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Dear Paul

### **Recovery planning – Assurance and Risk Assessment feedback**

I hope this letter finds you safe and well in these particularly challenging times.

I thought it might be useful to write to you at this point to summarise the progress that we have made to date with our Recovery planning – Assurance and Risk Assessment project, and to give you some feedback to inform your ongoing recovery work.

During the early summer we engaged with officers to see how we could best work with Councils to focus our work on your learning from the first wave of the pandemic. Through document reviews, meetings with officers, and observation of a library service meeting we have gained insight into some of the steps the Council has been taking to reopen services, respond to the ongoing challenges of the pandemic and plan for the future. In our conversations with officers, we have become aware of their high level of understanding of the impact of the pandemic on local communities.

We are committed to sharing learning and feedback in real time, and as such have already shared relevant learning points from our meeting observation. We're also sharing the learning we hear about through our Covid-19 learning project which you may have already picked up on through our tweets, blogs and Covid Learning digest emails. We've highlighted a number of practice examples from the Council's approach including:

- The Council's COVID-19 data dashboard.
- Examples of the services Monmouthshire's libraries have been providing throughout the pandemic.
- Your work to help the mental health of the county's communities during lockdown.

- The changes you made to the management of open public spaces during lockdown which helped support biodiversity.

Since early July, we have started our recovery planning project focussing on the question: **‘Are recovery processes planned and delivered with proper regard for economy, efficiency and effectiveness and are they being done in accordance with the sustainable development principle?’**.

We recognise that recovery from the COVID-19 pandemic will be a long and more complex process than some other emergencies, such as flooding, which are more timebound and linear in their nature. The COVID recovery phase will, to a large extent, have to run alongside a continuing response phase with priorities being reassessed continuously as a result. The key challenge of recovery for all public bodies in Wales is to build back better in a sustainable way.

We are providing the feedback in this letter with a view to supporting your recovery processes in real time, focussing on economy, efficiency, and effectiveness and taking account of the sustainable development principle. In this spirit, we have summarised our key thoughts and findings to date, as well as some key areas you may wish to consider going forward.

## **Response and recovery structures**

We identified the following strengths:

- The Council moved quickly to develop, agree and implement a revised set of strategic aims in May 2020 in response to the COVID-19 pandemic. The Coronavirus Strategy on a page clearly and succinctly sets out the Council’s priorities in responding to the pandemic.
- In early July 2020, the Council updated its strategic aims in a new ‘Transition’ Strategy. Following the format of the Coronavirus Strategy, the new strategy sets out revised aims and actions to support local residents and businesses to emerge from the national lockdown.
- The Council published a further Winter Strategy in December 2020.
- The Council has been very clear that a Recovery Strategy will follow, but only once the Council is confident that COVID-19 is manageable into the medium term. Until then its priorities, as set out in the Transition and Winter Strategies, aim to seek a balance between protecting lives, maintaining services and rebuilding the local economy. This is a prudent approach which will help the Council to manage its role in the pandemic in both the short and medium term.
- The Council’s data dashboard enables officers and elected members to access information on the latest trends of COVID-19 incidences within Monmouthshire and surrounding areas.
- A COVID-19 Coordinating Group provides oversight of the emergency response and assesses COVID-related risks. The Council initially

developed a COVID-specific risk register, but risks have now been incorporated into the strategic risk register or service business plans, as appropriate. These are monitored using the Council's existing risk management arrangements. Cabinet also receive regular updates on risk management arrangements in relation to COVID-19.

- The Council is playing an active role within the Gwent Recovery Co-ordinating Group. This regional approach of councils working with other public services within the region is enhancing synergies and co-ordinating services across the region.

Areas for consideration going forward:

- When the Council produces its Recovery Strategy, it may be helpful to set out how it links strategically to other local, regional and national recovery processes.
- It will also be important for the Council to actively demonstrate the consideration of the Sustainable Development principle throughout the recovery process.

## **Reshaping services**

We identified the following strengths:

- Our observation of a meeting to discuss the next steps for the library service demonstrated that the Council has a well-constructed and considered approach to service reintroduction.
- Where possible, the Council has used digital technology to help it safely open up access to services. For example, a booking system for household waste recycling sites and e-book provision and click and collect services for libraries.
- The Council has also demonstrated examples of using learning from delivering services differently during the pandemic to shape future service delivery. For example, Cabinet recently agreed to continue using the HWRC booking system long term following its success to safely manage visitor numbers. The Council is also considering how reduced levels of grounds maintenance has enhanced biodiversity in the county's open spaces and what learning can be taken forward from this.
- We fully recognise the considerable efforts made by all Council staff to maintain essential services in the initial period of the pandemic and have heard of the flexibility and commitment shown by redeployed staff.
- The pandemic prompted many residents to help out in their communities and the Council has been proactive in mobilising these volunteers. It set up a Community Action Volunteer Team (CAVT) to coordinate those offering help with people in need of support. It is also positive to see that the

Council is exploring how it can continue to engage with and draw on the help of these volunteers going forwards.

- The Council has also worked closely with businesses to safely reopen town centres following the end of lockdown. This included widening pavements and changing traffic flows to improve safety and enable social distancing. The Council is currently reviewing these arrangements, taking into account the views of residents and business owners, and amending where appropriate. The Council also actively promoted the Shop Local, Shop Monmouthshire campaign to encourage residents to support their local businesses.

Area for consideration going forward:

- The Council may wish to explore how the pandemic may provide further opportunities to innovate and drive longer term changes to service delivery to better meet the economic, social and environmental needs of the local area.

## **Financial sustainability**

We identified the following strengths:

- The Council has demonstrated a clear and consistent understanding of the financial impact of COVID-19 on its 2020-21 budget and income streams and has regularly reported those impacts to Cabinet.
- In response to the significant financial challenges this year, the Council has also increased the frequency of its budget monitoring reports. As a result, Cabinet will receive additional reports on the financial position at months 7 and 9.

Areas for consideration going forward:

- Budget monitoring reports do not detail how much Welsh Government COVID-related funding has already been agreed and what is expected for the remainder of the year. The Council should consider including this information so elected members can see the amounts already agreed and the estimated extent of any potential shortfall that will need to be funded from reserves.
- The Council has a history of successfully managing in-year budget deficits and plans to address its true cost pressure (i.e. excluding COVID-related costs and income losses) of £1.23m in 2020/21 through cost reductions, stopping non-essential expenditure, and funding eligible expenditure from capital receipts. However, developing balanced budgets for 2021-22 and

beyond will be increasingly challenging given the additional uncertainty over future pandemic related costs and income losses, and the extent to which these may or may not be covered by Welsh Government funding beyond March 2021.

- The Council's low levels of useable reserves will make the financial challenge of COVID-19 more difficult to manage if they are needed to meet additional costs or supplement income losses caused by the pandemic in future. At the end of 2019-20, the Council had £15.2m of useable reserves. This equates to 9% of the Council's net cost of services, which is amongst the lowest in Wales. Plans to use reserves to fund any impact of COVID-19 will further deplete reserve levels.
- We would welcome the opportunity to observe the budget development process.

### **Impact on staff**

We identified the following strengths:

- The Council has established a number of initiatives to support staff well-being. These include a portal where staff can access information on a range of relevant topics, an informal group where staff can discuss issues and concerns with colleagues, and a more formal Health and Welfare Group to address staff welfare issues.
- The Council has also strived to communicate with staff and keep them connected while the majority work remotely. For example, a weekly Digital 'cwtch' allows staff to meet regularly to receive updates, ask questions and discuss topics of concern. The Council also set up nearly 700 IT accounts for staff who didn't already have them so they could access the latest information and be kept up to date.
- The Council's strategic collaboration with the Shared Resource Service is reported to be effectively supporting remote working.
- Recognising that some staff were struggling to work from home, in July the Council reopened County Hall to staff, using a booking system to restrict numbers and ensure social distancing.
- The Council is currently evaluating its future office requirements as part of its 'Changing Spaces' project. Although the council was already consolidating its office space prior to the pandemic, the Council recognises that the shift to remote working presents further opportunities to consider how and where its staff will work in the future.
- The Council has already surveyed staff about the impact of home working arrangements.

Areas for consideration going forward:

- The Council may wish to continue to regularly engage formally with staff to understand how to continue to support staff well-being as the challenges presented by COVID-19 continue and evolve.

## **Return to democratic arrangements**

We identified the following strengths:

- The Council's transition to virtual decision-making and committee meetings was fast and well managed, allowing it to return to the full democratic decision-making process earlier than many other councils in Wales. The committee programme was initially suspended at the end of March 2020 due to the national lockdown. By July, all meetings had been reinstated and were being live broadcast. The Council benefitted from already having some of the required infrastructure in place and the constitution had previously been amended to enable remote attendance at meetings. Members received support on using MS Teams so they could participate in the remote meetings.
- Our observations of a selection of meetings found that:
  - the technology works well;
  - many elected members are sufficiently competent with the software to contribute fully at meetings; and
  - chairs are, on the whole, responding well to the challenges of chairing virtual meetings.
- The Council has actively responded to member feedback and, in September 2020, began operating hybrid committee meetings. Participants can now choose to attend committee meetings either in the Council chamber or remotely. The benefits of the hybrid model extend beyond the pandemic and will help make democracy and attendance at all meetings (both internal and public) more accessible to all.

Areas for consideration going forward:

- We noted that some elected members would benefit from refresher training on using MS Teams.
- Select Committees may wish to consider how they will scrutinise the Council's progress against the aims and actions set out in the 'plan on a page' strategies.

I hope that this summary of our work to date is useful to you and would be happy to discuss with you and receive any feedback from you to inform any future

summaries. We look forward to continuing to work with you during 2021 and would welcome further opportunities to work alongside you in real time.

Yours sincerely

Charlotte Owen  
Audit Lead

cc Gareth Lucey and Non Jenkins  
Audit Managers