commissioning options • The Council includes an assessment of risk for each commissioning option as part of the assessment of cost-benefits • The Council uses a broad range of information from internal and external sources to develop an understanding of the current and long-term factors that are likely to impact on commissioned services
Is the Council planning over an appropriate timescale?	Does the Council consider what long term means when commissioning services?	• The Council considers what long term means in planning its approach to

		commissioning services – ie how far ahead it can/should plan and why. • The Council considers how it will balance short and long-term needs when planning the commissioning of services including for example when determining the timeframe for contracts or other commissioning arrangements
	Does the Council understand long-term resource implications when commissioning services?	• The Council thinks about the resources it will need over the medium and longer term (whole life costs) to deliver commissioned services • The Council considers how a range of future budget reduction scenarios could be implemented to commissioned services.
	Does the Council set out how it will monitor the value for money of commissioned services over the short, medium and long term?	• The Council sets out the monitoring arrangements it will follow for the commissioned service • The Council should set out how value for money of commissioned services will be assessed and monitored including: – costs and benefits; and – progress towards short, medium and longer term milestones and measures
Has the Council thought about the wider impacts its commissioned service could have?	In commissioning services, does the Council consider how it can maximise their contribution to the Council's well-being objectives?	• The Council considers how commissioned services will impact on all of its own well-being objectives to secure multiple benefits, avoid duplication or any unintended consequences. Eg consideration of longer-term objectives, local supply chain, market resilience and impact of contract length of time, bio-diversity, carbon reduction
	In commissioning services, does the Council consider how services can maximise their contribution to the well-being objectives of other public sector bodies?	• The Council considers how commissioned services will impact on the well-being objectives of other public sector bodies to secure multiple benefits and avoid duplication or any unintended consequences
	In commissioning services, does the Council consider how services can maximise their contribution to the National Well-being Goals?	• The Council considers how commissioned services will impact on the national well-being goals to secure multiple benefits and avoid duplication or any unintended consequences
Is the Council working with the right people and partners	Has the Council identified who it needs to involve?	• The Council understands who will be directly and indirectly affected by commissioned services. This has been

to design and deliver its commissioned services?		informed by a stakeholder analysis or similar.
	Is the Council involving the full diversity of people?	• The Council involves the full diversity of views in deciding how to commission services. • The Council uses the results of involvement activity to inform how it will commission services, including its impact on groups who share protected characteristics
	Is the Council collaborating with the right partners?	• The Council has a good understanding of which partners and potential partners it could work with to commission services to improve value for money. This has been informed by comprehensive analysis of potential partners and their priorities. • Where opportunities to improve value for money by commissioning of services in partnership are identified, the Council pursues them.
Does the Council have arrangements in place to evaluate the value for money of its approach to commissioning?	Does the Council routinely evaluate the effectiveness of commissioning arrangements?	• The Council regularly reviews the effectiveness of its approach to commissioning including: – The extent to which commissioned services meet the objectives the Council has set – The value for money of chosen commissioning models including consideration of inputs, outputs and outcomes.
	Does the Council routinely share any lessons learned to inform future commissioning exercises?	• The Council shares and applies any lessons learned from its approach to commissioning widely across the organisation, and with partners where relevant.



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Management response form

Audit Wales use only

Audited body	Monmouthshire County Council
Audit name	Arrangements for commissioning services
Issue date	02/10/2025

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Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
R1	Establish consistent commissioning arrangements. We found that the Council does not have arrangements in place to ensure that it consistently secures value for money when commissioning services. To address this the Council should put into place arrangements to ensure that it consistently: • has a clear rationale for commissioning services;	The council has a largely devolved model for commissioning, with arrangements and responsibility embedded within service areas who commission services. These include arrangements that have guided the commissioning process within the three tracer areas sampled. The council recognises the importance of acting on the recommendations of the review to enhance our corporate oversight arrangements for commissioning services.			

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	• plans over an appropriate timescale when commissioning services; • considers the wider impacts its commissioned services could have; • works with the right people and partners to design and deliver its commissioned services; • evaluates the value for money of its commissioning arrangements; • shares any lessons learned across the organisation and with external partners where appropriate.	To address this recommendation the council will undertake the following actions: To work with partners, within the Council's collaboration with Ardal, to explore an opportunity to develop an authority wide commissioning framework and approach. This will apply the points identified in this recommendation and will aim to support consistency across the organisation and strengthen the oversight of commissioning arrangements. To develop the framework, existing processes will be reviewed and shared across the Ardal partners to determine best practice and recommendations going forward. This will improve clarity for	April 2026	Head of Strategic Change, Partnerships and Procurement Strategic Procurement Lead	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
		officers undertaking commissioning across the organisation.			
R2	Embed arrangements across the Council. To ensure that all service areas implement the arrangements recommended above, once these arrangements have been put in place the Council should: • clearly set out its expectations and guidance for commissioning services; • communicate its expectations across service areas; and • monitor the extent to which these arrangements are implemented.	Following the development of the commissioning framework, the associated arrangements to deliver it will be set out, embedded and expectation communicated to all service areas. Arrangements to monitor the extent to which these arrangements are implemented, in line with the recommendations, will be developed and set out within the commissioning framework.	March 2027	Head of Strategic Change, Partnerships and Procurement Strategic Procurement Lead	

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The Monmouthshire County Council Welsh Church Act Fund – Audit Plan 2025

Audit year: 2024-25

Date issued: November 2025

Document reference: 5140A2025

This document is a draft version pending further discussions with the audited and inspected body. Information may not yet have been fully verified and should not be widely distributed.



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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Introduction



Adrian Crompton

Auditor General for
Wales

I am pleased to share my 2025 Audit Plan. The Plan sets out how I will undertake your audit.

My audit team has developed the Plan following a structured and risk-based planning process, which will remain ongoing throughout the audit. My [Code of Audit Practice](#) provides further detail on how my audit and certain other functions are to be carried out by my auditors.

At the core of all our work is our commitment to maintaining the highest standards of professional integrity, objectivity, independence and audit quality. Our three

lines of assurance model (page 13) sets out how we will ensure those standards of quality are met. Our latest annual quality report, [Audit Quality Report 2024](#), provides more information about our audit quality arrangements.

My audit team will work constructively with your staff to understand the issues you are facing, ensure the audit process operates as smoothly as possible, and provide valuable insights about any areas for improvement.

Should you have any questions about your audit my audit team will be happy to discuss them with you. They will also keep you regularly updated as work progresses.

Our aims and ambitions

Our purpose



Assure people that public money is being managed well



Explain how that money is being spent



Inspire the public sector to improve

Our vision



Fully exploiting our unique perspective, expertise and depth of insight



Strengthening our position as an authoritative, trusted and independent voice



Increasing our visibility, influence, and relevance



Being a model organisation for the public sector in Wales and beyond

Our areas of focus



A strategic, dynamic, and high-quality audit programme



A targeted and impactful approach to communications and influencing



A culture and operating model that enables us to thrive

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and Our [Strategy 2022-27](#).

Audit work

Audit of financial statements

I am required to issue a report on your financial statements which includes an opinion on their 'truth and fairness' and their proper preparation in accordance with accounting standards and legal requirements.

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.

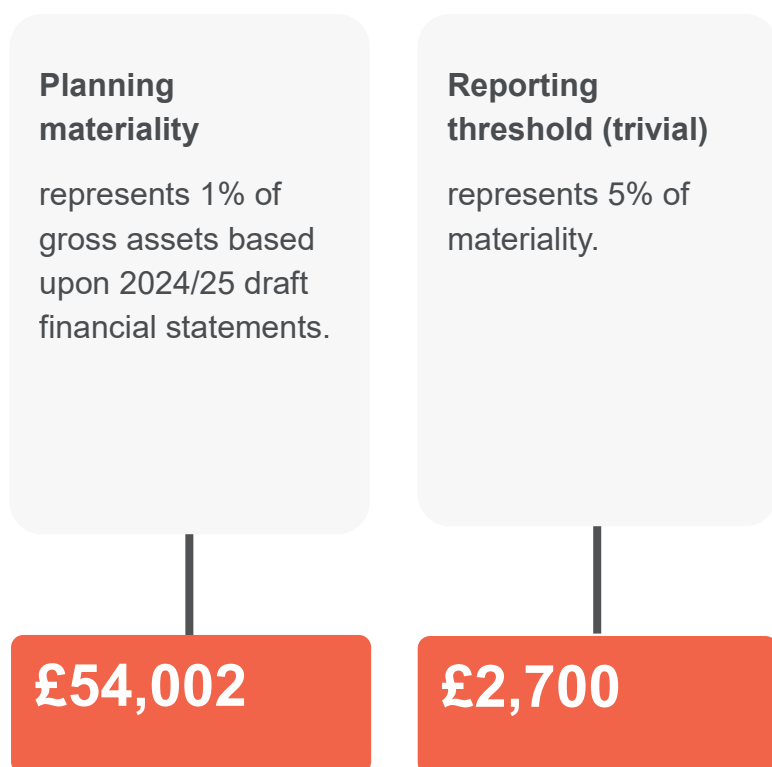
Financial statements materiality

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 and correct misstatements, that is, those that might result in a reader of the accounts being misled. Materiality applies not only to financial misstatements, but also to disclosure requirements and adherence to the applicable accounting framework and law.

I set planning and performance materiality to:

- Determine the level of misstatement that could cause the user of the accounts to be misled;
- Assist in the scoping of our audit approach and resultant audit tests;
- Determine sample sizes;
- Assess the effect of known and likely misstatements in the financial statements; and
- Report to those charged with governance any unadjusted misstatements above a trivial level, our reporting threshold.

The levels at which I judge such misstatements to be material is set out below.



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:

Related party disclosures
£5,000

My audit team will assess materiality levels throughout the audit.

Significant financial statements 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 International Standard on Auditing (ISAs). The ISAs require us to focus more attention on these significant risks.

Risk of management override

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.

Our planned response

My audit team will:

- 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 areas of focus

I set out below other identified risks of material misstatement which, although not determined to be significant risks as above, I would like to bring to your attention.

Valuation of property assets

The value of property assets reflected in the balance sheet and notes to the accounts are material estimates.

Property assets are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions, and changes in these can result in material changes to valuations.

Assets are required to be formally revalued annually, but values may also change year on year, and there is a risk that the carrying value of assets recognised in the accounts could be materially different to the current value of assets as at 31 March 2025.

Our planned response

My audit team will:

- review the information provided to the valuer to assess for completeness;
- evaluate the competence, capabilities and objectivity of the professional valuer;
- test a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable, and the revaluations have been correctly reflected in the financial statements;

Financial statements audit timetable

Below is a timetable showing the key stages of the audit and our key audit deliverables that we will provide to you.

Exhibit 1: Financial statements audit timetable

Planning October to November 2025	Planning meeting High level risk assessment procedures Fraud risk assessment Accounting estimates planning IT environment risk assessment Draft Audit Plan
Interim November 2025	Information flows Detailed risk assessment procedures IT controls review Develop testing strategy
Fieldwork November to December 2025	Update risk assessment Audit of financial statements Complete audit testing Evaluate audit findings Audit closure meeting
Reporting January 2025	Audit of Accounts Report Recommendations for improvement Present findings to those charged with governance Auditor General certification Post project learning

Audit fee

In January 2025 we published our 2025-26 Fee Scheme following approval by the Senedd Finance Committee which details the average increase to fee rates of 1.7%.

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.

Your fee is exclusive of VAT.

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 my auditors first discussing them with the S151 Officer.

Your estimated audit fee: £8,135 (2023-24 £8,000)

I base my audit fee on the following assumptions:

- The agreed audit deliverables set out the expected working paper requirements to support the financial statements and include timescales and responsibilities.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

Audit team

My audit team will continue to work and engage remotely using technology, but some on-site audit work will occur if appropriate to do so.

Audited bodies have a responsibility to ensure the safety and wellbeing of Audit Wales staff when they are on your premises.

The main members of my team, together with their contact details, are summarised in **Exhibit 2**.

Exhibit 2: My local audit team

Audit Director	Gareth Lucey gareth.lucey@audit.wales
Audit Manager	Steve Wyndham steve.wyndham@audit.wales
Audit Lead	Elinor Hallett elinor.hallett@audit.wales

I can confirm that my team members are all independent of Monmouthshire County Council, the Welsh Church Act Fund and your 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 the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



Our People

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality

Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

Supporting you

Audit Wales has a range of resources to support the scrutiny of Welsh public bodies, and to support them in continuing to improve the services they provide to the people of Wales.

Visit our [website](#) to find:



Our [publications](#) which cover our audit work at public bodies.



Information on our upcoming work and forward work programme for [performance audit](#).



[Data tools](#) to help you better understand public spending trends



Details of our [Good Practice](#) work and events including the sharing of emerging practice and insights from our audit work.



Our [newsletter](#) which provides you with regular updates on our public service audit work, good practice, and events.



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REPORT

SUBJECT:	TREASURY MANAGEMENT ACTIVITY UPDATE - QUARTER 2 2025/26
MEETING:	Governance & Audit Committee
DATE:	27th November 2025
DIVISIONS/WARD AFFECTED:	All

1. **PURPOSE:**

- 1.1. The Prudential Code and CIPFA treasury guidance require local authorities to produce annually a Treasury Management Strategy Statement and Prudential Indicators on their likely financing and investment activity, and to ensure that the appropriate governance function that oversees the treasury management activities of the Authority is kept informed of activity quarterly.
- 1.2. The Authority's treasury management strategy for 2025/26 was approved by Council on 6th March 2025. Over the first half of the year the Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.
- 1.3. This report represents the second update of treasury management activity during 2025/26 following the Quarter 1 report being considered by this Committee on the 24th of July 2025.

2. **RECOMMENDATIONS:**

That Governance & Audit committee review the results of treasury management activities and the performance achieved in quarter 2 as part of their delegated responsibility to provide scrutiny of treasury policy, strategy and activity on behalf of Council.

3. **KEY ISSUES:**

3.1. **Key data metrics at quarter end:**

Type	Metric	Q4 2425	Q1 2526	Q2 2526
External	Bank of England base rate	4.50%	4.25%	4.00%
External	UK Consumer Prices Index	2.6%	3.6%	3.8%
External	10-year UK gilt yield	4.69%	4.49%	4.70%
Internal	Borrowing	£202.3m	£208.2m	£179.2m
Internal	Borrowing Average rate	3.90%	3.93%	3.72%
Internal	Investments	£16.0m	£37.0m	£11.7m
Internal	Investment Average rate	5.03%	4.40%	4.57%
Internal	Credit score/rating	A+ / 4.50	AA- / 4.50	AA- / 4.44

3.2. Key messages:

Treasury management activities undertaken during the quarter complied fully with the CIPFA code and the limits and indicators as set out in the Authority's approved Treasury Management Strategy.

The Authorities average cost of borrowing has decreased marginally from 3.93% to 3.7% over the quarter, reflective of the maturity and replacement of temporary borrowing at a lower rate.

Cash balances decreased significantly over the quarter from £37.0m to £11.7m due to the maturity of temporary borrowing and subsequent unwinding of short-term investments. During the quarter, the authority's investment balances ranged from between £11.7m and £48.0m.

Investments in externally managed pooled funds generated £117k (5.32%) income return, together with a £160k (3.89%) unrealised capital gain during the first half of the year.

Unrealised capital losses over the lifetime of the investments stand at £227k, for which the Authority maintains a sufficient treasury risk reserve to mitigate against realisation.

The Authority continues to invest in a specific Environmental, Social and Governance (ESG) investment product and is prioritised for investment where returns remain competitive. During the quarter this product returned 3.96% compared to an average rate of 4.04% for all Money Market Funds.

Non-treasury investments, comprising the Authority's Solar farm and two strategic property assets, are budgeted to generate £533,000 (1.89%) in net income during the year.

4. ECONOMIC SUMMARY

- 4.1. **Economic Overview:** The first half of the year was marked by global trade tensions and domestic uncertainty, which influenced both equity and bond markets. UK government bond yields diverged from US yields, with medium and long-term gilt yields rising sharply from late June amid concerns over fiscal policy and speculation surrounding the autumn Budget. Inflation remained elevated, with headline CPI climbing from 2.6% in March to 3.8% in August, well above the Bank of England's 2% target, while core and services inflation showed mixed movements. GDP growth slowed from 0.7% in Q1 to 0.3% in Q2, and monthly data indicated a sluggish start to Q3.
- 4.2. **UK Economic and Monetary Policy Developments:** The Bank of England cut the Bank Rate twice during the period, from 4.5% to 4.0%, as the Monetary Policy Committee weighed upside inflation risks against weakening demand. The August Monetary Policy Report projected inflation to return to target by mid-2027, supported by spare capacity and prior tightening measures, while GDP is expected to remain weak in the near term. Arlingclose anticipates one further rate cut to 3.75% in 2025/26, with risks skewed to the downside due to subdued consumer sentiment and business confidence. Uncertainty around the autumn Budget adds further complexity to the outlook.
- 4.3. **Financial Markets and Credit Conditions** Market sentiment improved after early declines, but volatility persisted, particularly in UK gilts where yields fluctuated significantly. The 10-year gilt yield ended the period at 4.70%, while the 30-year reached its highest level in nearly three decades. Equity markets recovered earlier losses, reflecting cautious optimism despite ongoing uncertainty. Credit conditions remained broadly stable, with rating upgrades for several UK and international banks and CDS prices trending lower after an initial spike in April. Arlingclose continues to monitor credit risk closely, maintaining current counterparty limits and durations.

5. BORROWING ACTIVITY

	30.6.25 Balance £m	30.6.25 Weighted Average Rate %	30.6.25 Weighted Average Maturity (years)	Balance Movement	30.9.25 Balance £m	30.9.25 Weighted Average Rate %	30.9.25 Weighted Average Maturity (years)
Public Works Loan Board	147.7	3.7	16.6	(1.0)	146.7	3.7	16.4
Banks (LOBO)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Welsh Govt Interest Free	6.5	0.0	2.6	0.0	6.5	0.0	2.3
Local Authorities / Other	54.0	5.1	0.4	(28.0)	26.0	4.9	0.5
Total borrowing	208.2	3.9	11.9	(29.0)	179.2	3.7	13.6

- 5.1. The Authority maintained its borrowing strategy focused on affordability and long-term debt stability, continuing to rely on internal borrowing where possible. Gilt yields remained volatile but ended the period slightly lower. Public Works Loan Board (PWLB) rates fluctuated across maturities, with 10-year loans ranging from 5.17% to 5.62%, and short-term borrowing costs from other local authorities broadly aligned with the Base Rate at 4.0% to 4.55%. The Authority's average short-term borrowing rate decreased slightly over the quarter, reflecting lower market rates.
- 5.2. As of 30th September 2025, the Authority's total borrowing stood at £179.2m, down £29.0m from the previous quarter. This was largely due to the maturity of short-term loans and generally in line with the receipt of higher amounts of income in the first half of the financial year prior to the levels of expenditure increasing as the year progresses.
- 5.3. The Authority continues to balance securing low interest costs with maintaining flexibility to adjust borrowing in line with evolving long-term plans, ensuring a prudent and responsive approach to debt management.

6. INVESTMENT ACTIVITY

- 6.1. During the quarter, the authority's investment balances ranged from between £11.7m and £48.0m due to timing differences between income and expenditure. The movement in investments during the year was:

	30.6.25 Balance £m	Net Movement £m	30.9.25 Balance £m	30.9.25 Income Return %	30.9.25 Weighted Average Maturity Days
Banks & building societies (unsecured)	(2.0)	0.0	(2.0)	Average 4.18%	Up to 180 days
Government (incl. local authorities)	(11.0)	8.0	(3.0)		

Money Market Funds (MMFs)	(20.0)	17.4	(2.7)		
Multi asset income, Pooled funds	(4.0)	0.0	(4.0)	5.32%	N/A
Total investments	(37.0)	25.4	(11.7)	4.57%	

- 6.2. Bank Rate reduced by 0.25% through the quarter to 4.00% with short term interest rates largely being around this level. The rates on DMADF deposits ranged between 3.95% and 4.20% and money market rates between 3.93% and 4.33%.
- 6.3. **Externally Managed Pooled Funds:** £4m of the Authority's investments are invested in externally managed strategic pooled multi-asset and property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and longer-term price stability.
- 6.4. These funds provide an important diversification for the Authority and generated £117k (5.32%) income return, together with a £160k (3.89%) unrealised capital gain in first month of the year.
- 6.5. Accumulated unrealised capital losses over the lifetime of the investment stand at £227k. The Authority maintains an adequate treasury risk reserve to mitigate against the risk that capital losses on pooled funds become realised and consequently result in a charge against the Council Fund.

7. **Environmental, Social and Governance**

- 7.1. Throughout the quarter the investment portfolio has been assessed against 3 charters that organisations can voluntarily sign up for to ensure that all are meeting minimum level of ESG responsibility. One of the charters, the Net Zero Asset Managers (NZAM) initiative has recently suspended its activity and removed its list of signatories. As such it will no longer be considered when assessing potential investments.
- 7.2. The authority continues to hold an ESG specific Investment product. This fund aims to provide security of capital and liquidity while focussing on the performance of the underlying issuers on a range of environmental, social and governance.
- 7.3. At 30th September 2025 the Authorities ESG specific Money Market Fund returned 3.96% compared to an average rate of 4.04% for all Money Market Funds.

8. **NON-TREASURY INVESTMENTS:**

- 8.1. The authority continues to hold £28.19m of non-financial asset investments and their forecast performance can be seen in the table below:

	Forecast (income) / loss 2025/26 £000's	Carrying Value 31.03.25 £000's	Forecast return 2025/26 %	Net return 2024/25 %
Oak Grove Solar Farm	(465)	5,785	8.04	5.25
Newport Leisure Park & service loan	(275)	15,616	1.76	1.41
Castlegate Business Park	207	6,784	-3.05	-7.56*
Total	(533)	28,185	1.89	1.06

* includes one-off provision for bad debt of £248k & £169k relating to service charges and business rates respectively. Net return excluding this write-off would be -1.42% (overall portfolio 1.52%)

- 8.2. The investment at Oak Grove Solar Farm continues to provide a substantial return on investment for the Council. Overall returns are expected to be slightly lower during 2025/26 which reflects the trend in market prices of the ability of the Council to export energy.
- 8.3. The investment at Newport leisure park continues to provide a net income stream for the Authority. This is budgeted to remain slightly lower than the expected 2% net ROI until negotiated rent free concessions end towards the end of 2025.
- 8.4. The investment at Castlegate Business Park is budgeting a net negative return on investment for 2025/26. Continued negotiations with interested parties are expected to further improve the net return over the medium term and the Council is actively working with its agents to fill any remaining space. The overall position continues to represent a significant improvement on the position since the anchor tenant vacated their space in Spring 2022.
- 8.5. A more detailed report on the performance of these investments is considered periodically by the Performance & Overview scrutiny committee.

9. **Compliance with treasury limits and indicators**

- 9.1. The Section 151 officer reports that all treasury management activities undertaken during the year complied fully with the CIPFA code and the limits and indicators as set out in the Authority's approved Treasury Management Strategy.

10. **CONSULTEES**

Cabinet Member – Resources

Head of Finance

Deputy Chief Executive, Strategic Director Resources (Section 151 Officer)

Arlingclose Limited – External Treasury management advisors to Monmouthshire CC

11. **APPENDICIES**

Appendix 1 – 2025/26 Treasury Management Outturn Quarter 2 Report

12. **AUTHORS**

Daniel Francis

Finance Business Partner

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Phone: (01633) 644895

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2025/26 Treasury Management Report – Quarter 2 (as at 30th September 2025)

Section 1	External market conditions
Section 2	Movement in treasury balances
Section 3	Borrowing activity during the year
Section 4	Investment Activity during the year
Section 5	Environmental, Social and Governance
Section 6	Non-treasury investments
Section 7	Treasury budget performance.
Section 8	Compliance with prudential indicators and treasury limits

1. External market conditions

- 1.1. Economic background: The first quarter was dominated by the fallout from the US trade tariffs and their impact on equity and bond markets. The second quarter, still rife with uncertainty, saw equity markets making gains and a divergence in US and UK government bond yields, which had been moving relatively closely together.
- 1.2. From late June, amid a UK backdrop of economic uncertainty, concerns around the government's fiscal position and speculation around the autumn Budget, yields on medium and longer term gilts pushed higher, including the 30-year which hit its highest level for almost 30 years.
- 1.3. UK headline annual consumer price inflation (CPI) increased over the period, rising from 2.6% in March to 3.8% in August, still well above the Bank of England's 2% target. Core inflation also rose, from 3.4% to 3.6% over the same period, albeit the August reading was down 0.2% from 3.8% the previous month. Services inflation also fell from July to August, to 4.7% from 5.0%.
- 1.4. The UK economy expanded by 0.7% in the first quarter of the calendar year and by 0.3% in the second quarter. In the final version of the Q2 2025 GDP report, annual growth was revised upwards to 1.4% y/y. However, monthly figures showed zero growth in July, in line with expectations, indicating a sluggish start to Q3.
- 1.5. Labour market data continued to soften throughout the period, with the unemployment rate rising and earnings growth easing, but probably not to an extent that would make the more hawkish MPC members comfortable with further rate cuts. In addition, the employment rate rose while the economic inactivity rate and number of vacancies fell.
- 1.6. The BoE's Monetary Policy Committee (MPC) cut Bank Rate from 4.5% to 4.25% in May and to 4.0% in August after an unprecedented second round of voting. The final 5-4 vote was for a 25bps cut, with the minority wanting no change. In September, seven MPC members voted to hold rates while two preferred a 25bps cut. The Committee's views still differ on whether the upside risks from inflation expectations and wage setting outweigh downside risks from weaker demand and growth.
- 1.7. The August BoE Monetary Policy Report highlighted that after peaking in Q3 2025, inflation is projected to fall back to target by mid-2027, helped by increasing spare capacity in the economy and the ongoing effects from past tighter policy rates. GDP is expected to remain weak in the near-term while over the medium term outlook will be influenced by domestic and global developments.

- 1.8. Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate would be cut further as the BoE focused on weak GDP growth more than higher inflation. One more cut is currently expected during 2025/26, taking Bank Rate to 3.75%. The risks to the forecast are balanced in the near-term but weighted to the downside further out as weak consumer sentiment and business confidence and investment continue to constrain growth. There is also considerable uncertainty around the autumn Budget and the impact this will have on the outlook.
- 1.9. Against a backdrop of uncertain US trade policy and pressure from President Trump, the US Federal Reserve held interest rates steady for most of the period, before cutting the Fed Funds Rate to 4.00%-4.25% in September. Fed policymakers also published their new economic projections at the same time. These pointed to a 0.50% lower Fed Funds Rate by the end of 2025 and 0.25% lower in 2026, alongside GDP growth of 1.6% in 2025, inflation of 3%, and an unemployment rate of 4.5%.
- 1.10. The European Central Bank cut rates in June, reducing its main refinancing rate from 2.25% to 2.0%, before keeping it on hold through to the end of the period. New ECB projections predicted inflation averaging 2.1% in 2025, before falling below target in 2026, alongside improving GDP growth, for which the risks are deemed more balanced and the disinflationary process over.
- 1.11. **Financial markets:** After the sharp declines seen early in the period, sentiment in financial markets improved, but risky assets have generally remained volatile. Early in the period bond yields fell, but ongoing uncertainty, particularly in the UK, has seen medium and longer yields rise with bond investors requiring an increasingly higher return against the perceived elevated risk of UK plc. Since the sell-off in April, equity markets have gained back the previous declines, with investors continuing to remain bullish in the face of ongoing uncertainty.
- 1.12. Over the period, the 10-year UK benchmark gilt yield started at 4.65% and ended at 4.70%. However, these six months saw significant volatility with the 10-year yield hitting a low of 4.45% and a high of 4.82%. It was a broadly similar picture for the 20-year gilt which started at 5.18% and ended at 5.39% with a low and high of 5.10% and 5.55% respectively. The Sterling Overnight Rate (SONIA) averaged 4.19% over the six months to 30th September.
- 1.13. **Credit review:** Arlingclose maintained its recommended maximum unsecured duration limit on the majority of the banks on its counterparty list at 6 months. The other banks remain on 100 days
- 1.14. Early in the period, Fitch upgraded NatWest Group and related entities to AA- from A+ and placed Clydesdale Bank's long-term A- rating on Rating Watch Positive. While Moody's downgraded the long term rating on the United States sovereign to Aa1 in May and also affirmed OP Corporate's rating at Aa3.
- 1.15. Then in the second quarter, Fitch upgraded Clydesdale Bank and also HSBC, downgraded Lancashire CC and Close Brothers while Moody's upgraded Transport for London, Allied Irish Banks, Bank of Ireland and Toronto-Dominion Bank.
- 1.16. After spiking in early April following the US trade tariff announcements, UK credit default swap prices have since generally trended downwards and ended the period at levels broadly in line with those in the first quarter of the calendar year and throughout most of 2024.
- 1.17. European banks' CDS prices has followed a fairly similar pattern to the UK, as have Singaporean and Australian lenders while Canadian bank CDS prices remain modestly elevated compared to earlier in 2025 and in 2024.

- 1.18. Overall, at the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.
- 1.19. Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

2. Movement in Treasury balances

- 2.1. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available to offset the CFR or for investment.

Table 1: Balance Sheet Summary

	31.3.25 £m	Movement £m	30.06.25 £m	Movement £m	30.09.25 £m
General Fund CFR	209.6	6.4	216.0	0.0	216.0
Less: *Other debt liabilities	(1.9)	0	(1.9)	0.0	(1.9)
Borrowing CFR	207.7	6.4	214.1	0.0	214.1
Less: External borrowing	(202.3)	(5.9)	(208.2)	29.0	(179.2)
Net External borrowing	5.4	0.5	5.9	29.0	34.9
Less: Usable reserves	(25.3)	0.0	(25.3)	(9.9)	(35.2)
Less: Working capital	3.9	(21.5)	(17.6)	6.2	(11.4)
(Net Investments)	(16.0)	(21.0)	(37.0)	(25.4)	(11.7)

* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

- 2.2. The Authority pursued its strategy of keeping borrowing and investments below their underlying levels for the quarter, known as internal borrowing. Table 1 above highlights that at the end of the quarter the Authority was internally borrowed by £34.9m, meaning that reserves and working capital were being used in lieu of external borrowing.
- 2.3. At the end of the quarter the Authority had net investments of 11.7m. Balances over the period ranged from between £11.7m and £46.2m due to timing differences between income and expenditure and borrowing activity.
- 2.4. The treasury management position at 30th September 2025 and the change during the year is shown in Table 2 below.

Table 2: Borrowing and Investment Summary

	30.6.25 Balance £m	30.6.25 Rate %	Movement	30.9.25 Balance £m	30.9.25 Rate %
Long-term borrowing	130.0	3.40	(6.0)	124.0	3.34
Short-term borrowing	78.2	4.79	(23.0)	55.2	4.57
Total borrowing	208.2	3.93	(29.0)	179.2	3.72
Long-term investments	0.0	N/A	0.0	0.0	N/A

Short-term investments	(11.0)	4.26	8.0	(3.0)	4.18
Pooled Funds	(4.0)	5.54	0.0	(4.0)	5.32
Cash and cash equivalents	(22.0)	Included in ST above	17.4	(4.7)	Included in ST above
Total investments	(37.0)	4.40	25.4	(11.7)	4.57
Net Borrowing	171.2		(3.7)	167.5	

2.5. The authorities net borrowing position has decreased over the quarter primarily due to short-term borrowing maturing, following a peak at the start of the year. This is generally in line with the receipt of higher amounts of income in the first half of the financial year prior to the levels of expenditure increasing as the year progresses.

3. Borrowing activity during the year

- 3.1. The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio and, where practicable, to maintain borrowing and investments below their underlying levels, known as internal borrowing.
- 3.2. After substantial rises in interest rates since 2021 central banks have now begun to reduce their policy rates, albeit slowly. Gilt yields however have increased over the period amid concerns about inflation, the UK government's fiscal position and general economic uncertainty.
- 3.3. The PWLB certainty rate for 10-year maturity loans was 5.38% at the beginning of the period and 5.53% at the end. The lowest available 10-year maturity certainty rate was 5.17% and the highest was 5.62%. Rates for 20-year maturity loans ranged from 5.71% to 6.30% during the period, and 50-year maturity loans from 5.46% to 6.14%. The cost of short-term borrowing from other local authorities has been similar to Base Rate during the period at 4.0% to 4.5%.
- 3.4. CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Authority has no new plans to borrow to invest primarily for financial return.
- 3.5. The Authority's short-term borrowing cost has reduced slightly over the period in line with Base Rate and short-dated market rates. The average rate on the Authority's short-term loans at 30th September 2025 on £55.2m was 4.57%, this compares with 4.79% on £78.2m loans 3 months ago.
- 3.6. At 30th September 2025 the Authority held £179.2m of loans, an decrease of £29.0m from 30th June 2025, as part of its strategy for funding previous and current years' capital programmes. Outstanding loans are summarised in Table 3 below.

Table 3: Borrowing Position

	30.6.25 Balance	30.6.25 Weighted Average Rate	30.6.25 Weighted Average Maturity (years)	Balance Movement	30.9.25 Balance	30.9.25 Weighted Average Rate	30.9.25 Weighted Average Maturity (years)
	£m	%			£m	%	

Public Works Loan Board	147.7	3.7	16.6	(1.0)	146.7	3.7	16.4
Banks (LOBO)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Welsh Gov Interest Free	6.5	0.0	2.6	(0.0)	6.5	0.0	2.3
Local authorities /Other	54.0	5.1	0.4	(28.0)	26.0	4.9	0.5
Total borrowing	208.2	3.9	11.9	(29.0)	179.2	3.7	13.6

3.7. The Authority's chief objective when borrowing remains to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

3.8. No new PWLB loans were taken during the period.

3.9. **Forward Starting Loans:** No loans taken during the period.

3.10. CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

3.11. The Authority currently holds commercial investments that were purchased prior to the change in the CIPFA Prudential Code. The Authority is not planning to purchase any investment assets primarily for yield within the next three years and so is able to access PWLB borrowing if considered cost effective.

4. Investment activity during the quarter

4.1. The CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (revised in 2021) defines treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

4.2. The Authority holds significant invested funds during the year, representing income received in advance of expenditure plus balances and reserves held. During the quarter, the Authority's investment balances ranged from between £11.7m and £48.0m due to timing differences between income and expenditure. The investment position at the end of the quarter was:

Table 6: Treasury Investment Position

	30.6.25 Balance	Net Movement	30.9.25 Balance	30.9.25 Income Return	30.9.25 Weighted Average Maturity Days
	£m	£m	£m	%	
Banks & building societies (unsecured)	(2.0)	0.0	(2.0)	Average 4.18%	Up to 180 days
Government (incl. local authorities)	(11.0)	8.0	(3.0)		
Money Market Funds (MMFs)	(20.0)	17.4	(2.7)		
Multi asset income, Pooled funds	(4.0)	0.0	(4.0)	5.32%	N/A
Total investments	(37.0)	25.4	(11.7)	4.57%	

4.3. Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

4.4. The Authority expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled fund investments are maintained to diversify risk into different asset classes and mitigate the inflationary impact of holding cash balances.

4.5. Bank Rate reduced from 4.50% to 4.25% in May 2025, followed by a further reduction to 4.00% in August 2025. Short term interest rates have largely followed these levels. The rates on DMADF deposits ranged between 3.95% and 4.20% and money market rates between 3.93% and 4.33%.

4.6. The combination of risk and return metrics are shown in the extracts from the Arlingclose quarterly investment benchmarking in the table below.

Table 7: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	<u>Bail-in Exposure</u>	Weighted Average Maturity (days)	Rate of Return
					%
MCC 31.06.2025	AA-	4.5	66%	9	4.40
MCC 30.09.2025	AA-	4.44	61%	8	4.57
Similar LAs	AA-	4.20	41%	32	4.12
All LAs	A+	4.54	62%	11	4.20

- 4.7. **Externally Managed Pooled Funds:** £4m of the Authority's investments are invested in externally managed strategic pooled multi-asset and property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and longer-term price stability.
- 4.8. These funds provide an important diversification for the Authority and generated £117k (5.32%) income return, together with a £160k (3.89%) unrealised capital gain during the first half of the year.
- 4.9. Accumulated unrealised capital losses over the lifetime of the investment stand at £227k. The Authority maintains an adequate treasury risk reserve to mitigate against the risk that capital losses on pooled funds become realised and consequently result in a charge against the Council Fund.
- 4.10. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over the longer term that total returns will exceed cash interest rates.
- 4.11. **Statutory override:** The statutory override in England has been extended until the 1st April 2029 for any investments already in place before 1st April 2024. Welsh Government is expected to adopt the same policy imminently. The Authority maintains a treasury management risk reserve which currently holds £590,000 to mitigate the impact of such risks materialising.
- 4.12. **Market update:**
- 4.13. Most asset classes achieved positive performance over the first half of the 2025/26 financial year, although conditions remained volatile and heavily influenced by political and macroeconomic developments.
- 4.14. The most notable market shock came early in the period when US President Trump announced his 'Liberation Day' tariffs on 2 April, triggering sharp falls in global equity and bond markets. Sentiment improved once the US administration softened its stance and markets recovered relatively swiftly, although uncertainty lingered.
- 4.15. Global trade tensions easing, resilient profits, optimism on artificial intelligence, interest rate cuts, rising gold prices, and other factors contributed to equity markets generally performing strongly across the half year despite economic uncertainties. The likes of the S&P 500 in the US and FTSE 100 in the UK hit all-time highs during the period.
- 4.16. Fixed income (bond) markets remained volatile as investors weighed political risks alongside concerns over fiscal sustainability. While not matching the strength of equities, corporate bonds generally achieved positive returns. However major longer-dated government bonds saw a rise in yields over the period (meaning prices fell), particularly in the UK where concerns over fiscal issues and sticky inflation saw 30-year gilt yields reaching highs not seen since the late 1990s.
- 4.17. The gradual improvement in UK commercial property continued. Capital values recorded marginal gains, while total returns were driven largely by rental income.

4.18. Overall, while volatility was elevated throughout, most mainstream asset classes provided positive returns to investors over the first half of the 2025/26 financial year, with equities leading the way and fixed income and property also making a positive contribution.

5. Environmental, Social and Governance

5.1. Throughout the year the investment portfolio has been assessed against 3 charters that organisations can voluntarily sign up for to ensure that all are meeting minimum level of ESG responsibility. These are shown in the table below:

Table 8: ESG Charter Signatories

	UN Principles for Responsible Investment	Uk Stewardship Code 2020	Net-Zero Asset Managers Initiative (No longer applicable)**
Aberdeen Asset Liquidity	✓	✓	(NLA)
Aegon	✓	✓	(NLA)
CCLA Investment Management	✓	✓	(NLA)
Federated (Prime Rate) Liquidity Fund	✓	✓	(NLA)
HSBC Global Asset Management	✓	✓	(NLA)
LEGAL AND GENERAL MMF	✓	✓	(NLA)
Ninety-One	✓	✓	(NLA)
STATE STREET	✓	✓	(NLA)
Morgan Stanley	✓	✓	(NLA)
Goldman Sachs	✓	✓	(NLA)

5.2. **The Net Zero Asset Managers (NZAM) initiative has recently suspended its activity and removed its list of signatories while conducting a review, citing “recent developments in the U.S. and different regulatory and client expectations in investors’ respective jurisdictions”. The re-issued “Commitment Statement” no longer includes explicit binding requirements such as setting interim 2030 targets or requiring alignment of the entire AUM with net-zero by 2050; instead it permits signatories to “pursue their own approaches”.

5.3. This change has reduced the transparency previously relied upon by investors when assessing the environmental credentials of fund managers. As a result, and in line with the Council’s commitment to ensuring that all Environmental, Social and Governance assessments are based on verifiable and publicly accessible information, the NZAM initiative will no longer be used as a formal criterion when considering potential investments. The Council will continue to monitor developments within the NZAM framework.

5.4. An updated list of signatories to the remaining two charters is provided by the Authority’s treasury advisors each quarter and will continue to be monitored. Any counterparties not signed up to both charters will not be considered for investment by the Authority.

5.5. At 30th September 2025 the Authorities ESG specific Money Market Fund returned 3.96% compared to an average rate of 4.04% for all Money Market Funds.

6. Non-Treasury Investments

- 6.1. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return.
- 6.2. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and/or for commercial purposes (made primarily for financial return).
- 6.3. Investment Guidance issued by DLUHC and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.
- 6.4. The Authority held a net book value of £28.19m of such non-financial asset investments at the 31st March 2025 (£31.1m as at 31st March 2024) made up of:

	Forecast (surplus) / deficit 2025/26 £000's	Carrying Value 31.03.25 £000's	Forecast Return 2025/26 %	Net return 2024/25 %
Oak Grove Solar Farm	(465)	5,785	8.04	5.25
Newport Leisure Park & service loan	(275)	15,616	1.76	1.41
Castlegate Business Park	207	6,784	-3.05	-7.56*
Total	(533)	28,185	1.89	1.06

*includes one-off provision for bad debt of £248k & £169k relating to service charges and business rates respectively. Net return excluding this write-off would be -1.42% (overall portfolio 1.52%)

- 6.5. These investments continue to represent an important income diversification for the Council and contributes towards the overall funding of services.
- 6.6. A more detailed report on the performance of these investments is reported periodically to the Performance & Overview scrutiny committee.
- 6.7. The Authority also holds a portfolio of legacy non-financial asset investments that have been held for over a decade and are retained for income generation, capital gain or to support wider economic development or broader policy objectives. Income generation for these agricultural, retail and industrial assets are a secondary consideration and as such return against original investment would be considered negligible.

7. Treasury performance

- 7.1. The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 9 below.

Table 9: Budget performance

	Forecast 30.09.25 £000's	Budget £000's	Over / (under) Budget £000's
Interest Payable			
PWLB	5,639	4,931	708
Market loans	0	0	0
Short term loans	2,258	2,538	(280)
Other Activities (Internal Arrangements)	155	155	0
Total Interest payable on borrowing	8,052	7,624	428
Interest Receivable			
Invested cash short term	(936)	(788)	(148)
Pooled Funds	(195)	Included above	(195)
Finance lease income	(55)	Included above	(55)
Total income from Investments	(1,186)	(788)	(398)
Total	6,866	6,836	30

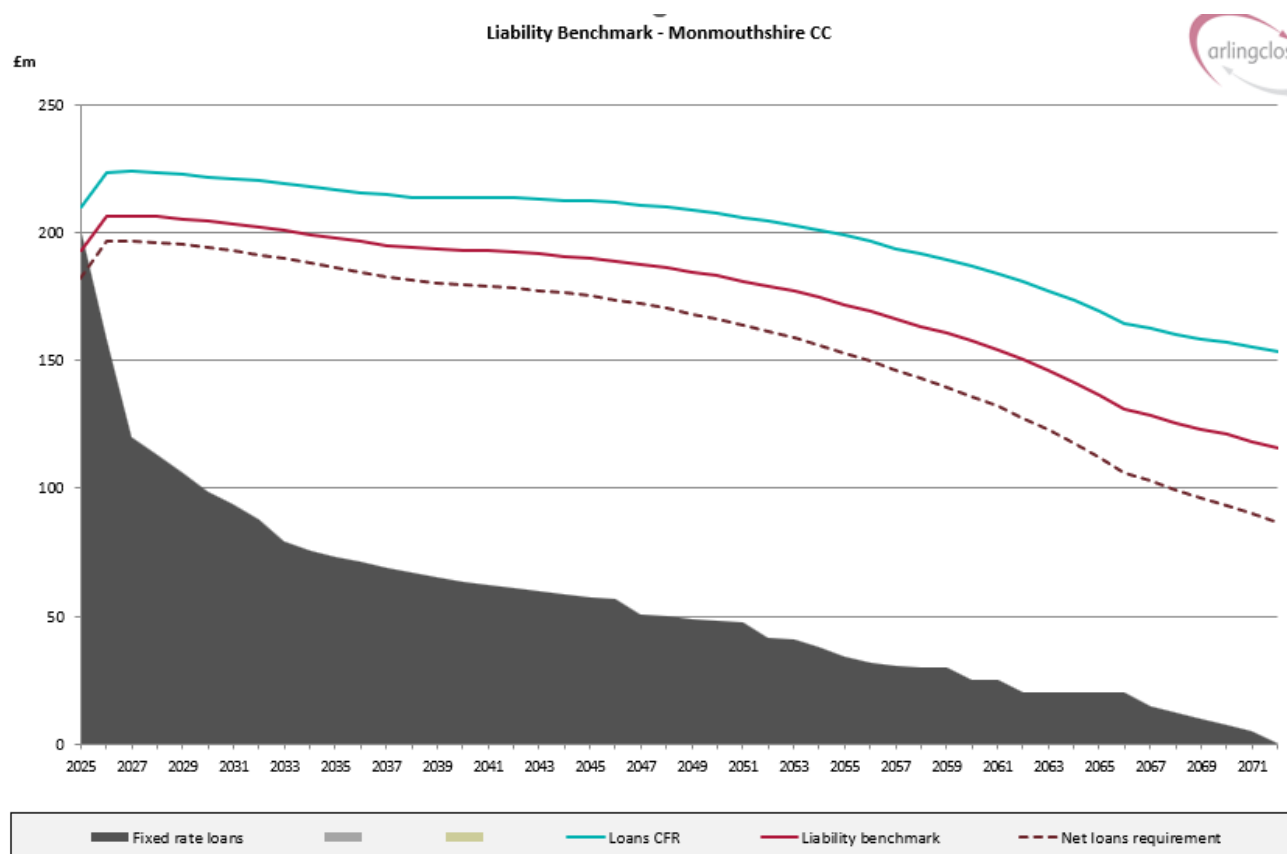
8. Compliance with treasury limits and indicators

- 8.1. The Section 151 officer reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA code and the limits and indicators as set out in the Authority's approved Treasury Management Strategy.
- 8.2. **Liability Benchmark:** This indicator compares the Authority's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 10: Liability Benchmark

	31.3.25 Actual	31.3.26 Forecast	31.3.27 Forecast	31.3.28 Forecast	31.3.29 Forecast
Loans CFR	207.7	235.2	223.8	223.2	222.6
Less: Balance sheet resources	(5.4)	(38.2)	(38.2)	(38.2)	(38.2)
Net loans requirement	202.3	197.0	185.6	185.0	184.4
Plus: Liquidity allowance	0.0	10.0	10.0	10.0	10.0
Liability benchmark	202.3	207.0	195.6	195	194.4
Current loan profile	(202.3)	(158.2)	(120.1)	(113.1)	(106.2)
Borrowing requirement	0.0	48.8	75.5	81.9	88.2

- 8.3. This indicates that if capital plans remains accurate the Council will have a borrowing requirement over the medium term of £88.2m. This projection forms the basis for future borrowing strategy and will be a consideration should any value loan opportunities present themselves in the market.
- 8.4. Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing is in line with the medium-term financial plan, minimum revenue provision on new capital expenditure is based on the annuity method, and expenditure and reserves all increasing by inflation of 2.5% p.a. This is shown in the chart below together with the maturity profile of the Authority's existing borrowing.



- 8.5. The gap between the dotted red line and the grey shaded area of the chart represents the forecast difference between the estimated borrowing requirement and the Council's current loans profile. If capital expenditure plans remain accurate, the gap represents a borrowing requirement which will need be met by new and replacement loans over time.
- 8.6. **Borrowing limits:** Compliance with the [authorised limit](#) and [operational boundary](#) for external debt is demonstrated in the table below.

Table 11: Borrowing Limits

	2025/26 Maximum during the year £m	30.9.25 Actual £m	2025/26 Operational Boundary £m	2025/26 Authorised Limit £m	Complied? Yes/No
Borrowing	204.9	179.2	248.2	263.6	Yes

PFI, Finance Leases & Other LT liabs	2.0	1.8	17.8	18.8	Yes
Total debt	206.9	181.0	266.0	282.4	Yes

8.7. **Note:** Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

8.8. **Maturity Structure of Borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Table 12: Maturity Structure of borrowing

Maturity	30.9.25 Actual	Lower Limit	Upper Limit	Complied?	31.3.25 Actual (For comparison)
Under 12 months	31%	0%	50%	Yes	31%
12 months and within 24 months	3%	0%	30%	Yes	10%
24 months and within 5 years	12%	0%	30%	Yes	10%
5 years and within 10 years	14%	0%	30%	Yes	12%
10 years and within 20 years	9%	0%	30%	Yes	9%
20 years and within 30 years	13%	0%	30%	Yes	11%
30 years and within 40 years	8%	0%	30%	Yes	7%
40 years and within 50 years	11%	0%	30%	Yes	10%
50 years and above	0%	0%	30%	Yes	0%

Table 13: Investment Limits

	Maximum in quarter	2025/26 Limit	Complied? Yes/No
The UK Government	£20.5m	Unlimited	Yes
Local Authorities per counterparty	£0m	£4m	Yes
Secured Investments	£0m	£4m	Yes
Banks per counterparty, rating A- or above	£2m (£3m total for the Councils operational bank)	£2m (£3m total for the Councils operational bank)	Yes
Building societies (unsecured)	£0m	£2m	Yes
Registered providers (e.g. Housing Associations (unsecured)	£0m	£2m	Yes
Money Market Funds	£4m	£4m	Yes
Any group of pooled funds under the same management	£2m	£5m	Yes

Real estate investment trusts	£0m	£5m	Yes
Other Investments	£0m	£2m	Yes

8.9. **Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating and credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 14: Credit Risk

	30.9.24 Actual	2025/26 Target	Complied?
Portfolio average credit	AA-/4.44	A-/5.0	Yes

8.10. **Principal Sums Invested for Periods Longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Table 15: Principal invested for period longer than a year

	During 2025/26
Actual principal invested for 365 days & beyond year end	£0m
Limit	£5m
Complied?	Yes

8.11. For context, the changes in interest rates during the quarter were:

	01/04/25	30/09/25
Bank Rate	4.50%	4.00%
1-year PWLB certainty rate, maturity loans	4.82%	4.58%
5-year PWLB certainty rate, maturity loans	4.94%	4.95%
10-year PWLB certainty rate, maturity loans	5.38%	5.53%
20-year PWLB certainty rate, maturity loans	5.88%	6.14%
50-year PWLB certainty rate, maturity loans	5.63%	5.98%

Background paper: Glossary of Treasury Terms

Authorised Limit	The affordable borrowing limit determined in compliance with the Local Government Act 2003 (English and Welsh authorities) and the Local Government in Scotland Act 2003. This Prudential Indicator is a statutory limit for total external debt. It is set by the Authority and needs to be consistent with the Authority's plans for capital expenditure financing and funding. The Authorised Limit provides headroom over and above the <i>Operational Boundary</i> to accommodate expected cash movements. Affordability and prudence are matters which must be taken into account when setting this limit. (see also <i>Operational Boundary</i>, below)
Balances and Reserves	Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.
Bail-in	Refers to the process which the banking regulatory authorities will use to restructure a financial institution which is failing or likely to fail. Unsecured creditors of and investors in that financial institution will participate in its restructure who will, as a consequence, incur a non-recoverable loss (commonly referred to as a 'haircut') on their obligation/investment. Local authority investments with banks and building societies such as term deposits, certificates of deposit, call accounts and non-collateralised bonds are unsecured investments and are therefore vulnerable to bail-in.
Bank Rate	The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate". This rate is also referred to as the 'repo rate'.
Bond	A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.
Capital Expenditure	Expenditure on the acquisition, creation or enhancement of capital assets
Capital Financing Requirement (CFR)	The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.
Capital growth	Increase in the value of the asset (in the context of a collective investment scheme, it will be the increase in the unit price of the fund)
Capital receipts	Money obtained on the sale of a capital asset.
CIPFA	Chartered Institute of Public Finance and Accountancy
Constant Net Asset Value (CNAV)	Also referred to as Stable Net Asset Value. A term used in relation to the valuation of 1 share in a fund. This means that at all times the value of 1 share is £1/€1/US\$1 (depending on the currency of the fund). The Constant NAV is maintained since dividend income (or interest) is either added to the shareholders' account by creating shares equal to the value of interest earned or paid to the shareholder's bank account, depending on which option is selected by the shareholder.

Collective Investment Schemes	Funds in which several investors collectively hold units or shares. The assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'Pooled Funds'). Unit Trusts and Open-Ended Investment Companies are types of collective investment schemes / pooled funds.
Corporate Bonds	Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.
Corporate Bond Funds	Collective Investment Schemes investing predominantly in bonds issued by companies and supranational organisations.
CPI <i>Also see RPI</i>	Consumer Price Index. (This measure is used as the Bank of England's inflation target.)
Credit Default Swap (CDS)	A Credit Default Swap is similar to an insurance policy against a credit default. Both the buyer and seller of a CDS are exposed to credit risk. Naked CDS, i.e. one which is not linked to an underlying security, can lead to speculative trading.
Credit Rating	Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.
Cost of carry	When a loan is borrowed in advance of requirement, this is the difference between the interest rate and (other associated costs) on the loan and the income earned from investing the cash in the interim.
Credit default swaps	Financial instrument for swapping the risk of debt default; the buyer effectively pays a premium against the risk of default.
Diversification / diversified exposure	The spreading of investments among different types of assets or between markets in order to reduce risk.
Derivatives	Financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded 'over the counter'.
ECB	European Central Bank
Federal Reserve	The US central bank. (Often referred to as "the Fed")
Floating Rate Notes	A bond issued by a company where the interest rate paid on the bond changes at set intervals (generally every 3 months). The rate of interest is linked to LIBOR and may therefore increase or decrease at each rate setting
GDP	Gross domestic product – also termed as "growth" in the economy. The value of the national aggregate production of goods and services in the economy.
General Fund	This includes most of the day-to-day spending and income. (All spending and income related to the management and maintenance of the housing stock is kept separately in the HRA).

Gilts (UK Govt)	Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged': being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.
Housing Revenue Account (HRA)	A ring-fenced account of all housing income and expenditure, required by statute
IFRS	International Financial Reporting Standards
Income Distribution	The payment made to investors from the income generated by a fund; such a payment can also be referred to as a 'dividend'
Investments - Secured - unsecured	Secured investments which have underlying collateral in the form of assets which can be called upon in the event of default Unsecured investments do not have underlying collateral. Such investments made by local authorities with banks and building societies are at risk of bail-in should the regulator determine that the bank is failing or likely to fail.
Liability Benchmark	Term in CIPFA's Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level (which may be zero).
LOBOs	LOBO stands for 'Lender's Option Borrower's Option'. The underlying loan facility is typically long term and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at predetermined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility.
LVNAV (Low Volatility Net Asset Value)	From 2019 Money Market Funds will have to operate under a variable Net Value Structure with minimal volatility (fluctuations around £1 limited to between 99.8p to 100.2p)
Maturity	The date when an investment or borrowing is repaid.
Maturity profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. The amount or percent maturing could be shown on a year-by-year or quarter-by-quarter or month-by-month basis.
MiFID II	MiFID II replaced the Markets in Financial Instruments Directive (MiFID I) from 3 January 2018. It is a legislative framework instituted by the European Union to regulate financial markets in the bloc and improve protections for investors.
Money Market Funds (MMF)	Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.
Minimum Revenue Provision	An annual provision that the Authority is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets
Non-Specified Investments	Term used in the Communities and Local Government Guidance and Welsh Assembly Guidance for Local Authority Investments. It includes any investment for periods greater than one year or those with bodies that do not have a high credit rating, use of which must be justified.

Net Asset Value (NAV)	A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.
Operational Boundary	This is the limit set by the Authority as its most likely, i.e. prudent, estimate level of external debt, but not the worst case scenario. This limit links directly to the Authority's plans for capital expenditure, the estimates of the Capital Financing Requirement (CFR) and the estimate of cashflow requirements for the year.
Permitted Investments	Term used by Scottish Authorities as those the Authority has formally approved for use.
Pooled funds	See Collective Investment Schemes (above)
Premiums and Discounts	In the context of local authority borrowing, (a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and (b) the discount is the gain arising when a loan is redeemed prior to its maturity date. If on a £1 million loan, it is calculated* that a £100,000 premium is payable on premature redemption, then the amount paid by the borrower to redeem the loan is £1,100,000 plus accrued interest. If on a £1 million loan, it is calculated that a £100,000 discount receivable on premature redemption, then the amount paid by the borrower to redeem the loan is £900,000 plus accrued interest. PWLB premium/discount rates are calculated according to the length of time to maturity, current market rates (plus a margin), and the existing loan rate which then produces a premium/discount dependent on whether the discount rate is lower/higher than the coupon rate. *The calculation of the total amount payable to redeem a loan borrowed from the Public Works Loans Board (PWLB) is the present value of the remaining payments of principal and interest due in respect of the loan being repaid prematurely, calculated on normal actuarial principles. More details are contained in the PWLB's lending arrangements circular.
Private Finance Initiative (PFI)	Private Finance Initiative (PFI) provides a way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage new projects. Contracts can typically last for 30 years, during which time the asset is leased by a public authority.
Prudential Code	Developed by CIPFA and introduced on 01/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.
Prudential Indicators	Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators between authorities.
PWLB	Public Works Loans Board. It is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

Quantitative Easing	In relation to the UK, it is the process used by the Bank of England to directly increase the quantity of money in the economy. It “does not involve printing more banknotes. Instead, the Bank buys assets from private sector institutions – that could be insurance companies, pension funds, banks or non-financial firms – and credits the seller’s bank account. So the seller has more money in their bank account, while their bank holds a corresponding claim against the Bank of England (known as reserves). The end result is more money out in the wider economy”. Source: Bank of England
Registered Provider of Social Housing	Formerly known as Housing Association
Revenue Expenditure	Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges
RPI	Retail Prices Index. A monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent. Pensions and index-linked gilts are uprated using the CPI index.
SORP	Statement of Recommended Practice for Accounting (Code of Practice on Local Authority Accounting in the United Kingdom).
Specified Investments	Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than 1 year. UK government, local authorities and bodies that have a high credit rating.
Supported Borrowing	Borrowing for which the costs are supported by the government or third party.
Supranational Bonds	Instruments issued by supranational organisations created by governments through international treaties (often called multilateral development banks). The bonds carry an AAA rating in their own right. Examples of supranational organisations are those issued by the European Investment Bank, the International Bank for Reconstruction and Development.
Treasury Management Code	CIPFA’s Code of Practice for Treasury Management in the Public Services.
Temporary Borrowing	Borrowing to cover peaks and troughs of cash flow, not to fund spending.
Term Deposits	Deposits of cash with terms attached relating to maturity and rate of return (interest)
Unsupported Borrowing	Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.
Usable Reserves	Resources available to finance future revenue and capital expenditure
Variable Net Asset Value (VNAV)	A term used in relation to the valuation of 1 share in a fund. This means that the net asset value (NAV) of these funds is calculated daily based on market prices.
Working Capital	Timing differences between income/expenditure and receipts/payments

Yield	The measure of the return on an investment instrument
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SUBJECT:	COMPLAINTS PROCESS
MEETING:	Governance & Audit Committee
DATE:	27 November 2025
DIVISION/WARDS AFFECTED: All	

1. PURPOSE:

To provide information which enables the committee to form a view on the effectiveness of the authority's complaints processes.

2. RECOMMENDATIONS:

That the committee use the report, which covers the 12 month period up to 31 March 2025, to seek assurance about the effectiveness of the authority's processes for dealing with complaints and compliments and makes recommendations where it identifies any shortcomings.

3. KEY ISSUES:

The Role of the Committee

The Governance and Audit Committee has a legal duty to assess the authority's ability to handle complaints effectively and make recommendations in relation to this. While there is no specific role for the committee in the approval of the policy itself, the committee may make recommendations to ensure its effective application.

Accountability

Overall accountability for ensuring that the complaints procedure is followed falls to the Chief Officer People, Performance and Partnerships and the Cabinet Member for Equalities and Engagement. The Customer Relations Manager is responsible for the day-to-day operation of the work including recording, allocating, monitoring, advising on and reporting on complaints.

Policy and Procedure: Whole Authority

Our whole authority complaints and compliments policy and procedure follows the model that the Public Services Ombudsman for Wales (PSOW) asked each local authority to adopt in 2011. The initial scheme was approved by Council with subsequent updates being completed by officers under delegated powers. The policy was last updated in 2020. It was then reviewed by the PSOW in 2021 who confirmed that policy is compliant.

The whole authority procedure has two stages; the informal resolution stage and the formal investigation stage. The informal resolution stage aims to resolve the complaint locally wherever possible by means of discussion and problem solving. If it is not possible to resolve the concern, the matter is escalated to the formal investigation stage.

Where initial discussions have not achieved a resolution, complainants have the right to make a formal complaint. Investigations are undertaken by an officer who sits outside the service area being complained about. They will prepare a report and the complainant receives a full response detailing findings, conclusions and any recommendations made. This is the end of the internal process. As investigations are carried out by local authority officers in addition to their core roles, there is no additional remuneration for conducting investigations.

Complainants can contact the Public Services Ombudsman if they still remain dissatisfied. The Ombudsman provides an external independent service to consider complaints about all local authority services. The Ombudsman is concerned with maladministration causing injustice and will normally require complainants to have used their local council's procedures before accepting a complaint for investigation.

Policy and Procedure: Social Services

Social Services complaints are dealt with separately under the Social Services complaints procedure. It is a statutory requirement for the authority to operate a complaints procedure that follows the Social Services Complaints Procedure (Wales) Regulations 2014 and The Representations Procedure (Wales) Regulations 2014.

The guidance on handling complaints and representations by local authority social services state that we must publish an annual report on the handling and statistical information relating to the complaints and representations we've dealt with. The guidance also states that the Annual report should be discussed at the appropriate committee.

There are two stages to the Social Services complaints procedure: Stage One Local Resolution and Stage Two Formal Consideration. The emphasis at stage one is to resolve the complaint by means of discussion and problem solving, whilst adhering to the 17 working days response time that has been imposed under the Regulations.

Stage Two the formal consideration stage is where the complainant remains dissatisfied after completion of stage one, and they may request that the complaint proceeds to stage two of the process. This involves a formal investigation of the complaint with a report being produced by the external investigating officer appointed to the case. The timescale for dealing with Stage Two is 25 working days.

If the complainant remains dissatisfied with the outcome of the stage two investigation, they may progress their complaint to the Public Services Ombudsman for Wales.

The PSOW will determine on a case by case basis whether to consider a complaint, but generally the Ombudsman is able to consider complaints made to her within one year of the matters complained about (or within one year of the complainant becoming aware of them).

Promotion and Awareness

We value customer feedback as a tool for improvement. Compliments, comments and complaints offer insights into service quality and highlight areas for development. We are committed to handling all feedback fairly, consistently and in line with legal requirements.

General advice about the procedure for the public can be found in our complaints leaflets “Tell us What You Think” and “How to be heard”. Alternatively, people can contact the Customer Relations team for help and advice about how to make a complaint.

Number of Complaints

Appendix one provides details of the number and details of the complaints received from 1 April 2024 – 31 March 2025 along with figures for previous years.

Timeliness

Stage 1 complaints under the Whole Authority policy should be dealt with within 10 working days. For stage 2 formal complaints we are allowed 20 working days for the investigation plus a further 10 working days for Heads of Service to respond to the report's findings. The following table shows the number of complaints responded to within timescales:

Whole Authority Timescales	2022-23		2023-24		2024-25	
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2
Up to 10 working days	84 (61%)	0 (0%)	93 (68%)	0 (0%)	54 (58%)	1 (12%)
11 – 30 working days	32 (23%)	0 (0%)	28 (21%)	1 (50%)	32 (34%)	2 (25%)
30+ working days	21 (15%)	10 (100%)	15 (21%)	1 (50%)	7 (7%)	5 (62%)
Total	137	10	136	2	93	8

58% of stage 1 complaints were responded to within the ten day timescale in 2024-25. There were two stage 2 complaints responded to within the combined 30 day timescale, and one which was discontinued during 2024-25. Five stage 2 complaints went over the timescales.

The number of Stage 2 complaints increased in this period.

Social Services Timescales	2022-23		2023-24		2024-25	
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2
Up to 17 working days	14 (42%)	1 (14%)	23 (52%)	1 (10%)	28 (65%)	2 (13%)
18 - 25 working days	6 (18%)	1 (14%)	5 (11%)	0 (0%)	7 (16%)	
26+ working days	13 (39%)	5 (71%)	16 (36%)	9 (90%)	8 (18%)	13 (86%)
Total	33	7	44	10	43	15

Social Services continue to exceed the time limits at both stage 1 and stage 2. This is due to the capacity of staff to respond to complaints while having to prioritise their incoming workloads. Independent investigators are also taking longer to investigate the complaints and anecdotally, this can be due to their own workloads, availability of complainant / staff for interviews and cross-referencing file records of cases.

Effectiveness of our process

In addition to this report. The Governance and Audit Committee receives a separate report containing the Public Services Ombudsman for Wales (PSOW) findings in relation to complaints about Monmouthshire County Council. This is also reported separately to Cabinet. The [latest report](#), shows that Monmouthshire is in the lower quartile of complaints reported to the Ombudsman at 0.30 per 1,000 residents.. The Ombudsman's report highlighted that they intervened in one case (6%) compared to a Wales average of 13%. This indicates that for the most part our thresholds and responses were considered appropriate and proportionate.

The Ombudsman's annual letter now includes the number of recommendations made to individual local authorities and the timeliness of our response. They made two recommendations that were carried out but unfortunately were not responded to within time.

We have a number of guidance documents on the MCC Hub to assist staff on resolving complaints for customers in a timely manner. The PSOW's Complaints Standards Authority has provided free online training and extended this into the coming year on investigation skills. This training will help services to respond more consistently to complaints and in line with best practice recognised by the Public Services Ombudsman for Wales (PSOW).

Increasingly we are finding that there are issues with officers being able to investigate formal complaints due to capacity constraints. We are exploring a wider pool of officers with the necessary skills, such as, some staff who are skilled ex Police Officers that now work for the Authority who may be able to carry out investigations with the necessary training.

Learning and Evaluation

Not only is it important to deal with complaints effectively, investigating and putting things right for the complainant where necessary, it is also vital to learn from them to minimise the changes of the same problem occurring again. Complaints are generally resolved on an individual basis. Most formal investigation reports make recommendations for improvements to processes with teams responsible for putting in action plans. These are followed up to ensure the recommendations are addressed. However, there are a number of recurring issues. These are frequently down to human error and the pressure of workloads rather than the design of systems.

The PSOW's Complaints Standards Authority (CSA) was created under the PSOW (Wales) 2019 Act. The aim of the CSA is to drive improvement in public services. The CSA's task is to work with public bodies within their jurisdiction to support effective complaints handling; collate and publish data; deliver bespoke training packages. This

ensures that our staff are trained to deal with complaints in line with the authority's policy and best practice identified nationally.

Complaints data is also collated for the PSOW's Complaints Standards Authority on a quarterly basis and available on their website : <https://www.ombudsman.wales/complaints-standards-authority>

4. OPTIONS APPRAISAL:

There are no alternative options associated with the recommendations in this report.

5. EVALUATION CRITERIA:

Customer feedback – compliments, comments and complaints assist service improvement and provide valuable insight, though complaint volume alone is not a definitive measure of service quality. The effectiveness of a complaints process is not always easy to assess. A low number of complaints may mean that an organisation has made it too difficult to complain or that customers see little point in doing so. A very high number of complaints could be a sign of real problems. For this reason, it is important to look at trends over time rather than any one year in isolation. One of the key metrics which does give a good indication of effectiveness is the number of complaints that cannot be resolved by the authority and which require determination by the Public Service Ombudsman for Wales.

The related issue of service quality sits alongside this and is inter-linked since, if we are learning from complaints, our systems and processes should improve and we should receive better feedback and see less issues being logged. Again, this needs to be balanced against improvements in technology which have made it easier to report issues via app and chatbot as well as the traditional method of phone and e-mail.

6. REASONS:

To ensure that the committee is able to fulfil its role to oversee the effectiveness of the authorities process for dealing with complaints, comments and compliments.

7. RESOURCE IMPLICATIONS:

Whole Authority Complaints and Compliments. There are no extra resource implications associated with the recommendations of the report. The management of the complaints process is done within existing budgets. Where officers from other departments are used to conduct investigations it will take them away from their regular roles but there is not a direct salary cost.

Social Services. The legislation requires that external independent investigating officers must be appointed for formal Stage 2 investigations. There is an existing budget for this work and we will endeavour to keep within the budget expenditure. However, we cannot forecast how many complaints will be made.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING and CORPORATE PARENTING):

There are no specific implications that have been identified in respect of this proposal.

9. CONSULTEES:

Peter Davies – Deputy Chief Executive

Matthew Gatehouse – Chief Officer People, Performance and Partnerships

10. AUTHOR:

Annette Evans, Customer Relations Manager

11. CONTACT DETAILS

Tel: 01633 644647

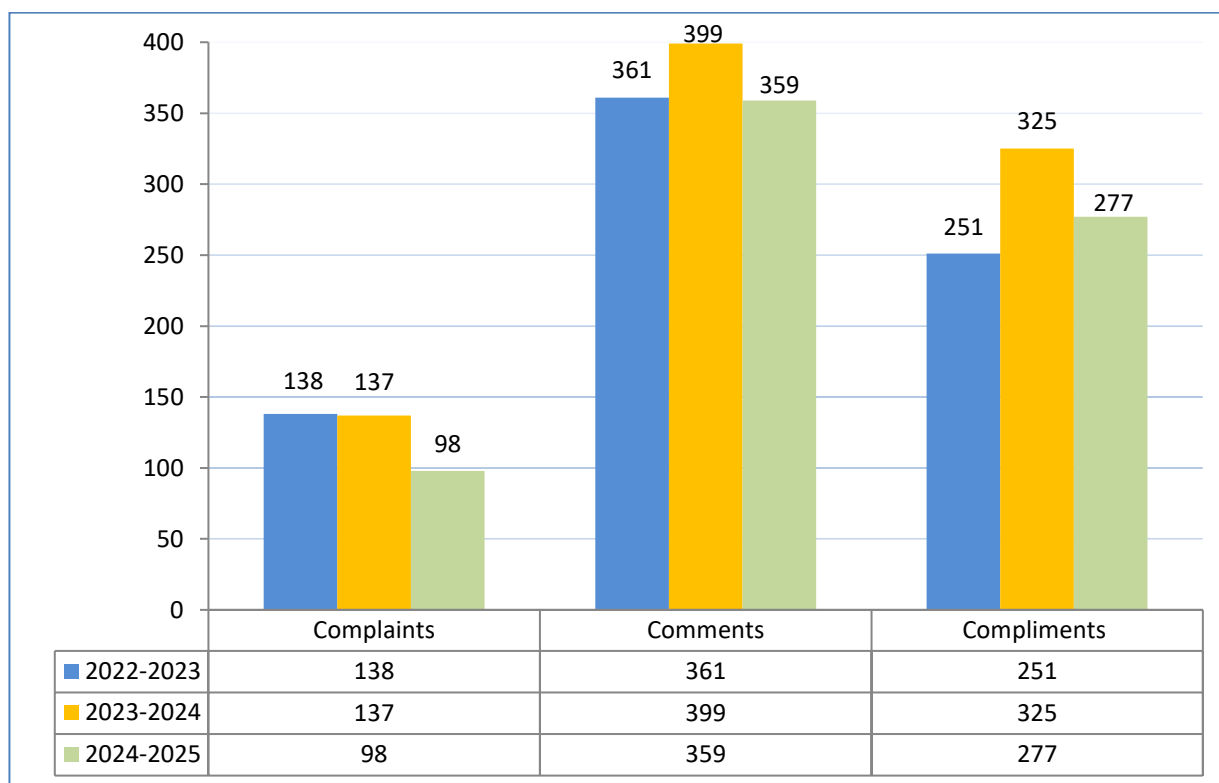
Email: annetteevans@monmouthshire.gov.uk

APPENDIX 1

Additional Details of Complaints, Comments and Compliments

Whole Authority Policy

The following table shows the number of complaints, comments and compliments received for each of the three years to March 2025.



98 Complaints were received in the year ending 31 March 2025. This is 29% lower than 2022-2023 with the highest number being in the first quarter and the number declining each subsequent quarter.

Services most commonly complained about were Recycling and Waste services, Development Management & Planning Policy, Highways Operations and SWTRA, Passenger Transport Unit and External services such as the HWRCs.

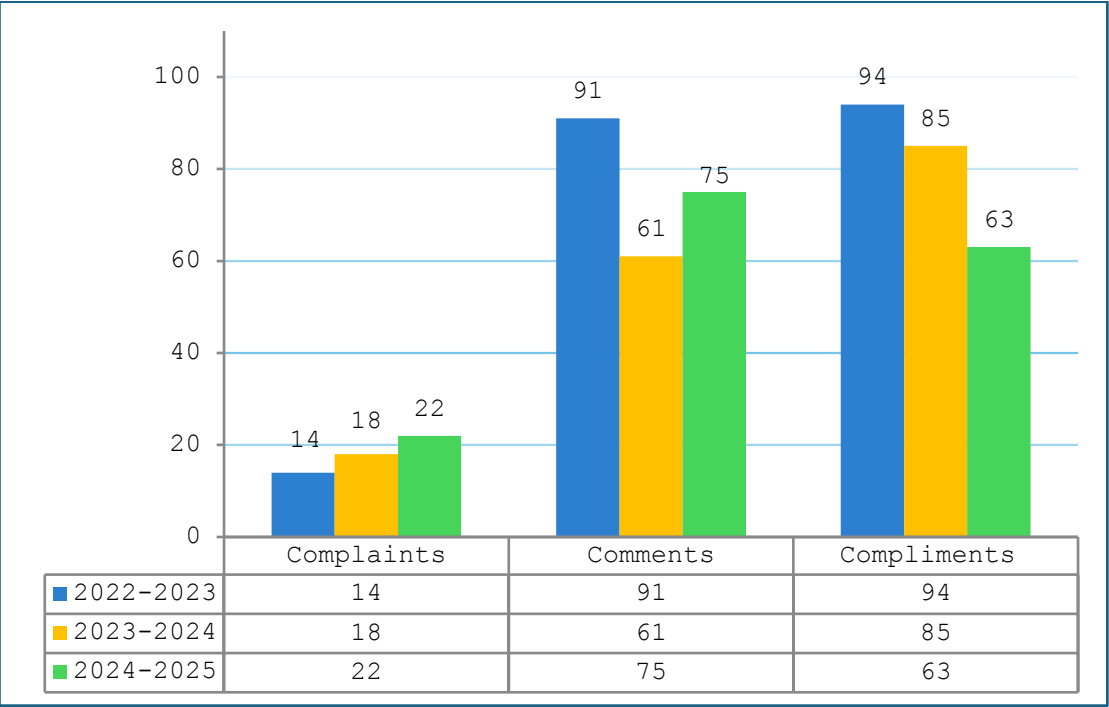
The Directorate receiving the largest number of complaints is Communities and Place. This is understandable as it delivers the largest number of universal services that will be received by all households and in many cases these will have multiple contact points over the course of a year.

8 complaints were investigated at the formal stage; four complaints were upheld, three were not upheld and one was discontinued.

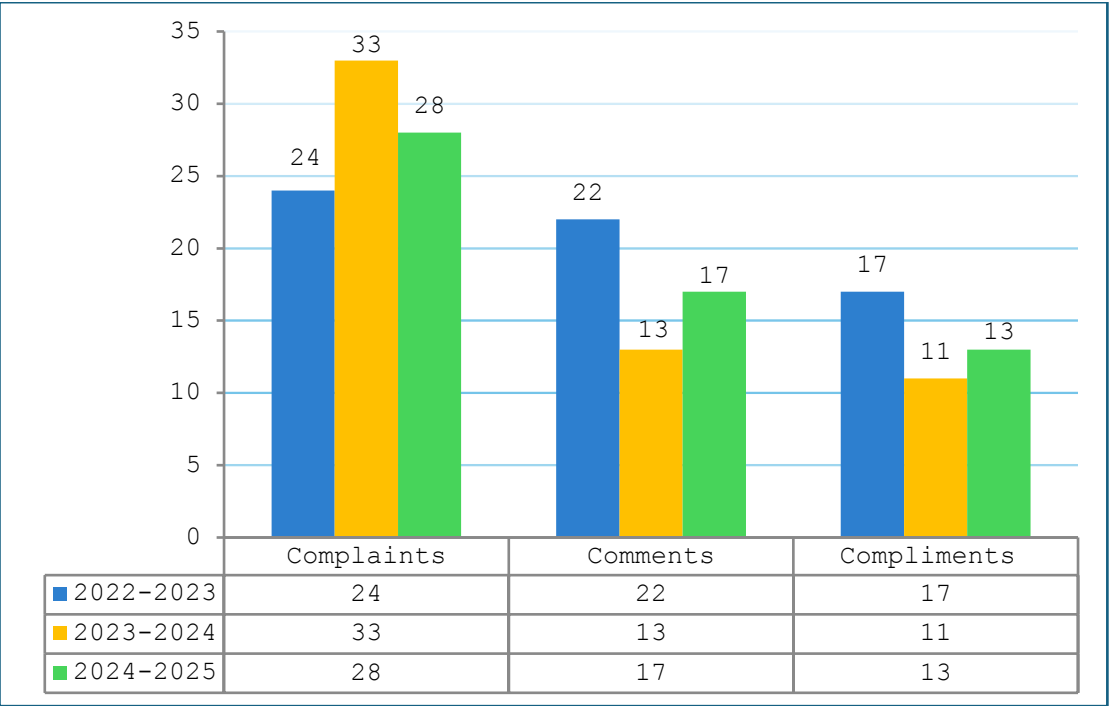
Social Services Policy

Social Services complaints are dealt with separately under the Social Services complaints procedure. 50 complaints were received, 92 comments and 76 compliments were made about the service during April 2024 – March 2025.

Adult Services



Children Services



Comments

359 comments were received in the year ending 31 March 2025, 11% decrease than last year. These issues are important as they help the authority understand where problems may be arising that customers do not wish to formally complain, however want appropriate action taken to prevent issues arising in future.

Compared to complaints, the numbers increased towards the end of each quarter.

Most comments were received in relation to Recycling and Waste services, Highways / Flood Management / Operations & SWTRA and External services.

Compliments

277 Compliments were received in the year to 31st March 2025 which is 10% more than we received in 2022-2023.

A range of compliments about the whole of the Council was received – staff thanked for their professionalism, their quick responses, their efficiency and helpful service.

Social Services Representations and Complaints

The number of Social Care and Health complaints have risen this year, mainly Children's Services complaints. 15 complaints were dealt with at the formal stage of the complaints procedure. The trend running through the complaints relates to staffing, quality of service and communication issues which features in most of the complaints.

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Ask for: Communications



01656 641150



Caseinfo@ombudsman.wales

Date: 14 August 2025

PERSONAL & CONFIDENTIAL

Councillor Mary Ann Brocklesby
Monmouthshire County Council

By email only

maryannbrocklesby@monmouthshire.gov.uk
paulmatthews@monmouthshire.gov.uk
JamesWilliams@monmouthshire.gov.uk
annetteevans@monmouthshire.gov.uk

Dear Councillor Mary Ann Brocklesby

Annual Letter 2024-25**Role of PSOW**

As you know, our role as the Public Services Ombudsman for Wales is to consider complaints about public services, to investigate alleged breaches of the councillor Code of Conduct, to set standards for complaints handling by public bodies and to drive improvement in complaints handling and learning from complaints. We also undertake investigations into public services on own initiative.

Purpose of letter

Through this letter, we want to give you an update on our work, share key trends in complaints about local government in Wales and highlight any particular issues for your organisation, together with actions I would like your organisation to take.

Complaints about public services

This letter, as always, coincides with the publication of our Annual Report. Again, we saw an increase in the number of people contacting us about public services. Since 2019-20, the volume of new complaints about public services reaching our office has increased by 44%.

We also closed a record number of complaints about public services – 5% more than last year. This year, we intervened (found that something has gone wrong, and recommended how to put things right) in 18% of complaints that we closed. Positively, this year we resolved many more complaints early on. 87% of our interventions this year involved Early Resolution, compared to 70% in 2023-24.

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We understand that people who come to us want their complaints resolved as quickly as possible and we are committed to dealing with them in a timely manner.

Overall, we assessed incoming complaints, or intervened with an Early Resolution, within an average of 4 weeks; well within our target of 6 weeks. We have also reduced the time it takes us to complete an average investigation, from 64 weeks in 2023-24, to 53 weeks this year.

During 2024-25, we received 1,337 complaints about local councils - an increase of 20% on the previous year and 54% more than in 2019-20.

The main complaint subjects accounting for this increase related to social services, environment and environmental health, and housing. However, we also saw a welcome drop in complaints about complaint handling.

We intervened in 13% of local council complaints that we closed – a similar proportion to recent years.

We received 19 complaints about Monmouthshire County Council and closed 16 – some complaints were carried over from the previous year. Monmouthshire County Council's intervention rate was 6%. You can find detailed information on complaints about your organisation that we handled this year can be found in the appendices.

In 2024-25, we made 2 recommendations to your organisation. To ensure that our investigations and reports drive improvement, we follow up compliance with the recommendations agreed with your organisation. In 2024-25, 2 recommendations were due. 0% of the recommendations due was complied within the timescale agreed. Recommendations and timescales for complying with recommendations are always agreed with the public body concerned before being finalised, and we therefore expect organisations to comply within the timescales agreed.

Our Code of Conduct work

Our role is to investigate allegations that councillors have breached their Code of Conduct. Where an investigation finds evidence to support the complaint on a matter which is serious enough to require a referral in the public interest, these cases are referred either to the local Standards Committee or to the Adjudication Panel for Wales for consideration.

In 2024-25, we received 4% less new Code of Conduct complaints than the previous year. 60% of these complaints related to members of Town and Community Councils. We continue to see that over a half of these complaints (56% this year) tends to relate to promotion of equality and respect.

We made 15 referrals to Standards Committees or the Adjudication Panel for Wales (compared to 21 last year). We are grateful to your Monitoring Officer for their positive engagement with my office over the last year. We will continue to engage with them on matters relating to the ethical standards framework, including Local Resolution Procedures this year.

Independent Review

As you will be aware, last year, it was brought to our attention that a member of staff who had been the Team Leader of our Code of Conduct Team had been making inappropriate and unacceptable social media posts of a political nature.

In view of the seriousness of the matter, we commissioned Dr Melissa McCullough to conduct an independent review of our Code of Conduct work. [Dr McCullough's Report](#), published in September 2024, found that, "in general terms, the PSOW's Code of Conduct processes and delegations are robust in terms of safeguarding fairness and impartiality. They are systematic, well documented and supplemented with appropriate guidance and the reasoning for decisions is required to be recorded and explained as applicable."

While the findings overall were very positive, the review report included a number of recommendations and lessons learned, to "augment the existing safeguards for ensuring the fairness and impartiality of the processes and would clarify the related guidance as applicable."

Following this, the Senedd's Finance Committee published its report on the [Review into the operations, processes and investigations carried out by the Public Services Ombudsman for Wales](#). The Committee made further recommendations to us in its report. The details of all the recommendations and lessons learned and the actions we have taken in response can be found in our Annual Report.

To provide additional assurance, Dr McCullough undertook further independent assessment of how we implemented the recommendations and lessons learned, as set out in her 2024 Independent Review Report. This [assessment](#) concluded that:

- all recommendations and lessons learned were fully accepted by us and have been fully implemented
- we demonstrated a comprehensive, thoughtful and consultative approach to the implementation
- the pace of implementation has been impressive
- a separate quality assurance review confirmed the robustness of our process.

Supporting improvement of public services

We continued our work on supporting improvement in public services.

During 2024-25, we concluded our second wider own initiative investigation which looked into unpaid carers' needs assessments in Wales. We considered whether 4 local councils – Caerphilly, Ceredigion, Flintshire and Neath Port Talbot - undertook carers' assessments in line with their statutory obligations.

We published the report on this investigation in October 2024. We found that only 2.8% of people in those council areas who identified as carers had received a needs assessment. In addition, only 1.5% had received a proper support plan following their assessment. Many carers were also not aware of their rights with regard to assessments and support services that might be available to them.

We identified some areas of good practice by the councils we investigated. However, we also made several recommendations including to:

- improve recording practices
- improve how information is shared with carers
- offer staff refresher training on carers' rights
- collaborate better with the healthcare sector.

We invited the other local councils in Wales to make similar improvements.

As we did in the case of our first own initiative investigation, we have been actively monitoring how organisations' have been complying with our recommendations.

We are planning to review compliance with the recommendations and any other impacts of the report in October 2025.

Currently 54 organisations across Wales operate our model complaints policy. This includes all local councils, all health boards and now most housing associations - representing about 85% of the complaints which we receive.

Our offer of free complaints handling training has remained popular and we provided a further 52 training sessions to public bodies across Wales during the year. This brings the total to 550 training sessions and 10,000 people, since 2020.

We have continued our work to publish complaints statistics, gathered from public bodies, with data published twice a year. We expect to publish the data on complaints handled by local councils in Wales during 2024-25 in the Autumn. This data allows us to see information with greater context – for example, during 2024-25 5.18% of complaints made to local councils went on to be referred to us. Finally, this year we also published 2 thematic reports, which included as case studies complaints about local councils:

- 'Living in Disrepair' (November 2024): a thematic report about housing disrepair and damp and mould complaints.
- 'Equality Matters' (January 2025): a thematic report on inclusion and accessibility across public services.

These reports include general recommendations for public service providers, drawing on lessons learned from our casework.

Action we would like your organisation to take

Further to this letter, can I ask that your organisation takes the following actions:

- Present this Annual Letter to the Cabinet and to the Governance and Audit Committee at the next available opportunity and notify me of when these meetings will take place.
- Consider the data in this letter, alongside your own data, to understand more about your performance on complaints, including any patterns or trends and your organisation's compliance with recommendations made by my office.
- Inform me of the outcome of the organisation's considerations and proposed actions on the above matters at the earliest opportunity.

I would like to thank you, and your officers, for your continued openness and engagement with my office. Our information shows that local authorities are looking into more complaints than ever before and are using information from complaints to deliver better outcomes for the people of Wales.

Yours sincerely

Michelle Morris

Michelle Morris

Public Services Ombudsman

Cc. Paul Matthews, Chief Executive, Monmouthshire County Council
James Williams, Monitoring Officer, Monmouthshire County Council
Annette Evans, PSOW Liaison Officer, Monmouthshire County Council

Information Sheet

Appendix A shows the number of complaints received by PSOW for all Local Authorities in 2024-25. These complaints are contextualised by the population of each authority.

Appendix B shows the categorisation of each complaint received, and what proportion of received complaints represents for the Local Authority.

Appendix C shows intervention rates for all Local Authorities in 2024-25. An intervention is categorised by either an upheld complaint (either public interest or non-public interest), an early resolution, or a voluntary settlement.

Appendix D shows outcomes of the complaints which PSOW closed for the Local Authority in 2024-25. This table shows both the volume, and the proportion that each outcome represents for the Local Authority.

Appendix E shows the compliance performance of each Local Authority.

Appendix F shows the outcomes of Code of Conduct complaints closed by PSOW related to Local Authority in 2024-25. This table shows both the number, and the proportion that each outcome represents for the Local Authority.

Appendix G shows the outcomes of Code of Conduct complaints closed by PSOW related to Town and Community Councils in the Local Authority's area in 2024-25. This table shows both the number, and the proportion that each outcome represents for each Town or Community Council.

Appendix A – Complaints received (overview)

	MAL			CODE			Total		
Local Authority	Complaints Received	Population	Received per 1,000 residents	Complaints Received	Population	Received per 1,000 residents	Complaints Received	Population	Received per 1,000 residents
Blaenau Gwent County Borough Council	14	67356	0.21	1	67356	0.01	15	67356	0.22
Bridgend County Borough Council	58	146743	0.40	10	146743	0.07	68	146743	0.46
Caerphilly County Borough Council	78	176437	0.44	3	176437	0.02	81	176437	0.46
Cardiff Council*	219	383536	0.57	4	383536	0.01	223	383536	0.58
Carmarthenshire County Council	86	190083	0.45	14	190083	0.07	100	190083	0.53
Ceredigion County Council	47	73050	0.64	0	73050	0.00	47	73050	0.64
Conwy County Borough Council	29	114410	0.25	9	114410	0.08	38	114410	0.33
Cyngor Gwynedd	46	119173	0.39	2	119173	0.02	48	119173	0.40
Denbighshire County Council	98	97156	1.01	7	97156	0.07	105	97156	1.08
Flintshire County Council	61	155812	0.39	3	155812	0.02	64	155812	0.41
Isle of Anglesey County Council	22	69291	0.32	2	69291	0.03	24	69291	0.35
Merthyr Tydfil County Borough Council	17	58593	0.29	3	58593	0.05	20	58593	0.34
Monmouthshire County Council	19	94572	0.20	9	94572	0.10	28	94572	0.30
Neath Port Talbot Council	48	142898	0.34	1	142898	0.01	49	142898	0.34
Newport City Council	61	163628	0.37	1	163628	0.01	62	163628	0.38
Pembrokeshire County Council	47	125006	0.38	6	125006	0.05	53	125006	0.42
Powys County Council	55	134439	0.41	24	134439	0.18	79	134439	0.59
Rhondda Cynon Taf County Borough Council	62	241178	0.26	3	241178	0.01	65	241178	0.27
Swansea Council	113	246742	0.46	6	246742	0.02	119	246742	0.48
Torfaen County Borough Council	20	93419	0.21	4	93419	0.04	24	93419	0.26
Vale of Glamorgan Council	61	134733	0.45	3	134733	0.02	64	134733	0.48
Wrexham County Borough Council	76	136149	0.56	11	136149	0.08	87	136149	0.64
Total	1337	3164404	0.41	126	3164404	0.04	1463	3164404	0.45

Appendix B – Complaints received (by organisation)

Monmouthshire County Council	Complaints Received	% Share
Adult Social Services	6	32%
Benefits Administration	0	
Children's Social Services	2	11%
Community Facilities, Recreation and Leisure	0	
Complaints Handling	0	
Covid19	0	
Education	1	5%
Environment and Environmental Health	0	
Finance and Taxation	0	
Health	0	
Housing	2	11%
Licencing	0	
Planning and Building Control	6	32%
Roads and Transport	2	11%
Self Funding Care Provider	0	
Various Other	0	
Total	19	

Appendix C – Cases with PSOW intervention (overview)

Local authority	No. of interventions	No. of closures	% of interventions
Blaenau Gwent County Borough Council	0	12	0%
Bridgend County Borough Council	6	57	11%
Caerphilly County Borough Council	11	79	14%
Cardiff Council*	37	190	19%
Carmarthenshire County Council	11	86	13%
Ceredigion County Council	11	45	24%
Conwy County Borough Council	5	29	17%
Denbighshire County Council**	6	98	6%
Flintshire County Council	7	61	11%
Cyngor Gwynedd	3	44	7%
Isle of Anglesey County Council	1	20	5%
Merthyr Tydfil County Borough Council	1	15	7%
Monmouthshire County Council	1	16	6%
Neath Port Talbot Council	5	45	11%
Newport City Council	6	62	10%
Pembrokeshire County Council	8	47	17%
Powys County Council	8	51	16%
Rhondda Cynon Taf County Borough Council	6	60	10%
Swansea Council	12	109	11%
Torfaen County Borough Council	0	18	0%
Vale of Glamorgan Council	12	63	19%
Wrexham County Borough Council	7	72	10%
Total	164	1279	13%

Appendix D – Complaint outcomes (by organisation) (* denotes intervention)

Monmouthshire County Council	Complaint Outcomes	% Share
Complaint investigation discontinued (with early resolution at assessment stages)*	0	
Complaint investigation discontinued (without settlement)	0	
Decision not to investigate complaint	6	38%
Early resolution*	1	6%
Matter out of jurisdiction	2	13%
Non-public interest report issued: complaint not upheld	0	
Non-public interest report issued: complaint upheld*	0	
Non-public interest report issued: complaint upheld with early resolution at assessment stage*	0	
Premature	7	44%
Public interest report issued: complaint upheld*	0	
Public Interest report issued: complaint upheld with early resolution at assessment stage*	0	
Special Interest Report*	0	
Voluntary settlement*	0	
Total	16	

Appendix E – Compliance performance comparison

Local Authority	Number of recommendations made on complaints closed in 2024-25	Number of recommendations falling due in 2024-25	% of recommendations, complied with in line with agreed target date
Blaenau Gwent County Borough Council	0	0	n/a
Bridgend County Borough Council	15	18	17%
Caerphilly County Borough Council	24	24	50%
Cardiff Council*	97	96	59%
Carmarthenshire County Council	29	27	67%
Ceredigion County Council	24	24	63%
Conwy County Borough Council	14	14	64%
Denbighshire County Council	10	8	50%
Flintshire County Council	20	22	100%
Cyngor Gwynedd	9	9	100%
Isle of Anglesey County Council	4	6	0%
Merthyr Tydfil County Borough Council	2	8	75%
Monmouthshire County Council	2	2	0%
Neath Port Talbot Council	11	8	88%
Newport City Council	12	11	36%
Pembrokeshire County Council	20	18	61%
Powys County Council	21	23	22%
Rhondda Cynon Taf County Borough Council	11	10	20%
Swansea Council	25	22	27%
Torfaen County Borough Council	0	0	n/a
Vale of Glamorgan Council	30	31	55%
Wrexham County Borough Council	19	16	63%

Appendix F – Code of Conduct Complaints Closed (* denotes investigation)

Monmouthshire County Council	Code of Conduct Complaints Closed
Cc not acted on	0
Code of Conduct leaflet sent/link to website provided	0
Complaint taken over telephone – awaiting signature	0
Complaint Withdrawn	0
Discontinued. Not in the public interest to pursue*	0
Duplicate complaint with no new evidence	0
Information provided	0
No action necessary*	2
No declaration rec'd – Withdrawn	0
No evidence of Breach*	0
No prima facie evidence of breach	4
Not in the public interest to investigate	1
Out of Jurisdiction - signposted	0
Premature - referred for local resolution	0
Referred to Adjudication Panel*	0
Referred to Standards Committee*	0
Withdrawn	0
Total	7

Appendix G - Town / Community Council Code of Complaints

	Decision not to investigate Code		Investigations					
	Not in the public interest to investigate	No prima facie evidence of breach	Discontinued. Not in the public interest to pursue	No action necessary	No evidence of Breach	Referred to Adjudication Panel	Referred to Standards Committee	Total
Monmouthshire County Council								
Abergavenny Town Council	0	0	0	0	0	0	0	0
Caerwent Community Council	0	0	0	0	0	0	0	0
Caldicot Town Council	0	0	0	0	0	0	0	0
Chepstow Town Council	0	0	0	0	0	0	0	0
Crucorney Community Council	0	0	0	0	0	0	0	0
Devauden Community Council	0	0	0	0	0	0	0	0
Gobion Fawr Community Council	0	0	0	0	0	0	0	0
Goetre Fawr Community Council	0	0	0	0	0	0	0	0
Grosmont Community Council	0	0	0	0	0	0	0	0
Llanarth Community Council	0	0	0	0	0	0	0	0
Llanbadoc Community Council	0	0	0	0	0	0	0	0
Llanelly Community Council	0	0	0	0	0	0	0	0
Llanfoist Fawr Community Council	0	0	0	0	0	0	0	0
Llangybi Fawr Community Council	0	0	0	0	0	0	0	0
Llantilio Pertholey Community Council	0	0	0	0	2	0	0	2
Llantrisant Fawr Community Council	0	0	0	0	0	0	0	0
Magor with Undy Community Council	0	14	0	0	0	0	0	14
Mathern Community Council	0	0	0	0	0	0	0	0
Mitchel Troy United Community Council	0	0	0	0	0	0	0	0

Monmouth Town Council	0	0	0	0	0	0	0	0
Portskewett Community Council	0	0	0	0	0	0	0	0
Raglan Community Council	0	0	0	0	0	0	0	0
Rogiet Community Council	0	0	0	0	0	0	0	0
Shirenewton Community Council	0	0	0	0	0	0	0	0
Skenfrith Community Council	0	0	0	0	0	0	0	0
St Arvans Community Council	0	0	0	0	0	0	0	0
Trellech United Community Council	0	0	0	0	0	0	0	0
Usk Town Council	0	2	0	0	0	0	0	2
Whitecastle Community Council	0	0	0	0	0	0	0	0
Wye Valley Community Council	0	0	0	0	0	0	0	0



Gofynnwch am: Cyfathrebu



01656 641150



Caseinfo@ombwdsmon.cymru

Dyddiad: 14 Awst 2025

PERSONOL A CHYFRINACHOL

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Drwy e-bost yn unig

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Annwyl Gynghorydd Mary Ann Brocklesby

Llythyr Blynyddol 2024-25

Rôl OGCC

Fel y gwyddoch, ein rôl ni fel Ombwdsmon Gwasanaethau Cyhoeddus Cymru yw ystyried cwynion am wasanaethau cyhoeddus, ymchwilio i achosion honedig o dorri'r Cod Ymddygiad ar gyfer Cynghorwyr, gosod safonau ar gyfer ymdrin â chwynion gan gyrrff cyhoeddus a sbarduno gwelliant mewn ymdrin â chwynion a dysgu o gwynion. Rydym hefyd yn cynnal ymchwiliadau i wasanaethau cyhoeddus ar ein liwt ein hunain.

Diben y llythyr

Trwy'r llythyr hwn, rydym am roi diweddariad i chi ar ein gwaith, rhannu tueddiadau allweddol mewn cwynion am lywodraeth leol yng Nghymru a thynnu sylw at unrhyw faterion penodol i'ch sefydliad, ynghyd â chymau yr hoffwn i'ch sefydliad eu cymryd.

Cwynion am wasanaethau cyhoeddus

Mae'r llythyr hwn, fel bob amser, yn cyd-fynd â chyhoeddi ein Hadroddiad Blynyddol. Unwaith eto, gwelsom gynnydd yn nifer y bobl sy'n cysylltu â ni am wasanaethau cyhoeddus. Ers 2019-20, mae nifer y cwynion newydd am wasanaethau cyhoeddus sy'n cyrraedd ein swyddfa wedi cynyddu 44%.

Caewyd y nifer uchaf erioed o gwynion am wasanaethau cyhoeddus – 5% yn fwy na'r llynedd. Eleni, gwnaethom ymyrryd (canfod bod rhywbeth wedi mynd o'i le, ac argymhell sut i gywiro pethau) mewn 18% o'r cwynion a gaewyd. Ar nodyn cadarnhaol, eleni fe wnaethom ddatrys llawer mwy o gwynion yn gynnar. Roedd 87% o'n hymyriadau eleni yn ymwneud â Datrysiad Cynnar, o'i gymharu â 70% yn 2023-24.

Rydym yn deall bod pobl sy'n dod atom eisiau i'w cwynion gael eu datrys cyn gynted â phosibl ac rydym wedi ymrwymo i ddelio â nhw'n brydlon.

Yn gyffredinol, gwnaethom asesu cwynion a ddaeth i law, neu ymyrryd gyda Datrysiad Cynnar, o fewn 4 wythnos ar gyfartaledd; sydd ymhell o fewn ein targed o 6 wythnos. Rydym hefyd wedi lleihau'r amser y mae'n ei gymryd i gwblhau ymchwiliad ar gyfartaledd, o 64 wythnos yn 2023-24, i 53 wythnos eleni.

Yn ystod 2024-25, cawsom 1,337 o gwynion am gynghorau lleol - cynnydd o 20% o'i gymharu â'r flwyddyn flaenorol a 54% yn fwy nag yn 2019-20.

Roedd y prif gwynion oedd i gyfrif am y cynnydd hwn yn ymwneud â gwasanaethau cymdeithasol, yr amgylchedd ac iechyd yr amgylchedd, a thai. Fodd bynnag, gwelsom hefyd ostyngiad, sydd i'w groesawu, mewn cwynion am ymdrin â chwynion.

Gwnaethom ymyrryd mewn 13% o gwynion cynghorau lleol a gaewyd – cyfran debyg i'r blynyddoedd diwethaf.

Derbyniwyd 19 o gwynion am Cyngor Bwrdeistref Sir Fynwy a chaewyd 16 – cafodd rhai cwynion eu cario drosodd o'r flwyddyn flaenorol. Cyfradd ymyrraeth Cyngor Bwrdeistref Sir Fynwy oedd 6%. Gallwch ddod o hyd i wybodaeth fanwl am gwynion am eich sefydliad y rhoddwyd sylw iddynt eleni yn yr atodiadau.

Yn 2024-25, gwnaethom 2 o argymhellion i'ch sefydliad. Er mwyn sicrhau bod ein hymchwiliadau a'n hadroddiadau yn hybu gwelliant, gwnawn waith dilynol ar gydymffurfiaeth â'r argymhellion y cytunwyd arnynt gyda'ch sefydliad. Yn 2024-25, roedd angen cydymffurfio â 2 argymhelliad. Cyflawnwyd 0% o argymhellion oedd angen eu cwblhau o fewn yr amserlen y cytunwyd arni. Caiff argymhellion ac amserlenni ar gyfer cydymffurfio ag argymhellion bob amser eu cytuno gyda'r corff cyhoeddus dan sylw cyn eu cwblhau, ac felly rydym yn disgwyl sefydliadau i gydymffurfio o fewn yr amserlenni y cytunwyd arnynt.

Ein gwaith Cod Ymddygiad

Ein rôl yw ymchwilio i honiadau bod cynghorwyr wedi torri eu Cod Ymddygiad. Pan fydd ymchwiliad yn canfod tystiolaeth i gefnogi'r gŵyn ar fater sy'n ddigon difrifol fel bod angen ei gyfeirio er budd y cyhoedd, caiff yr achosion hyn eu cyfeirio naill ai at y Pwyllgor Safonau Lleol neu'r Panel Dyfarnu Cymru i'w hystyried.

Yn 2024-25, cawsom 4% yn llai o gwynion Cod Ymddygiad newydd o gymharu â'r flwyddyn flaenorol. Roedd 60% o'r cwynion hyn yn ymwneud ag aelodau o Gynghorau Tref a Chymuned. Rydym yn dal i weld bod tuedd i dros hanner y cwynion hyn (56% eleni) fod yn gysylltiedig â hyrwyddo cydraddoldeb a pharch.

Gwnaethom 15 o atgyfeiriadau at y Pwyllgorau Safonau neu Banel Dyfarnu Cymru (o'i gymharu â 21 y llynedd). Rydym yn ddiolchgar i'ch Swyddog Monitro am eu hymgysylltiad cadarnhaol gyda'm swyddfa dros y flwyddyn ddiwethaf. Eleni byddwn yn parhau i ymgysylltu â nhw ar faterion sy'n ymwneud â'r fframwaith safonau moesegol, gan gynnwys Gweithdrefnau Datrys Lleol.

Adolygiad Annibynnol

Fel y gwyddoch, y llynedd, tynnwyd i'n sylw bod aelod o staff a oedd wedi bod yn Arweinydd Tîm ein Tîm Cod Ymddygiad wedi bod yn postio sylwadau amhriodol ac annerbyniol o natur wleidyddol ar y cyfryngau cymdeithasol. Cafodd yr aelod o staff ei atal yn brydlon ac yn fuan wedyn ymddiswyddodd.

O ystyried difrifoldeb y mater, comisiynwyd Dr Melissa McCullough i gynnal adolygiad annibynnol o'n gwaith Cod Ymddygiad. Mae [Adroddiad Dr McCullough](#), a gyhoeddwyd ym mis Medi 2024, wedi canfod "yn gyffredinol, bod prosesau a dirprwyaethau Cod Ymddygiad Ombwdsmon Gwasanaethau Cyhoeddus Cymru yn gadarn o ran diogelu tegwch a didueddrwydd. Maent yn systematig, wedi eu dogfennu'n dda ac wedi eu hategu gan ganllawiau priodol ac mae'n ofynnol cofnodi ac egluro'r rhesymau dros y penderfyniad fel bo'n berthnasol."

Er bod y canfyddiadau yn gyffredinol yn gadarnhaol iawn, roedd yr adroddiad adolygu yn cynnwys nifer o argymhellion a gwersi a ddysgwyd, i " ategu'r mesurau diogelu presennol ar gyfer sicrhau tegwch a didueddrwydd y prosesau a byddai'n egluro'r canllawiau cysylltiedig fel bo'n berthnasol:

Yn dilyn hyn, cyhoeddodd Pwyllgor Cyllid y Senedd ei adroddiad ar yr [Adolygiad o weithrediadau, prosesau ac ymchwiliadau Ombwdsmon Gwasanaethau Cyhoeddus Cymru](#). Gwnaeth y Pwyllgor argymhellion pellach i ni yn ei adroddiad. Gellir dod o hyd i fanylion yr holl argymhellion a gwersi a ddysgwyd a'r camau rydyn ni wedi'u cymryd mewn ymateb yn ein Hadroddiad Blynnyddol.

Er mwyn darparu sicrwydd ychwanegol, cynhaliodd Dr McCullough asesiad annibynnol pellach o sut y gwnaethom weithredu'r argymhellion a'r gwersi a ddysgwyd, fel y nodir yn ei Hadroddiad Adolygiad Annibynnol 2024. Daeth yr [asesiad](#) hwn i'r casgliad canlynol:

- derbyniwyd yr holl argymhellion a'r gwersi a ddysgwyd yn llawn gennym ac maent wedi'u gweithredu'n llawn.
- dangoswyd dull cynhwysfawr, ystyriol ac ymgynghorol o weithredu'r argymhellion
- mae cyflymder y gweithredu wedi bod yn drawiadol
- cadarnhaodd adolygiad sicrwydd ansawdd ar wahân fod ein proses yn gadarn.

Cefnogi'r gwaith o wella gwasanaethau cyhoeddus

Gwnaethom barhau â'n gwaith ar gefnogi gwelliannau mewn gwasanaethau cyhoeddus.

Yn ystod 2024-25, gwnaethom gwblhau ein hail ymchwiliad ehangach ar ein liwt ein hunain a oedd yn edrych ar asesiadau o anghenion gofalwyr yng Nghymru. Edrychwyd ar 4 cyngor lleol – Caerffili, Ceredigion, Sir y Fflint a Chastell-nedd Port Talbot – i weld p'un ai oedden nhw'n cynnal asesiadau gofalwyr yn unol â'u rhwymedigaethau statudol.

Cyhoeddwyd yr adroddiad ar yr ymchwiliad hwn ym mis Hydref 2024. Canfuom mai dim ond 2.8% o bobl yn ardaloedd y cyngorau hynny a nododd eu bod yn ofalwyr oedd wedi derbyn asesiad o anghenion. Yn ogystal â hyn, dim ond 1.5% oedd wedi derbyn cynllun cymorth priodol yn dilyn eu hasesiad. Nid oedd llawer o ofalwyr chwaith yn ymwybodol o'u hawliau mewn perthynas ag asesiadau a gwasanaethau cymorth a allai fod ar gael iddynt.

Nodwyd rhai meysydd o arfer da gan y cyngorau yr ymchwiliwyd iddynt. Fodd bynnag, gwnaethom hefyd sawl argymhelliad gan gynnwys:

- gwella arferion cofnodi
- gwella sut mae gwybodaeth yn cael ei rhannu â gofalwyr
- cynnig hyfforddiant diweddar i staff ar hawliau gofalwyr
- cydweithio'n well â'r sector gofal iechyd.

Gwahoddwyd y cyngorau lleol eraill yng Nghymru i wneud gwelliannau tebyg.

Fel y gwnaethom yn achos ein hymchwiliad cyntaf ar ein liwt ein hunain, rydym wedi bod yn monitro sut mae sefydliadau wedi bod yn cydymffurfio â'n hargymhellion. Rydym yn bwriadu adolygu cydymffurfiaeth â'r argymhellion ac unrhyw effeithiau eraill yr adroddiad ym mis Hydref 2025.

Ar hyn o bryd mae 54 o sefydliadau ledled Cymru yn gweithredu ein polisi cwynion enghreifftiol. Mae hyn yn cynnwys yr holl gynghorau lleol, pob bwrdd iechyd a bellach y rhan fwyaf o gymdeithasau tai - sy'n cynrychioli tua 85% o'r cwynion a dderbyniwn.

Mae ein cynnig o hyfforddiant am ddim ar ymdrin â chwynion wedi parhau i fod yn boblogaidd a darparwyd 52 o sesiynau hyfforddi pellach i gyrff cyhoeddus ledled Cymru yn ystod y flwyddyn. Mae hyn yn dod â'r cyfanswm i 550 o sesiynau hyfforddi a 10,000 o bobl, ers 2020.

Rydym wedi parhau â'n gwaith i gyhoeddi ystadegau cwynion, a gasglwyd gan gyrff cyhoeddus, gyda data'n cael ei gyhoeddi ddwywaith y flwyddyn. Rydym yn disgwyl cyhoeddi'r data am gwynion sy'n cael sylw gan gynghorau lleol yng

Nghymru yn ystod 2024-25 yn yr Hydref. Mae'r data hwn yn caniatáu inni weld gwybodaeth gyda mwy o gyd-destun – er enghraifft, yn ystod 2024-25 aeth 5.18% o'r cwynion a wnaed i gynghorau lleol ymlaen i gael eu cyfeirio atom.

Yn olaf, cyhoeddom hefyd 2 adroddiad thematig eleni, a oedd yn cynnwys astudiaethau achos o gwynion am gynghorau lleol:

- 'Byw mewn Cyflyrau Difrifol' (Tachwedd 2024): adroddiad thematig am gwynion tai a lleithder a llwydni.
- 'Mae Cydraddoldeb o Bwys' (Ionawr 2025): adroddiad thematig ar gynhwysiant a hygyrchedd ar draws gwasanaethau cyhoeddus.

Mae'r adroddiadau hyn yn cynnwys argymhellion cyffredinol ar gyfer darparwyr gwasanaethau cyhoeddus, gan roi ystyriaeth i'r gwersi a ddysgwyd o'n gwaith achos.

Camau yr hoffem i'ch sefydliad eu cymryd

Ymhellach i'r llythyr hwn, a gaf ofyn i'ch Cyngor gymryd y camau canlynol:

- Cyflwyno'r Llythyr Blynyddol hwn i'r Cabinet ac i'r Pwyllgor Llywodraethu ac Archwilio yn ystod y cyfle nesaf sydd ar gael a rhoi gwybod i mi pryd y bydd y cyfarfodydd hyn yn cael eu cynnal.
- Ystyried y data yn y llythyr hwn, ochr yn ochr â'ch data eich hun, i ddeall mwy am eich perfformiad ar gwynion, gan gynnwys unrhyw batrymau neu dueddiadau a chydymffurfiaeth eich sefydliad ag argymhellion a wnaed gan fy swyddfa.
- Rhoi gwybod i mi am ganlyniad ystyriaethau a chamau gweithredu arfaethedig y cyngor yng nghyswllt y materion uchod erbyn cyn gynted â phosibl.

Hoffwn ddiolch i chi, a'ch swyddogion, am barhau i fod yn agored, ac am ymgysylltu, gyda fy swyddfa. Mae ein gwybodaeth yn dangos bod awdurdodau lleol yn ystyried mwy o gwynion nag erioed o'r blaen ac yn defnyddio gwybodaeth o gwynion i sicrhau canlyniadau gwell i bobl Cymru.

Yn gywir

Michelle Morris

Michelle Morris

Ombwdsmon Gwasanaethau Cyhoeddus

Cc. Paul Matthews, Prif Weithredwr, Cyngor Bwrdeistref Sir Fynwy
James Williams, Swyddog Monitro, Cyngor Bwrdeistref Sir Fynwy
Annette Evans, Swyddog Cyswllt OGCC, Cyngor Bwrdeistref Sir Fynwy

Taflen Wybodaeth

Mae **Atodiad A** yn dangos nifer y cwynion a gafodd OGCC ar gyfer pob Awdurdod Lleol yn 2024-25. Caiff y cwynion hyn eu rhoi mewn cyd-destun gan boblogaeth pob awdurdod.

Mae **Atodiad B** yn dangos categori pob cwyn a gafwyd, a pha gyfran o'r cwynion a gafwyd sy'n cynrychioli ar gyfer yr Awdurdod Lleol.

Mae **Atodiad C** yn dangos cyfraddau ymyrru ar gyfer pob Awdurdod Lleol yn 2024-25. Mae ymyrraeth yn cael ei gategoreiddio naill ai gan gŵyn a gadarnhawyd (naill ai cadarnhawyd er budd y cyhoedd neu cadarnhawyd nid er budd y cyhoedd), penderfyniad cynnar, neu setliad gwirfoddol.

Mae **Atodiad D** yn dangos canlyniadau'r cwynion a gaeodd OGCC mewn cysylltiad â'r Awdurdod Lleol yn 2024-25. Mae'r tabl hwn yn dangos y niferoedd, a'r gyfran y mae pob canlyniad yn ei chynrychioli ar gyfer yr Awdurdod Lleol.

Mae **Atodiad E** yn dangos perfformiad o ran cydymffurfriad ar gyfer pob Awdurdod Lleol.

Mae **Atodiad F** yn dangos canlyniadau cwynion y Cod Ymddygiad a gaewyd gan OGCC mewn perthynas ag Awdurdod Lleol yn 2024-25. Mae'r tabl hwn yn dangos y niferoedd, a'r gyfran, y mae pob canlyniad yn ei chynrychioli ar gyfer yr Awdurdod Lleol.

Mae **Atodiad G** yn dangos canlyniadau cwynion y Cod Ymddygiad a gaewyd gan OGCC mewn perthynas â Chynghorau Tref a Chynghorau Cymuned yn ardal yr Awdurdod Lleol yn 2024-25. Mae'r tabl hwn yn dangos y niferoedd, a'r gyfran y mae pob canlyniad yn ei chynrychioli ar gyfer Cynghorau Tref a Chynghorau Cymuned.

Atodiad A – Cwynion a gafwyd (trosolwg)

	MAL			CODE			Cyfanswm		
Awdurdod Lleol	Cwynion a Gafwyd	Poblogaeth	Cafwyd fesul 1,000 o drigolion	Cwynion a Gafwyd	Poblogaeth	Cafwyd fesul 1,000 o drigolion	Cwynion a Gafwyd	Poblogaeth	Cafwyd fesul 1,000 o drigolion
Cyngor Bwrfeistref Sirol Blaenau Gwent	14	67356	0.21	1	67356	0.01	15	67356	0.22
Cyngor Bwrfeistref Sirol Pen-y-bont ar Ogwr	58	146743	0.40	10	146743	0.07	68	146743	0.46
Cyngor Bwrdeistref Sirol Caerffili	78	176437	0.44	3	176437	0.02	81	176437	0.46
Cyngor Caerdydd	219	383536	0.57	4	383536	0.01	223	383536	0.58
Cyngor Sir Gâr	86	190083	0.45	14	190083	0.07	100	190083	0.53
Cyngor Sir Ceredigion	47	73050	0.64	0	73050	0.00	47	73050	0.64
Cyngor Bwrdeistref Sirol Conwy	29	114410	0.25	9	114410	0.08	38	114410	0.33
Cyngor Gwynedd	46	119173	0.39	2	119173	0.02	48	119173	0.40
Cyngor Sir Ddinbych	98	97156	1.01	7	97156	0.07	105	97156	1.08
Cyngor Sir y Fflint	61	155812	0.39	3	155812	0.02	64	155812	0.41
Cyngor Sir Ynys Môn	22	69291	0.32	2	69291	0.03	24	69291	0.35
Cyngor Bwrdeistref Sirol Merthyr Tudful	17	58593	0.29	3	58593	0.05	20	58593	0.34
Cyngor Bwrdeistref Sir Fynwy	19	94572	0.20	9	94572	0.10	28	94572	0.30
Cyngor Castell-nedd Port Talbot	48	142898	0.34	1	142898	0.01	49	142898	0.34
Cyngor Dinas Casnewydd	61	163628	0.37	1	163628	0.01	62	163628	0.38
Cyngor Sir Penfro	47	125006	0.38	6	125006	0.05	53	125006	0.42
Cyngor Sir Powys	55	134439	0.41	24	134439	0.18	79	134439	0.59
Cyngor Bwrdeistref Sirol Rhondda Cynon Taf	62	241178	0.26	3	241178	0.01	65	241178	0.27
Cyngor Abertawe	113	246742	0.46	6	246742	0.02	119	246742	0.48
Cyngor Bwrdeistref Sirol Torfaen	20	93419	0.21	4	93419	0.04	24	93419	0.26
Cyngor Bro Morgannwg	61	134733	0.45	3	134733	0.02	64	134733	0.48
Cyngor Bwrdeistref Sirol Wrecsam	76	136149	0.56	11	136149	0.08	87	136149	0.64
Cyfanswm	1337	3164404	0.41	126	3164404	0.04	1463	3164404	0.46

Atodiad B – Cwynion a gafwyd (yn ôl sefydliad)

Cyngor Sir Fynwy	Cwynion a Gafwyd	% rhannu
Gwasanaethau Cymdeithasol Oedolion	6	32%
Gweinyddu Budd-daliadau	0	
Gwasanaethau Cymdeithasol Plant	2	11%
Cyfleusterau Cymunedol, Adloniant a Hamdden	0	
Ymdrin â Chwynion	0	
Covid19	0	
Addysg	1	5%
Yr Amgylchedd ac Iechyd yr Amgylchedd	0	
Cyllid a Threthiant	0	
Iechyd	0	
Tai	2	11%
Trwyddedu	0	
Cynllunio a Rheoli Adeiladu	6	32%
Ffyrdd a Thrafnidiaeth	2	11%
Darparwr Gofal sy'n Hunan-gyllido	0	
Amrywiol Eraill	0	
Cyfanswm	19	

Atodiad C – Achosion lle ymyrodd OGCC (trosolwg)

Awdurdod Lleol	Nifer yr ymyriadau	Nifer y cwynion a gaewyd	% yr ymyriadau
Cyngor Bwrfeistref Sirol Blaenau Gwent	0	12	0%
Cyngor Bwrfeistref Sirol Pen-y-bont ar Ogwr	6	57	11%
Cyngor Bwrdeistref Sirol Caerffili	11	79	14%
Cyngor Caerdydd	37	190	19%
Cyngor Sir Gâr	11	86	13%
Cyngor Sir Ceredigion	11	45	24%
Cyngor Bwrdeistref Sirol Conwy	5	29	17%
Cyngor Sir Ddinbych	6	98	6%
Cyngor Sir y Fflint	7	61	11%
Cyngor Gwynedd	3	44	7%
Cyngor Sir Ynys Môn	1	20	5%
Cyngor Bwrdeistref Sirol Merthyr Tudful	1	15	7%
Cyngor Bwrdeistref Sir Fynwy	1	16	6%
Cyngor Castell-nedd Port Talbot	5	45	11%
Cyngor Dinas Casnewydd	6	62	10%
Cyngor Sir Penfro	8	47	17%
Cyngor Sir Powys	8	51	16%
Cyngor Bwrdeistref Sirol Rhondda Cynon Taf	6	60	10%
Cyngor Abertawe	12	109	11%
Cyngor Bwrdeistref Sirol Torfaen	0	18	0%
Cyngor Bro Morgannwg	12	63	19%
Cyngor Bwrdeistref Sirol Wrecsam	7	72	10%
Cyfanswm	164	1279	13%

Atodiad D – Achosion lle ymyrrodd OGCC (yn ôl sefydliad) (* yn dynodi ymyrraeth)

Cyngor Sir Fynwy	Canlyniadau Cwynion	% rhannu
Rhoddwyd gorau i'r ymchwiliad i'r gŵyn (gyda datrysiad cynnar yn ystod y camau asesu)*	0	
Rhoddwyd y gorau i ymchwilio'r gŵyn (heb setliad)	0	
Penderfynu peidio ymchwilio cwyn	6	38%
Datrys yn gynnar*	1	6%
Mater tu hwnt i awdurdodaeth	2	13%
Adroddiad nid er budd y cyhoedd wedi'i gyhoeddi: y gŵyn heb ei chadarnhau	0	
Adroddiad nid er budd y cyhoedd wedi'i gyhoeddi: y gŵyn wedi'i chadarnhau*	0	
Adroddiad nad yw er budd y cyhoedd wedi'i gyhoeddi: cwyn wedi'i chadarnhau a'i datrys yn gynnar yn y cam asesu*	0	
Cynamserol	7	44%
Adroddiad Budd y Cyhoedd wedi'i gyhoeddi: y gŵyn wedi ei chadarnhau*	0	
Adroddiad Budd y Cyhoedd wedi'i gyhoeddi: cwyn wedi'i chadarnhau gyda datrysiad cynnar yn ystod y cam asesu*	0	
Adroddiad Budd Arbennig	0	
Setliadau gwirfoddol*	0	
Cyfanswm	16	

Atodiad E – Cymhariaeth o berfformiad cydymffurfio

Awdurdod Lleol	Nifer yr amgymhellion a wnaed ar gwynion y caewyd yn 2024-25	Nifer yr amgymhellion sy'n ddyledus yn 2024-25	% yr argymhellion, y cydymffurfiwyd â dyddiad targed cytûn
Cyngor Bwrfeistref Sirol Blaenau Gwent	0	0	n/a
Cyngor Bwrfeistref Sirol Pen-y-bont ar Ogwr	15	18	17%
Cyngor Bwrdeistref Sirol Caerffili	24	24	50%
Cyngor Caerdydd	97	96	59%
Cyngor Sir Gâr	29	27	67%
Cyngor Sir Ceredigion	24	24	63%
Cyngor Bwrdeistref Sirol Conwy	14	14	64%
Cyngor Sir Ddinbych	10	8	50%
Cyngor Sir y Fflint	20	22	100%
Cyngor Gwynedd	9	9	100%
Cyngor Sir Ynys Môn	4	6	0%
Cyngor Bwrdeistref Sirol Merthyr Tudful	2	8	75%
Cyngor Bwrdeistref Sir Fynwy	2	2	0%
Cyngor Castell-nedd Port Talbot	11	8	88%
Cyngor Dinas Casnewydd	12	11	36%
Cyngor Sir Penfro	20	18	61%
Cyngor Sir Powys	21	23	22%
Cyngor Bwrdeistref Sirol Rhondda Cynon Taf	11	10	20%
Cyngor Abertawe	25	22	27%
Cyngor Bwrdeistref Sirol Torfaen	0	0	n/a
Cyngor Bro Morgannwg	30	31	55%
Cyngor Bwrdeistref Sirol Wrecsam	19	16	63%

Atodiad F – Cwynion y Cod Ymddygiad a gaewyd

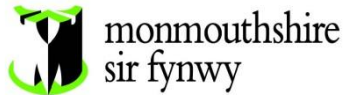
Cyngor Sir Fynwy	Cwynion Y Cod Ymddygiad y caewyd
Cod Ymddygiad heb ei weithredu	0
Taflen Cod Ymddygiad wedi'i hanfon/dolen i'r wefan wedi'i darparu	0
Gafwyd y gŵyn dros y ffôn - yn aros am lofnod	0
Tynnwyd y gŵyn ôl	0
Rhoddwyd y gorau. Nid er budd y cyhoedd i'w ddilyn	0
Cŵynddyblyg heb dystiolaeth newydd	0
Gwybodaeth a ddarparwyd	0
Dim angen gweithredu	2
Dim datganiad y derbyniwyd - tynnwyd yn ôl	0
Dim dystiolaeth o esgeulustod	0
Dim dystiolaeth ar yr olwg gyntaf o esgeulustod	4
Nid er lles y cyhoedd i ymchwilio	1
Tu hwnt i awdurdodaeth - cyfeirio	0
Cynamserol - Cyfeiriwyd ar gyfer datrysiad lleol	0
Cyfeiriwyd at Banel Dyfarnu Cymru	0
Cyfeiriwyd at Bwyllgor Safonau	0
Tynnwyd yn ôl	0
Total	7

Atodiad G – Cwynion Cod Ymddygiad Cyngorau Tref / Cyngor Cymuned

Penderfyniad i beidio ag ymchwilio i'r cod			Ymchwiliadau					
Cyngor Sir Fynwy	Nid er lles y cyhoedd i ymchwilio	Dim tystiolaeth ar yr olwg gyntaf o esgeulustod	Rhoddwyd y gorau. Nid er budd y cyhoedd i'w ddilyn	Dim angen gweithredu	Dim tystiolaeth o esgeulustod	Cyfeiriwyd at Banel Dyfarnu Cymru	Cyfeiriwyd at Bwyllgor Safonau	Cyfanswm
Cyngor Tref y Fenni	0	0	0	0	0	0	0	0
Cyngor Cymuned Caerwent	0	0	0	0	0	0	0	0
Cyngor Tref Cil-y-Coed	0	0	0	0	0	0	0	0
Cyngor Tref Cas-gwent	0	0	0	0	0	0	0	0
Cyngor Cymuned Crucornau	0	0	0	0	0	0	0	0
Cyngor Cymuned Y Dyfawden	0	0	0	0	0	0	0	0
Cyngor Cymuned Gobion Fawr	0	0	0	0	0	0	0	0
Cyngor Cymuned Gobion Fawr	0	0	0	0	0	0	0	0
Cyngor Cymuned Grysmwnt	0	0	0	0	0	0	0	0
Cyngor Cymuned Llanarth	0	0	0	0	0	0	0	0
Cyngor Cymuned Llanbadoc	0	0	0	0	0	0	0	0
Cyngor Cymuned Llanelly	0	0	0	0	0	0	0	0
Cyngor Cymuned Llanfoist Fawr	0	0	0	0	0	0	0	0
Cyngor Cymuned Llangybi Fawr	0	0	0	0	0	0	0	0
Cyngor Cymuned Llandeilo Bertholau	0	0	0	0	2	0	0	2
Cyngor Cymuned Llantrisant Fawr	0	0	0	0	0	0	0	0
Cyngor Cymuned Magwyr a Gwndy	0	14	0	0	0	0	0	14
Cyngor Cymuned Llanfihangel Troddi	0	0	0	0	0	0	0	0

Cyngor Cymuned Matharn	0	0	0	0	0	0	0	0
Cyngor Cymuned Trefynwy	0	0	0	0	0	0	0	0
Cyngor Cymuned Porthsgiwed	0	0	0	0	0	0	0	0
Cyngor Cymuned Raglan	0	0	0	0	0	0	0	0
Cyngor Cymuned Rogiet	0	0	0	0	0	0	0	0
Cyngor Cymuned Drenewydd Gelli-farch	0	0	0	0	0	0	0	0
Cyngor Cymuned Ynysgynwraidd	0	0	0	0	0	0	0	0
Cyngor Cymuned Llanarfan	0	0	0	0	0	0	0	0
Cyngor Cymuned Tryleg	0	0	0	0	0	0	0	0
Cyngor Tref Brynbuga	0	2	0	0	0	0	0	2
Cyngor Cymuned Y Castell Gwyn	0	0	0	0	0	0	0	0
Cyngor Cymuned Dyffryn Gwy	0	0	0	0	0	0	0	0

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SUBJECT: PANEL PERFORMANCE ASSESSMENT

MEETING: Governance and Audit Committee

DATE: 27 November 2025

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To provide the committee with an overview of the proposed scope and arrangements for Monmouthshire's forthcoming Panel Performance Assessment (PPA).
- 1.2 To enable the committee to obtain assurance about the effectiveness of the arrangements being put in place.

2. RECOMMENDATIONS:

- 2.1 That the committee seeks assurance that the arrangements being put in place are appropriate to meet the requirements of the Local Government and Elections (Wales) Act 2021.

3. KEY ISSUES:

- 3.1 Commissioning an external Panel Performance Assessment is a requirement under section 92 of the Local Government and Elections (Wales) Act 2021. The Act requires councils to make arrangements for an independent panel, appointed by the council, to assess the extent to which the council is meeting the performance requirements. Namely:
 - exercising its functions effectively;
 - using its resources economically, efficiently and effectively; and
 - having effective governance in place for securing the above.
- 3.2 This must take place at least once every electoral cycle and supplements the annual self-assessment report, the most recent of which was presented to the committee in July 2025 and approved by Council on 18th September. Monmouthshire's panel assessment will take place during the week commencing 23rd February 2026. The panel assessment is also part of the Council's ongoing commitment to transparency, improvement, and assurance for both councillors and residents.
- 3.3 The statutory guidance identifies a specific role for the Governance and Audit Committee within the process:

“The council must make a draft of its response to the panel performance assessment available to its governance and audit committee, which must then review the draft response and may make recommendations for changes to the response to the panel assessment.

“If the council does not make a change recommended by the governance and audit committee, it must set out in the final response the recommendation and the reasons why it did not make the change.”

- 3.4 It is therefore important to ensure that the committee is involved from the outset of the panel performance assessment as part of its remit to assure itself of the effectiveness of the authority’s performance management and governance arrangements.
- 3.5 The independent panel will be made up of:
- An independent panel chair – not currently serving in an official or political capacity within local government.
 - A peer from the wider public, private or voluntary sectors.
 - A serving local government senior officer, likely to be equivalent to chief executive or director.
 - A senior elected member.
 - Staff from the Welsh Local Government Association (WLGA).
- 3.6 Monmouthshire’s panel will be chaired by Beverley Smith. She is the former Chief Executive of North West Leicestershire District Council and currently holds a number of Board roles including chair of the Local Democracy and Boundary Commission for Wales. Discussions are underway to appoint the other panel members. These will bring a range of knowledge and experience which is relevant to the scope of the review. There is a commitment to ensuring a gender balance on the panel.
- 3.7 The purpose of the assessment is to support the council to achieve its aspirations through developing and deepening our understanding about how we are operating, and how we can ensure effective services for the long term. It is for the Council to determine the scope of the review. This needs to be realistic for a panel of 4-6 people to undertake in a week including writing up and feeding back conclusions. The proposed scope has been developed informed by the Council’s priorities set out in the Community and Corporate plan and learning from the self-assessment process. It has also involved informal discussions with cabinet and SLT with subsequent input from the WLGA. The proposed scope for the Monmouthshire Panel Performance Assessment is:
- How well does the council align across directorates to optimise delivery of the priorities set out in the Community and Corporate Plan?
 - What opportunities are there to further develop the council’s emerging person-centred and preventative approaches to working with its communities, local businesses and other stakeholders, (including town and community councils)?
 - How well are we able to demonstrate the intended outcomes and emerging impacts of our Community and Corporate Plan and, how well do we communicate

them to councillors, residents and other stakeholders, including town and community councils and local businesses?

The panel will be asked to review the above and offer positive suggestions on how the above facets of our work can be improved.

- 3.8 The panel will be guided in the ways of working and corporate governance headings set out in the Well-being of Future Generations Act: Corporate planning; Financial planning; Workforce planning (people); Procurement; Assets; Risk management and Performance management.
- 3.9 This panel assessment is a corporate, organisational assessment, designed to consider the extent to which the council is meeting the performance requirements and its capability to deliver effective outcomes. While it is for the panel to determine its approach, it will utilise a range of internal and external evidence sources, to inform its conclusions. This will include evidence sources used by Governance & Audit committee to inform its role. Any further involvement of the committee will be determined by the panel and communicated accordingly.
- 3.10 It is for the independent panel to decide how it will consult with groups such as staff, local people and trade unions. They can use existing engagement mechanisms to achieve this.
- 3.11 The panel's findings must be published. The authority cannot amend the panel's report but does get the opportunity to publish a response. Both the report and draft response will be presented to Governance and Audit Committee. The committee may make recommendations for changes to the draft response to the panel assessment. The panel must send the report to The Auditor General for Wales, Estyn, CCIW and Welsh Ministers.
- 3.12 The committee may wish to familiarise itself with the underpinning Statutory guidance on Part 6, Chapter 1, of the Local Government and Elections (Wales) Act 2021. The relevant information can be located in chapter 3, accessible via: <https://www.gov.wales/sites/default/files/publications/2021-03/performance-governance-of-principal-councils.pdf>

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

- 4.1 A full impact assessment is not required for this decision. The Panel Performance Assessment is expected to have a positive impact by strengthening accountability and supporting better outcomes for all residents, including future generations.

5. OPTIONS APPRAISAL

- 5.1 Not conducting a Panel Performance Assessment is not an option as it is a statutory requirement. The process is likely to identify learning that will enable the generation

of options related to both performance management and service delivery which would be the subject of separate future decisions.

6. EVALUATION CRITERIA

Completion of the Panel Performance Assessment within the agreed timeframe.
Quality and relevance of panel recommendations.
Evidence of improved delivery against the Community and Corporate Plan priorities.
Feedback from councillors, residents, and external partner

7. REASONS:

- 7.1 To provide independent assurance on the Council's ambitions and delivery, support continuous improvement, and meet the statutory requirements of the Local Government and Elections (Wales) Act 2021.

8. RESOURCE IMPLICATIONS:

- 8.1 The costs associated with the panel will be met by The Welsh Local Government Association. There are no direct costs associated with the assessment. The preparation work will be carried out officers.

9. CONSULTEES:

Cabinet
Strategic Leadership Team
WLGA

10. BACKGROUND PAPERS:

None

11. AUTHOR:

Matthew Gatehouse, Chief Officer – People, Performance and Partnerships

12. CONTACT DETAILS:

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SUBJECT:	Effectiveness of Strategic Risk Management Framework
MEETING:	Governance and Audit Committee
DATE:	27th November 2025
DIVISIONS/WARDS AFFECTED:	All

1. PURPOSE:

- 1.1 To provide the committee with an assessment of the implementation of the council's strategic risk management framework which is an integral part of the authority's corporate governance arrangements.
- 1.2 To provide members with an overview of the current strategic risks facing the authority.

2. RECOMMENDATIONS:

- 2.1 That members use the assessment to seek assurance about the effectiveness of the authority's risk management arrangements.

3. KEY ISSUES:

- 3.1 Governance and Audit Committee has a specific role in providing independent assurance of the adequacy of the council's risk management framework. The committee also has a role in assessing the authority's corporate governance arrangements, of which risk management is an important part.
- 3.2 The council's strategic risk management policy and guidance helps ensure strategic risks are identified and assessed robustly, risk controls are put in place that are appropriate and proportionate, and risks are supported by effective mitigations to ensure, as far as possible, risk reduction/risk management. To support the committee to fulfil its role in risk management, the report is made up of two parts:
 - Part 1 provides a self-assessment of the effectiveness of the operation of strategic risk management arrangements in line with the strategic risk management policy.
 - Part 2 provides an overview of the strategic risk register and key amendments, including the strategic risks, the risk levels pre and post mitigation, the risk owner who has agreed the update, and any key changes, such as adjustments to risk levels or mitigating action updates.

Part 1 - Effectiveness of strategic risk management arrangements

- 3.3 The updated strategic risk management policy was agreed by Cabinet in June 2024 following consideration and feedback by Governance and Audit Committee. The policy aims to strengthen strategic risk management arrangements. A period of transition in implementing the policy was agreed to allow the council time to strengthen arrangements in line with the revised policy.
- 3.4 Arrangements have now been developed to implement the requirements of the policy. These are:
 - Integrating related corporate risk management arrangements that the council has in place through which risks are identified and managed.
 - The requirement and responsibilities to consistently produce directorate risk registers,
 - The definition of the Council's risk appetite, using a 'risk appetite range' for various categories of risk that are based on organisational activity.

- Updates to the strategic risk register, including the addition of risk categories, appetite levels, treat/tolerate categories and target risk scores
 - A developed risk radar, appendix 4, outlining some of the potential risks that Monmouthshire may face over coming years
- 3.5 Appendix 1 provides a self-assessment of the effectiveness of the operation of strategic risk management arrangements. This incorporates an assessment of the progress made in implementing the new or amended arrangements if the policy. The assessment identifies actions that are yet to be completed that remain a focus to strengthen arrangement:
- Developing remaining directorate risk registers, to embed these in the risk management process.
 - Strengthening risk management training and awareness for all officers.

Part 2 - Risk Register updates overview

- 3.6 The council continues to operate in a dynamic environment and has controls in place to assess, manage and mitigate, as far as possible, a variety of risks. The strategic risk register regularly evolves and adapts in line with this. This will include adjusting the focus, detail and risk levels of risks where necessary. An overview of the changes to the risks and progress with mitigating actions is provided in Appendix 2. Some of the more significant changes since the last report to the committee in June 2025 include:
- An amendment to the wording of risk 1b to reflect the lack of political majority in the council and to ensure accuracy.
 - An amendment to the wording of risk 3 to reflect the risk related to infrastructure and assets due to limited capital budgets.
 - A refocusing of risk 10, relating to the progress of the Replacement Local Development Plan, following approval of the Deposit Plan at Council in October.
- 3.7 This report does not include the full risk register or a full update of progress against mitigating actions. Scrutiny of that aspect of the work rests with Performance and Overview Scrutiny Committee who will review the full strategic risk register in January 2026. The full strategic risk register will also be presented to Cabinet for consideration at their 10th December meeting. Members of Governance and Audit Committee have access to the papers of other committees should they wish to familiarise themselves with the wider work. All councillors can also access a live version of the risk register on the authority's intranet site.

Chief Officer Commentary

- 3.8 It has been agreed that a commentary from the responsible Chief Officer be added to this report. The responsibility sits with the Chief Officer for People, Performance and Partnerships:
- 3.9 “Having overseen the process of updating the risk assessment I’m satisfied that it presents an accurate assessment of the strategic risks facing the authority over the next three years based on knowledge available to responsible officers at the present time. The assessment of the risk management arrangements that we have in place is fair, identifying both strengths and areas needing improvement. We have made progress with implementing the requirements of the revised risk management policy, there are further requirements we still need to develop and embed in the council to make our arrangements more robust and strengthen their application.”

4. REASONS:

- 4.1 To provide timely, relevant information on strategic risks as part of the performance management framework for ensuring the authority is well run and able to contribute to achieving the Council's purpose.

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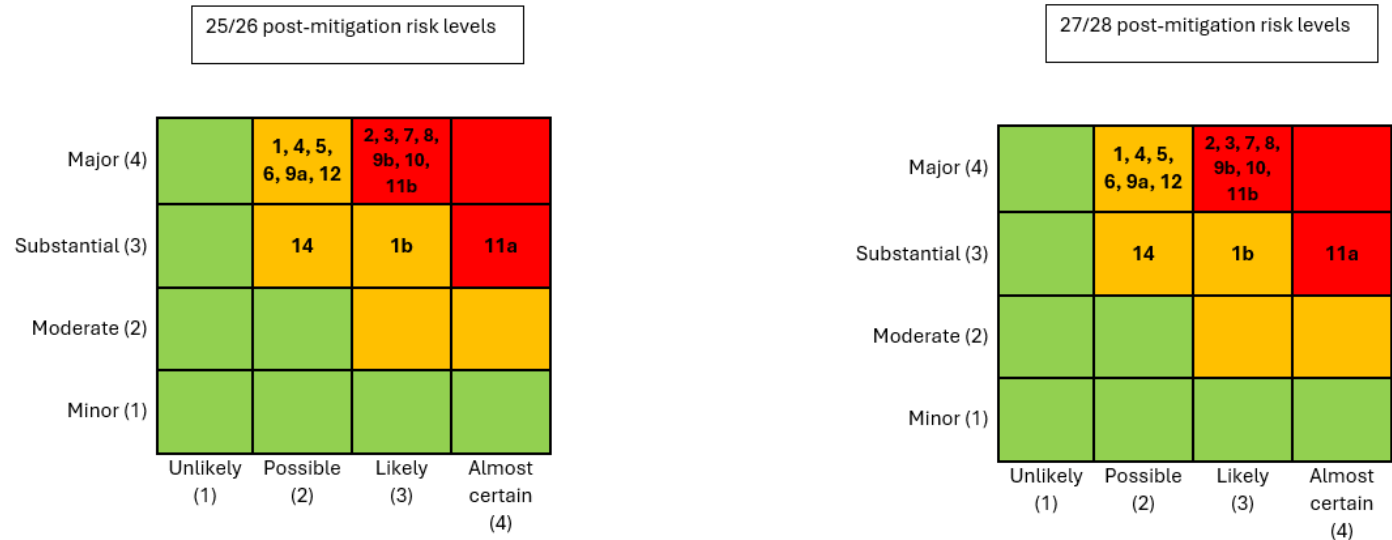
Appendix 1- Self-assessment of the effectiveness of the strategic risk management framework

Strategic Risk Management			
The strategic risk register captures the high and medium level strategic risks that face the council in line with the council's risk management policy. This ensures that: • Strategic risks are identified and monitored by the authority • Risk controls are appropriate and proportionate • Senior managers and elected members systematically review the strategic risks facing the authority			
	How well are we doing?	How do we know?	Action & timescale
Is there a collective view of the council's strategic risk management arrangements and risk appetite that is communicated and understood?	The council's strategic risk management policy and guidance has been updated and agreed. The council has also defined its risk appetite and agreed a risk appetite statement. These documents are available on the council's intranet. The policy is embedded in the council's performance arrangements, the requirements have been integrated as part of the Council's performance management framework, including in the service business planning process.	Strategic risk management policy and guidance Risk appetite statement	
Is strategic risk management embedded in the council?	There are arrangements to formally review and report the whole strategic risk register six monthly. The strategic risk register is updated regularly and available to all members and officers to view at any time. Directorate risk registers have been developed in at least draft form, apart from one directorate. These are strengthening the management of risks at a directorate level and facilitating risk identification and mitigation between a service (service business plan) and strategic (risk register) level. Quality assurance of service business plans has continued to show service-based risk registers are often not robust enough or fully completed. This shows strategic risk management remains not consistently embedded at a service level. Feedback has been provided to services to strengthen risk registers. Support has been prioritised to directorate management teams to establish and develop directorate risk registers. This has also increased understanding of the strategic risk management process. Further strategic risk management training has not been developed as planned to support the consistent embedding of the	Strategic risk management policy and guidance Strategic risk register Service business plans risk registers	Complete all six directorate risk registers – January 2026 Develop strategic risk management training and guidance – March 2026

	arrangements across the Council. This will be developed in time to inform the 2026/27 service business planning process.		
Is there a shared understanding of the most significant corporate risks?	The strategic risk register continues to ensure a shared understanding of high and medium level strategic risks and ensures risk levels are assessed, and mitigating actions are identified. The register is updated regularly, which ensures it remains focussed on the most significant strategic risks facing the council. Directorate risk registers are facilitating strengthened risk identification and mitigation between a service and strategic risk level. Service business plans not being robust enough or fully complete impacts on the effectiveness of service risk identification and management. The development of directorate risk registers reduces the impact this has on the effective identification and management of strategic risks, however strengthening service risk registers remains important. The Risk Radar identifies any emerging risks and opportunities that are relevant to the council. This radar is used to inform risk identification at all levels and updates to the Strategic Risk Register.	Strategic risk register Directorate risk registers Service business plans risk register Risk radar	Develop strategic risk management training and guidance – March 2026
Is there integration with other risk control arrangements that facilitate the management of risk?	The updated strategic risk management policy identifies other corporate risk control arrangements that the council has in place through which risks are identified and managed and need to integrate with strategic risk management policy. These are Health and Safety, Emergency Planning, Insurance, Finance, Internal Audit, Information Governance & Cyber Security. Arrangements have been established to assess the effectiveness of each of these risk control arrangement, reported to the committee in September 2024. Arrangements have also been established to update on the progress with implementing these actions as part this assessment of the effectiveness of risk control arrangements, last reported to the Committee in June 2025.	Strategic risk management policy Overview of the effectiveness of risk control policies	Assess progress in implementing the actions to develop or strengthen risk control arrangements – June 2026

Is there a robust risk management assurance framework in place?	There are arrangements to formally review the whole strategic risk register six monthly. The strategic risk register is formally reported to Governance & Audit Committee, Performance & Overview scrutiny committee and Cabinet. This provides assurance on the robustness of risk management framework in place. A review of strategic risk management arrangements is reported to Governance and Audit Committee six monthly. Risk management arrangements also form part of the Council's annual self-assessment report. These arrangements are providing assurance of the framework in place and inform the identification of areas for development. Actions to respond to the recommendations from the Internal Audit review (March 2024) are being implemented. The findings from the review have informed the development of the updated strategic risk management policy.	Strategic risk register Strategic risk management reports	Complete actions in response to the internal audit review recommendations – March 2026
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Appendix 3 - Monmouthshire County Council Whole Authority Strategic Risk Assessment Overview – November 2025



Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer/ treat/ tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
Page 111	Risk identified in the strategic risk register	Risk to delivery of Community and Corporate plan objective	Risk assessed by the level of likelihood of occurrence and impact/ consequence prior to any mitigation	Risk assessed by the level of likelihood of occurrence and impact/ consequence informed by the expected impact of mitigation	The optimal risk score the council has assessed it could achieve following successful mitigation, set in the context of available resource	The rationale for adjusting the risk level since the last risk update report in June 2025	Identifies the risk category and appetite level for each risk, aligned with the whole organisation risk appetite statement	Whether the risk is being transferred, treated, tolerated or terminated – see policy for further detail	Significant planned mitigation actions identified for delivery in the risk register	The progress made and impact, where available, of the planned mitigation actions by November 2025	The owners of the risk, in line with strategic management policy, who have agreed the risk

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
Risks to resources											
1	Potential risk that: Financial pressures and increased complexity of demand for services impact on delivering all of the council’s commitments in the Community and Corporate plan, leading to longer term	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Medium (8)	Risk levels remain unchanged	Strategic Cautious	Treat	Regularly review progress made in implementing the commitments of the community and corporate plan, ensuring resource is targeted in the most pertinent areas	A self-assessment report on progress made implementing the Community and Corporate Plan was presented to scrutiny committee in July before being approved by Council in September. A Q2 progress update for 2025/26 is currently being prepared for presentation to Cabinet in December.	Paul Matthews, Chief Executive & Cllr Mary Ann Brocklesby, Leader

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
	outcomes for the county not being achieved								Review the progress of the Enabling Strategies which support delivery of the community and corporate plan to ensure alignment of resources with policy priorities	The enabling strategies which support the delivery of the community and corporate plan have now been updated. A review of progress made in implementing these was presented to scrutiny committee in July.	
1b	Potential risk that: The absence of a political majority makes it harder to ensure timely and appropriate decision making which results in delays and uncertainty in some projects	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (9) 2026/27 – Medium (9) 2027/28 – Medium (9)	Medium (9)	Risk levels remain unchanged	Strategic, Service delivery Cautious	Tolerate	Utilise members seminars and scrutiny workshops to engage and involve all councillors in the development of policy Maintain a fully populated forward work planner of Cabinet and Council business	Members seminars are being used to share developments and involve councillors on significant forthcoming decisions. Scrutiny workshops are being held to seek councillors’ involvement in the development of proposals. An established forward work planner is in place. There is a need to improve the timeliness of completion of the cabinet and council forward plan and align the forward plans of each committee.	Paul Matthews, Chief Executive & Cllr Mary Ann Brocklesby, Leader
2	Potential risk that: Some services will become financially unsustainable in the short to medium term in their current form due to increasing demand and continuing financial pressures	All	2025/26 – High (16) 2026/27 – High (16) 2027/28 – High (16)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	High (12)	Risk levels remain unchanged	Service delivery Cautious	Treat	Ensure that services deliver within budget, deliver savings targets and continue to identify, review and challenge pressures Develop a set of budget proposals for 2026/27	Regular budget monitoring is undertaken. The latest budget update presented to Cabinet in October notes an overall revenue budget deficit forecast of £533k made up of in-year budget pressures alongside a forecast shortfall in meeting budgeted savings targets. A range of mitigating actions will be implemented in response to this deficit, including maximising grant income opportunities and vacancy management. The process to develop the 2026/27 budget has been established. This includes a focus on tackling costs which have the ability to be recurrent for 2026/27 and beyond.	Peter Davies, Deputy Chief Executive and Chief Officer Resources & Cllr Ben Callard, Cabinet Member for Resources
3	Potential risk that: Some infrastructure and assets may become inoperative in the medium term due to insufficient capital funding available to sustain the level of maintenance needed	All	2025/26 – High (16) 2026/27 – High (16) 2027/28 – High (16)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	High (12)	Risk levels remain unchanged	Service delivery Cautious	Treat	Regularly review assumptions as part of the capital MTFP taking account of any new information that is relevant and the consequential impact on the revenue MTFP Continue to monitor the Capital budget	The Capital MTFP was updated as part of the development of the Capital Strategy. The capital MTFP and capital strategy seek to work towards a financially sustainable core capital programme, whilst balancing the need to deliver capital investment plans in line with policy commitment and need. Capital and Asset Management working groups have been established to strengthen the scrutiny and challenge of the Capital Programme. The 2024/25 outturn report noted a £2.73m underspend, with £1.3m available to be repurposed to create a capital contingency budget for 2025/26. 98 capital schemes required	Peter Davies, Deputy Chief Executive and Chief Officer Resources, Debra Hill-Howells, Chief Officer Infrastructure & Cllr Ben Callard, Cabinet Member for Resources

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
										slippage into 2025/26 totalling £25m, representing 33% of the total budget for the year.	
4	Potential risk that: Difficulty recruiting for some posts that require specific skills or qualifications and continued wage inflation will impact the organisation’s retention and workforce planning which may affect the delivery of Council services	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Medium (6)	Risk levels remain unchanged	Service delivery, Governance Minimalist	Treat	Recruit and retain staff more effectively	The People Strategy was approved by Cabinet in June 2024 and contains a specific objective, and actions, aimed at improving recruitment and retention. Progress in implementing the strategy was reviewed in July 2025. An e-recruitment system has been implemented to support the development of recruitment as a genuine talent acquisition process. A new and improved careers website has also launched to promote the benefits of a career with the council.	Matthew Gatehouse, Chief Officer People, Performance and Partnerships & Cllr Ben Callard, Cabinet Member for Resources
									Embed workforce planning to ensure the right skills, expertise and knowledge are available for future changes	The People Strategy was approved by Cabinet in June 2024 and focusses on strengthening workforce planning. Progress in implementing the strategy was reviewed in July 2025. A new work experience and apprentice policy has been developed to create a new pipeline of people being recruited and trained to supply the workforce of the future.	
5	Potential risk that: Loss or corruption of data due to cyber-attack or data mismanagement, which will compromise the delivery of essential council services	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Medium (8)	Risk levels remain unchanged	Information governance, service delivery Averse	Tolerate	Ensure robust arrangements are in place to safeguard the organisation’s data and systems from cyber-attack	The Council recognises that total elimination of cyber-attack is not possible, but the focus is on ensuring robust arrangements are in place to safeguard data and systems from cyber-attack via: physical barriers to the network, staff awareness, training and culture and structured governance, risk analysis and business continuity planning.	Sian Hayward, Head of Information, Technology & Security & Cllr Ben Callard, Cabinet Member for Resources
Risks to service delivery											
6	Potential risk that: Significant harm to a child or adult may occur due to a specific failure of safeguarding arrangements	A Connected Place Where People Care	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Medium (8)	Risk levels remain unchanged	Safeguarding Averse	Tolerate	Continually monitor and evaluate safeguarding processes and practice and ensure good accountability for safeguarding	The most recent Annual Safeguarding Evaluation Report was presented to Scrutiny committee in September. The report evaluates the progress of the Council’s key safeguarding priorities during 2024/25, highlighting progress, identifying risks and setting out actions and priorities for 2025/26.	Jane Rodgers, Strategic Director Social Care and Health & Will Mclean, Strategic Director Learning, Skills and Economy, & Cllr Ian Chandler, Cabinet Member for Social Care, Safeguarding and Accessible Health Services

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
7	Potential risk that: Risk of harm if we are unable to meet the care and support needs of some vulnerable children due to an increase in demand, complexity of cases and insufficiency of registered placements	A Connected Place Where People Care	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (8)	Risk levels remain unchanged	Safeguarding Averse	Treat	Develop and expand the Children’s Services Commissioning Strategy in response to the intention to eliminate profit from children’s social care	A Placement Development Strategy update was presented to scrutiny in April – this outlines progress in meeting objectives including the development of 4 additional children’s homes/supported accommodation. Children’s Services continue to plan for each child and a “horizon” list is kept to identify children who may need, at some point, to be accommodated. Predicting demand, however, remains a challenging and dynamic process, complicated by uncertainty within the care market nationwide.	Jane Rodgers, Strategic Director Social Care and Health & Cllr Ian Chandler, Cabinet Member for Social Care, Safeguarding and Accessible Health Services
									Continue to implement the fostering strategy	The overall offer to foster carers has been reviewed and an increase in fees provided has been agreed. Limited progress has been made in the net numbers of in-house foster carers despite considerable effort and attention. The recruitment and retention of foster carers remains an area of significant challenge.	
8	Potential risk that: Risk of harm if we are unable to meet the care and support needs of some vulnerable adults due to high demand and complexity of cases	A Connected Place Where People Care	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (8)	Risk levels remain unchanged	Safeguarding Averse	Treat	Rebalance reablement and long-term care within our in-house care at home service	There is increased capacity to provide reablement service to those who would benefit from it. While this is good progress the aim is to improve this further. In line with the aims of the commissioning strategy the focus is on further increasing the availability of in-house home care to support reablement as opposed to providing long term care.	Jane Rodgers, Strategic Director Social Care and Health & Cllr Ian Chandler, Cabinet Member for Social Care, Safeguarding and Accessible Health Services
									Monitor requests for Domiciliary Care to ensure demand is being met and delays are minimised	All referrals are triaged at point of referral to ensure that those in most need are prioritised for assessment and intervention. Case reviews are being undertaken, applying the principles of the Social Services and Well-being Act to ensure a strengths-based approach looking at individual, family and community based support where appropriate. Access to care and support is not always timely; however, overall there is increased capacity across home care.	
									Implement a ‘place-based’ approach to create sustainability in care at home services	The Council remains committed to developing a more sustainable care at home sector for the future. A comprehensive strategy for commissioning homecare through increased block purchasing has been developed. The first procurement exercise under the new strategy has commenced in the south of the county. There has been an increase in residential placements and costs of residential care is having a big impact on the budget in Adult Social Care.	

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
9a	Potential risk that: Failure to return attendance figures to those seen before the pandemic, particularly among vulnerable pupils and those eligible for free school meals, could lead to a worsening in educational attainment	A Learning Place	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Medium (8)	Risk levels remain unchanged	Strategic Minimalist	Treat	Complete the consultation on the new Attendance and Engagement Policy and processes	The Local Authority Attendance and Engagement Policy has been updated to encompass all aspects of the Engaging, Belonging and Participating guidance issued by Welsh Government in October 2023 and has been rolled out to all schools.	Will Mclean, Strategic Director Learning, Skills and Economy & Cllr Laura Wright, Cabinet member for Education
									Work with schools and partners to better understand drivers of low attendance	Programmes such as Community Focused Schools (which focuses on the way in which families work with schools), Trauma Informed Schools and emotionally based school avoidance (EBSA) approaches have been implemented with schools to support attendance through engagement in. The Education Welfare Service are also working closely with schools and pupils.	
										Attendance in primary schools has improved to near pre-pandemic levels, secondary school attendance remains below pre-pandemic levels.	
9b	Potential risk that: An increase in behaviours that challenge in schools which may lead to harm to a pupil or member of staff	A Learning Place A Safe Place to Live	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (8)	Risk levels remain unchanged	Safeguarding , Health and Safety Averse	Treat	Support learners most at risk of repeat Fixed Term Exclusions or of Permanent exclusions through the Education Support Team (EST)	The Education Support Team has enabled those learners most at risk of repeat Fixed Term Exclusions (FTE) or of Permanent Exclusions (PEX) to receive support from specialist professionals. The Inclusion Panel has been reviewed to improve its operation and effectiveness. This has resulted in fewer permanent exclusions being upheld. The number of fixed term exclusions remains high.	Will Mclean, Strategic Director Learning, Skills and Economy & Cllr Laura Wright, Cabinet member for Education
									Implement the outcomes of the Pupil Referral Service review	The Pupil Referral Service (PRS) has been reviewed. This has helped to understand the current demand, while considering the future role and function of the PRS. The findings of this review will be implemented including increasing the capacity of the PRS to provide preventative intervention for pupils at risk of permanent exclusions and enhanced support for learners to reintegrate into mainstream having had a period of support in the PRS.	
Risks to policy priorities											

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
10	Potential risk that: Welsh Government/PEDW does not find the Replacement Local Development Plan (RLDP) sound or Council do not adopt the RLDP which restricts our ability to take forward key policy objective such as job creation, affordable housing development and the adoption of key policies to protect the environment and tackle climate change	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (8)	Risk levels remain unchanged	Governance, strategic Minimalist	Tolerate	Prepare a Replacement Local Development Plan to address the county's issues/challenges, including in relation to the provision of housing (market and affordable) and employment opportunities	This Deposit Replacement Local Development Plan was approved by Council in October 2025. The Deposit Plan sets the ambition for development within the county. The Deposit Plan will now be subject to public examination from Welsh Government and Planning and Environment Decisions Wales (PEDW).	Craig O'Connor, Chief Officer Place & Cllr Paul Griffiths, Cabinet member for Planning and Economic Development
11a	Potential risk that: The council is unable to deliver its commitment to decarbonise its operations in sufficient time to achieve net zero by 2030 because our resources are not commensurate with the scale and complexity of the challenge	All	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (9)	Risk levels remain unchanged	Strategic, Environmental, Service Delivery Minimalist	Tolerate	Deliver the Monmouthshire County Council Climate and Nature Emergency Strategy	The Climate and Nature Emergency Strategy is underpinned by four action plans, including a decarbonisation action plan. Progress in implementing the strategy is regularly monitored by the Climate and Nature Emergency Steering Group.	Debra Hill-Howells, Chief Officer Infrastructure & Cllr Catrin Maby, Cabinet member for Climate Change and the Environment
									Develop a Decarbonisation Strategy for the council's estate	A costed decarbonisation plan for the council's estate has been finalised. This sets out the steps the council will need to take to decarbonise its estate along with the estimated cost. The findings of this plan will be used to inform a decarbonisation strategy for the organisation. Implementing the ambition of the strategy will be challenging without significant investment.	
11b	Potential risk that: The Council is unable to deliver services as a result of the increasing frequency of climate-related emergencies such as floods or extreme heatwaves that increase the demand for emergency responses and can cause damage to infrastructure and the closure of facilities	All	2025/26 – High (16) 2026/27 – High (16) 2027/28 – High (16)	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	Medium (8)	Risk levels remain unchanged	Environmental, Service Delivery Minimalist	Treat	Prepare and adapt for the impact of climate change	Welsh Government has produced The National Strategy for Flood and Coastal Erosion Risk Management in Wales, and in response, the council has reviewed its Local Flood Risk Management Strategy and Flood Risk Management Plan; a new combined strategy document has been developed and published for public consultation. Much of the work to coordinate emergency responses is organised through the Gwent Local Resilience Forum (LRF). The council continues to work with partners on the LRF to make sure that we are prepared for severe weather events.	Strategic Leadership Team & Cllr Catrin Maby, Cabinet member for Climate Change and the Environment
12	Potential risk that: Residents are unable to secure or retain suitable accommodation, leading to rising homelessness and outward migration as a result of failures in the housing market	A Safe Place to Live A Fair Place to Live	2025/26 – High (12) 2026/27 – High (12) 2027/28 – High (12)	2025/26 – Medium (8) 2026/27 – Medium (8) 2027/28 – Medium (8)	Low (4)	Risk levels remain unchanged	Service delivery Minimalist	Treat	Prevent homelessness through Rapid Rehousing	Through Rapid Rehousing the council has facilitated increased resources into homeless prevention, for example through additional staffing and the availability of the Homeless Prevention Fund. New arrangements have been established with partner agencies such as the DWP and Shared Benefit Service to support more people at risk of	Jane Rodgers, Strategic Director Social Care and Health, Matthew Gatehouse, Chief Officer People,

Ref	Potential risk that:	Council objective impacted	Risk Level (score) – Pre mitigation	Risk Level (score) – Post mitigation	Target Risk Score	Changes to risk level/score	Risk category and appetite level	Transfer /treat /tolerate /terminate	Planned mitigating actions	Mitigating action progress	Risk owned by:
										homelessness. The Housing Support service has been remodelled to include dedicated substance misuse support, temporary accommodation support and re-settlement support. This also includes dedicated support for young people with higher need.	Performance and Partnerships & Cllr Sara Burch Cabinet member for Rural Affairs, Housing & Tourism and Cllr Angela Sandles, Cabinet member for Equalities and Engagement
									Develop suitable accommodation for homeless people, including long-term housing for all those accommodated in temporary housing and specialist provision for those with additional needs	The availability of both temporary and settled homes for homeless households is being increased through a range of means including partnerships with private landlords through Monmouthshire Lettings and more homes through new build developments and acquisitions. Accommodation has started to be acquired for temporary accommodation use, and one property has been opened.	

Appendix 4 – Risk Radar

In line with Strategic Risk Management Policy, the Council has developed a risk radar. The radar outlines some of the potential risks that Monmouthshire may face over the coming years. This report draws on national and global emerging risks identified in a range of horizon scanning reports, including most prominently the World Economic Forum (WEF) global risks report, UK Government’s National Risk Register and Welsh Government’s Future Trends Report. Evidence from this will help inform risk management by highlighting the key uncertainties and challenges that may affect our organisation's objectives and operations. Consideration will be given to the annual Risk Radar Report when identifying and managing strategic risks and in the Council’s wider service planning.

A range of evidence is collated to inform the radar. An overview of risks identified on the radar can be seen below. Risks have been categorised by a main factor and timescale, some will impact across multiple factor categories and varying timescales.



Appendix 5: Strategic Risk Management – Summary

Risk Management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them or responding to them. Strategic risks are those which affect the Council as a whole. Typically these will be key risks which could significantly jeopardise the Council's ability to achieve its objectives, statutory plans and/or provide operational services as planned.

The Council is committed to the effective management of risk. As a large public sector organisation, it is exposed to a wide range of risks and threats in delivering key services to communities. Within the Council the purpose of risk management is to:

- preserve and protect the Council's assets, reputation and staff
- promote corporate governance and aid good management in controlling and managing risks
- support successful delivery of strategic aims, objectives and outcomes
- improve business performance and better anticipate calculated risks where these are likely in delivering improvements
- avoid unnecessary liabilities, costs and failures

The Council seeks to ensure that risk management is effective from strategic to individual services and employees. Therefore, all employees and councillors are responsible for ensuring there are good levels of internal control and risk management throughout the Council in order that the Council's specified outcomes are achieved.

The Council uses a 'traffic light' system of Red/Amber/Green associated with High/Medium/Low to categorise risk levels. This is determined using the risk matrix below.

High risk	The risk is highly likely to occur and the impact will be major. Management action/control evaluation and improvement is required coupled with continued pro-active monitoring
Medium risk	The risk is unlikely to result in a major issue, however, if it did the impact would be significant or serious . This risk is relatively less significant than a High risk however it needs to be closely monitored within timely management action/controls to ensure it does not escalate.
Low risk	The risk is very unlikely to occur and the impact will be minor or moderate at worst. Risk will be managed by seeking control improvements where practical and / or monitoring and reviewing at regular intervals

Alongside risk levels, risks are given a score. Scores of 1-4 are low risks, scores of 6-9 are medium risks and scores 12-16 are high risk. Providing a score as well as a risk level allows the variations within risk levels to be more clearly stated.

Target risk scores are also used in risk assessments. These indicate the optimal risk score that could be achieved following successful mitigation, within the context of available resources. Some target risk scores may remain the same as post-mitigation risk scores; this indicates that risk scores are not able to be lowered further with available mitigation.

Major (4)	Low (4)	Medium (8)	High (12)	High (16)
Substantial (3)	Low (3)	Medium (6)	Medium (9)	High (12)
Moderate (2)	Low (2)	Low (4)	Medium (6)	Medium (8)
Minor (1)	Low (1)	Low (2)	Low (3)	Low (4)
	Unlikely (1)	Possible (2)	Likely (3)	Almost certain (4)

GOVERNANCE & AUDIT COMMITTEE WORK PROGRAMME 2025-26

1ST MAY 2025

Reports to be with Peter by – 7th April 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 10th April 2025
 Pre-meeting – 14th April 2025
 Finalised reports to Democratic Services – 17th April 2025
 Despatch by Democratic Services – 23rd April 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Self - assessment of Performance Management Arrangements Report	Richard Jones		✓			
Audit Wales Work Programme: Council Progress Update	Richard Jones		✓			
Internal Audit Plan 25/26	Jan Furtek				✓	
Implementation of Internal Audit agreed recommendations	Jan Furtek				✓	
Internal Audit Charter, Mandate and Strategy	Jan Furtek				✓	
Audit Wales Work Programme and Timetable quarterly update - March 2025	Steve Wyndham/Charlotte Owen					✓
Audit Wales Annual Audit Plan 2025 - 26	Steve Wyndham					✓

12TH JUNE 2025

Reports to be with Peter by – 23rd May 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 29th May 2025
 Pre-meeting – 2nd June 2025
 Finalised reports to Democratic Services – 3rd June 2025
 Despatch by Democratic Services – 4th June 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Effectiveness of Strategic Risk Management Framework	Richard Jones		✓			
Draft Freedom of Information (FOI) & Data Protection Act (DPA) Breaches & Data Subject Access Request (DSARs)	Sian Hayward		✓			
Internal Audit Annual Report 2024/25	Jan Furtek				✓	
SRS Annual Internal Audit Report – Torfaen CBC IA Team	Jan Furtek				✓	

2024/25 Treasury Outturn report	Jonathan Davies	✓				
Audit Wales Annual Audit Summary 2024	Audit Wales/Richard Jones		✓			✓
Audit Wales Counter Fraud Arrangements Review & Management Response	Audit Wales/Richard Jones		✓			✓
Whistleblowing Annual Report	Philippa Green	✓				✓

24TH JULY 2025

Reports to be with Peter by – 7th July 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 10th July 2025

Pre-meeting – 14th July 2025

Finalised reports to Democratic Services – 15th July 2025

Despatch by Democratic Services – 16th July 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Revenue & Capital MTFP update and process	Jon Davies	✓				
2025/6 Q1 - Treasury report	Jon Davies	✓				
Mon CC Draft Statement of Accounts 2024/25	Jon Davies	✓				
Draft Annual Governance Statement 2024/25	Jan Furtek				✓	
Draft Self-Assessment Report 2024/25	Richard Jones		✓			

11TH SEPTEMBER 2025

Reports to be with Peter by – 22nd August 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 28th August 2025

Pre-meeting – 1st September 2025

Finalised reports to Democratic Services – 2nd September 2025

Despatch by Democratic Services – 3rd September 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Internal Audit Quarterly progress report (Q1)	Jan Furtek				✓	
Governance & Audit Committee Annual report 2024/5	Chair – Andrew Blackmore		✓			

2024/25 Welsh Church Fund/Monmouthshire Farm School Endowment Trust Draft Statements of Accounts	Jon Davies	✓				
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30TH OCTOBER 2025 (MOVED FROM 16TH OCTOBER 2025)

Reports to be with Peter by – 10th October 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 16th October 2025

Pre-meeting – 20th October 2025

Finalised reports to Democratic Services – 21st October 2025

Despatch by Democratic Services – 22nd October 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
2024/25 MCC Statement of Accounts Final	Jon Davies	✓				
WAO Audit of Accounts Report	Steve Wyndham/Charlotte Owen					
Global Internal Audit Standards – Implementation and Self-Assessment	Jan Furtek				✓	
Health and Safety Annual Report	Kate Thompson		✓			
Anti-Fraud, Corruption & Bribery Policy Update	Jan Furtek				✓	
Call in of the Chief Officer for Social Care, Safeguarding and Accessible Health Services in response to the My Mates Internal Audit Report	Jan Furtek					
Audit Wales Report: National Fraud Initiative 2024/25 - Update for Monmouthshire County Council	Steve Wyndham		✓			✓
Internal Audit quarterly progress report (Q2)	Jan Furtek				✓	

27TH NOVEMBER 2025

Reports to be with Peter by – 10th November 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 13th November 2025

Pre-meeting – 17th November 2025

Finalised reports to Democratic Services – 18th November 2025

Despatch by Democratic Services – 19th November 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
25/26 Q2 Treasury report	Jon Davies	✓				

Whole Authority Annual Complaints Report	Annette Evans			✓		
The Ombudsmans's Annual Letter	Annette Evans			✓		
Annual Audit Plan 24-25 Welsh Church Funds						✓

Audit Wales report - Arrangements for commissioning services and council management response'

Richard Jones

Panel Performance Assessment: Purpose to provide the committee with an early overview of the arrangements being put in place as part of the council's Panel Performance Assessment	Matthew Gatehouse		✓			
Effectiveness of Strategic Risk Management Framework and summary of wider arrangements	Richard Jones		✓			

15TH JANUARY 2026

Reports to be with Peter by – 24th December 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – Wednesday 31st December 2025

Pre-meeting – 5th January 2026

Finalised reports to Democratic Services – 6th January 2026

Despatch by Democratic Services – 7th January 2026

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
2024/5 WCF/Mon Farm Statement of Accounts Final	Jon Davies	✓				
2026/27 Capital strategy & Treasury strategy	Jon Davies	✓				
Audit Wales Work Programme: Council Progress update	Richard Jones		✓			
Audit Grants report	Audit Wales					✓
National Fraud Initiative 2024/25 Exercise	Jan Furtek		✓			

26TH FEBRUARY 2026

Reports to be with Peter by – 9th February 2026

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 12th February 2026

Pre-meeting – 16th February 2026

Finalised reports to Democratic Services – 17th February 2026

Despatch by Democratic Services – 18th February 2026

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit

ISA260 for trust funds	Rachel Freitag/Jon Davies					✓
25/26 Q3 Treasury report	Jon Davies	✓				
Anti Fraud, Bribery & Corruption Risk Assessment	Jan Furtek				✓	
Internal Audit quarterly progress report (Q3)	Jan Furtek				✓	
Draft Internal Audit Plan 2025/26	Jan Furtek				✓	

16th APRIL 2026

Reports to be with Peter by – 24th March 2026

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 27th March 2025

Pre-meeting – 1st April

Finalised reports to Democratic Services – 4.00pm 8th April 2026

Despatch by Democratic Services – 8th April 2026

		Terms of reference category				
Report Title	Report Author	Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Review of the proposed update to the Council's constitution	James Williams - TBC		✓			.
Procurement Annual Report	Procurement/Ardal		✓			

4th JUNE 2026

Reports to be with Peter by

Reports to be with Wendy Barnard/Chair prior to pre-meeting

Pre-meeting

Finalised reports to Democratic Services

Despatch by Democratic Services

Report Title	Report Author	Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
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Public Document Pack Agenda Item 13

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held
at Council Chamber, County Hall, The Rhadyr USK on Thursday, 30th October, 2025 at
2.00 pm

PRESENT: A. Blackmore, (Chairman)
County Councillor Tony Easson, (Vice Chairman)

Lay Members: S. Davies, C. Prosser, R. Guest

County Councillor: John Crook, David Jones, Malcolm Lane,
Phil Murphy, Peter Strong and Ann Webb

OFFICERS IN ATTENDANCE:

Jan Furtek	Chief Internal Auditor
Jane Rodgers	Chief Officer for Social Care, Safeguarding and Health
Wendy Barnard	Democratic Services Officer
Jonathan Davies	Head of Finance/Section 151
Steve Wyndham	Audit Wales Officer
Jenny Jenkins	Head of Adult Services
Clare Morgan	All Age Disability and Mental Health
Kate Thompson	Corporate Health & Safety Manager
Nicholas Keyse	Head of Landlord Services
Julie Owens	Audit Wales Officer

APOLOGIES:

County Councillor Sara Burch

1. Declarations of Interest

None.

2. Public Open Forum

No members of the public were present.

3. To note the Action List from the previous meeting.

The action list from the previous meeting was noted.

<https://www.youtube.com/live/aVwKn1biO4s?si=mSyA8PNc-ZXVH605&t=50>

1. Completion rate of mandatory training for all staff on Anti Fraud, Bribery and Corruption: On the agenda for today's meeting [CLOSED]
2. My Mates - Request Chief Officer and Heads of Service to attend meeting: On the agenda for today's meeting. [CLOSED]

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held at Council Chamber, County Hall, The Rhadyr USK on Thursday, 30th October, 2025 at 2.00 pm

3. Global Internal Audit Standards: Satisfactory e mail response was sent to Colin Prosser by the Deputy Chief Executive. It was agreed that the Governance and Audit Committee should maintain an interest in the structures to support small and medium sized businesses in Monmouthshire in the procurement process, as they become available.
[CLOSED]

4. Call in of the Chief Officer for Social Care, Safeguarding and Accessible Health Services in response to the My Mates Internal Audit Report

The Chair noted that the Chief Officer for Social Care, Safeguarding and Accessible Health Services, the Head of Adult Services and All Age Disability and Mental Health Manager had been called in by the Committee to discuss the findings from the My Mates Internal Audit report which received an unfavourable opinion. The Committee wished to question how the situation had arisen and what is being done to address shortcomings. The Officers presented slides in response to the My Mates Internal Audit Report. Following the presentation, Committee Members were invited to ask questions:

<https://www.youtube.com/live/aVwKn1biO4s?si=nz7qQ7ost2YR6hoh&t=2029>

In line with the report recommendations Members of the Governance and Audit Committee accepted the explanations and assurances of the senior managers which will be confirmed by the follow up internal audit review.

5. Audit Wales Report: National Fraud Initiative 2024/25 - Update for Monmouthshire County Council

The Audit Wales Officer presented the Audit Wales briefing paper on the National Fraud Initiative. Following presentation of the report, Members were permitted to ask questions:

<https://www.youtube.com/live/aVwKn1biO4s?si=wqzG337VNruBHsD-&t=3494>

The briefing paper was noted.

6. MCC Counter Fraud Risk Assessment

The Chief Internal Auditor presented a report on MCC Counter Fraud Risk Assessment. Following presentation of the report, Members were invited to ask questions:

<https://www.youtube.com/live/aVwKn1biO4s?si=IE5hqhsIPEAwD8BQ&t=4070>

As contained in the report recommendations, the Governance and Audit Committee commented on and endorsed the Council's Counter Fraud, Corruption and Bribery Risk Assessment.

The Governance and Audit Committee will receive an updated report and assessment during the 2026/27 financial year (October 2026).

7. 2024/25 MCC Statement of Accounts Final

Items 7 and 8 were considered together. The Head of Finance presented the 2024/25 MCC Statement of Accounts (Final). In doing so, the work of the Finance Team was recognised, also

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held at Council Chamber, County Hall, The Rhadyr USK on Thursday, 30th October, 2025 at 2.00 pm

the co-operation between the Team and Audit Wales. Following presentation of the reports, Members were invited to ask questions.

<https://www.youtube.com/live/aVwKn1biO4s?si=MTH4YD3p1vE4xa2H&t=112>

As included in the report recommendations:

1. The committee noted that the statement of accounts provided have been amended since the draft version was published to reflect the outcomes of the external audit process, as detailed within the Audit Wales Audit of Accounts Report.
2. The Governance and Audit Committee approved the final audited Monmouthshire County Council Statement of Accounts for 2024/25.

The Committee authorised the Chair to sign the letter of representation for submission to the Auditor General for Wales.

8. WAO Audit of Accounts Report

Audit Wales Officers presented a report on the Audit of the Accounts. This item was considered at the same time as the previous item.

<https://www.youtube.com/live/aVwKn1biO4s?si=MTH4YD3p1vE4xa2H&t=112>

9. Global Internal Audit Standards - Implementation and Self-Assessment

The Chief Internal Auditor presented a report on Monmouthshire's Implementation and Self-Assessment in relation to the Global Internal Audit Standards. Following presentation of the report, Committee Members were invited to ask questions.

<https://www.youtube.com/live/aVwKn1biO4s?si=XQjZ5S4YevM-BWqJ>

As per the report recommendations the Governance & Audit Committee noted the self-assessment and the action plan to ensure full compliance. The Governance & Audit Committee will receive an update report in 6 months.

[ACTION] The Chief Internal Auditor to have a discussion with the Deputy Chief Executive and other officers as appropriate to ensure that there is sufficient budget available to confirm that all staff achieve a sufficient level of professional competence.

10. Health and Safety Annual Report

The Corporate Health and Safety Manager presented the Annual Health and Safety Report. Following presentation of the report, Members were invited to ask questions:

https://www.youtube.com/live/aVwKn1biO4s?si=TZtINpOebYSL9w_5&t=5523

In line with the report recommendations, the Governance and Audit Committee considered the Annual Health and Safety Report and provided feedback to inform future reports.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held at Council Chamber, County Hall, The Rhadyr USK on Thursday, 30th October, 2025 at 2.00 pm

The Committee acknowledged the health and safety risk register and mitigating actions included as an Appendix to the Annual Health and Safety Report.

The Committee endorsed the health and safety priorities identified for 2025/26 which will strengthen the Council's health and safety management framework.

11. Internal Audit quarterly progress report (Q2)

The Chief Internal Auditor presented the Internal Audit Quarterly Progress Report (Q2). The Head of Landlord Services was in attendance to answer some questions regarding Health & Safety Building Compliance – Limited Assurance. Following presentation of the report, Members asked questions. :

<https://www.youtube.com/live/aVwKn1biO4s?si=nBFFl0v7tTqi2Bis&t=7009>

As in the report recommendations, The Committee noted the audit opinions issued and noted the progress made by the Section towards meeting the 2025/26 Operational Audit Plan and the Section's performance indicators at the 6-month stage of the financial year which are currently meeting the profiled target.

12. Governance and Audit Committee Forward Work Plan

The Forward Work Plan was noted.

13. To approve the minutes of the previous meeting

The minutes of the previous meeting were approved as an accurate record.

14. Date of Next Meeting: 27th November 2025

Meeting ended at 4.07 pm